MISHRA DHATU NIGAM LIMITED

(A Govt. of India Enterprise)
P.O. Kanchanbagh, Hyderabad – 500058, India
Phone: 040-2434001 (10 lines), 24184334/24184449, Fax: 040-24340764
Email ID: karavind@midhani-india.in, rajkumar@midhani-india.in
Website: www.midhani-india.in

Item Description: **PROCUREMENT OF BAND SAW BLADES**

Tender Reference **MDN/PUR/BSB/MUI/03/19-20**

CRITICAL DATES:

Receipt of Tender on or before	: 3rd Sep 2019	@ 10:30 Hrs	IST
Opening of Tender Date	: 3rd Sep 2019	@ 11:00 Hrs	IST

List of Tender documents:

We have pleasure in enclosing the following documents for the above stores and would invite you to submit your best offer. The following documents shall constitute the tender.

Sl. No	Contents	Annexure
1.	Technical Specification	Annex – I
2	Special Terms and Condition	Annex – II
3	Pre-contract Integrity Pact (IP)	Annex – III

For Technical Clarification- Please Contact: Mr. Sanjeev Khurana Ph:040-2418 4258
Email ID: skhurana@midhani-india.in , Ph. 7337364286

Submission Of Tender:
Tenders shall be sent by registered post or put in personally in the sealed Tender Box located at the Corporate Security Gate of MIDHANI. The Tender cover shall superscribe our Tender Number and due date.

For Mishra Dhatu Nigam Limited

K. Raj Kumar
DGM (Materials)

Annexure-I

Techncial Specification

SL.NO	CODE	SIZE OF BAND SAW BLADES	MAKES	ANNUAL REQUIREMENT
1	CT63-200-00366	6900 X54X1.6 2/3 TPI CTB	Bahco/ Bipico/Amada/ Wikus/Starrett/Morse	120
2	HT63-100-00205	6900 X 54 X 1.6 2/3 TPI M42	Bahco/ Amada/ Wikus/ Starrett/Morse	110
3	CT63-200-00767	4700X41X1.3X2/3 TPI CTB	Bahco/ Bipico/Amada/ Wikus/Starrett/Morse	60
4	HT63-100-00201	4700 X 41X1.3 X 3/4 TPI CTB	Bahco/ Bipico/Amada/ Wikus/Starrett/Morse	90
5	HT63-100-00200	4700 X 41 X1.3 X3/4 TPI M42	Bahco/ Amada/ Wikus/ Starrett/Morse	120
6	CT63-200-00330	5800 X 41 X 1.3, 3TPI OR 2/3 TPI CTB	Bahco/ Bipico/Amada/ Wikus/Starrett/Morse	520
7	CT63-200-00329	5800 X 41 X 1.3, 3TPI OR 2/3 M42	Bahco/ Amada/ Wikus/ Starrett/Morse	590
8	HT63-100-00204	5800 X 41 X 1.3, 3/4 TPI M42	Bahco/ Amada/ Wikus/ Starrett/Morse	40
9	HT63-200-00373	4860X41X1.3X2/3X TPI CTB	Bahco/ Bipico/Amada/ Wikus/Starrett/Morse	130
10	HT63-100-00202	4860 X41 X1.3 X2/3 TPI M42	Bahco/ Amada/ Wikus/ Starrett/Morse	80
11	HT63-200-00374	4860 X 41 X 1.3 X 4/6 TPI M42	Bahco/ Amada/ Wikus/ Starrett/Morse	40
12	CT63-200-00269	4570 X 34 X 1.1 X 2/3 TPI CTB	Bahco/ Bipico/Amada/ Wikus/Starrett/Morse	280
13	CT63-200-00273	4570 X 34 X 1.1 X 2/3 TPI M42	Bahco/ Amada/ Wikus/ Starrett/Morse	256
14	CT63-200-00312	8800 X 67 X 1.6 X 1.4 /2 TPI CTB	Bahco/ Bipico/Amada/ Wikus/Starrett/Morse	480
15	CT63-200-00311	8800 X 67 X 1.6 X 1.4 /2 TPI M42	Bahco/ Amada/ Wikus/ Starrett/Morse	560
16	CT63-200-00363	8000X67X1.6X1.4/2 TPI CTB	Bahco/ Bipico/Amada/ Wikus/Starrett/Morse	120
17	CT63-200-00362	8000 X 67 X 1.6 X 1.4/2 TPI M42	Bahco/ Amada/ Wikus/ Starrett/Morse	120
18	CI63-200-00766	13900 X 67 X 1.6 – 0.71 /1 TPI CTB	Bahco/ Bipico/Amada/ Wikus/Starrett/Morse	150
19	CT63-200-00399	5300X 41 X 1.3 X 2/3 TPI CTB	Bahco/ Bipico/Amada/ Wikus/Starrett/Morse	180
20	HT63-200-00378	5300X 41 X 1.3 X 2/3 TPI M42	Bahco/ Amada/ Wikus/ Starrett/Morse	180
21	HT63-200-00371	3000 X 27 X 0.9 X 2/3 TPI CTB	Bahco/ Bipico/Amada/ Wikus/Starrett/Morse	75
22	HT63-200-00370	3000 X 27X 0.9X 2/3 TPI M42	Bahco/ Amada/ Wikus/ Starrett/Morse	100
23	CT63-200-00774	4100 X 34 X 1.1 THK 3/4 TPI CTB	Bahco/ Bipico/Amada/ Wikus/Starrett/Morse	40
24	CT63-200-00773	4100 X 34 X 1.1 THK 3/4 TPI M42	Bahco/ Amada/ Wikus/ Starrett/Morse	50

Annexure-II

SPECIAL TERMS AND CONDITIONS

1. Techno Commercial bids are invited from interested Bidders against this open tender notice.
2. The list of stores with detailed specifications and approximate annual demand is given in this tender notice. Quantities indicated are indicative and actual quantities to be procured may vary.
3. The detailed techno commercial terms and conditions are mentioned in this tender.
4. **Only Techno commercial bids (No price bids) shall be submitted against this tender**. As a token of confirmation, all pages of the tender set duly signed with seal, need to be enclosed along with your offer.
5. Offers received on tender opening date shall be opened and processed for techno commercial evaluation. Wherever required, MIDHANI may seek clarifications from participating bidders.
6. Once the process of techno commercial evaluation is complete, MIDHANI shall issue letter of acceptance to all bidders whose offers are accepted, authorizing them to be eligible for participating in all the future price discovery cycles of such items, for a period of one year.
7. MIDHANI shall inform unsuccessful bidders also indicating the reasons for rejecting their offers.
8. The techno commercial bids shall be valid for a period of 15 months from the date of Tender Opening.
9. During the next one year period, as and when and requirement for these items arises, MIDHANI shall issue Tender enquiry to such qualified bidders for price discovery, indicating there in the

a) Item wise quantity b) Delivery schedule c) EMD amount etc.

This communication shall also indicate if multiple sources are required to execute this requirement. Bidders shall be required to submit offers within 10 days with validity of 30 days.

10. Once the bidder submits EMD and Off-Line Sealed Bid / Online Sealed Bid (OLSB), it shall be construed that quantity tendered and delivery schedule notified, are both acceptable.

11. Participation of price discovery process shall mean that quantity tendered and delivery schedule has been agreed to. Thereafter, Reverse auction process shall be carried out (If Applicable).

12. It shall be obligatory on part of all techno-commercially accepted vendors to participate in all procurement cycles during the one-year period. Non-participation may entail barring in subsequent cycles

13. Thus, same or similar items may have multiple price discovery cycles in a period of one year depending on actual requirement.

14. The techno commercial bids shall be valid for a period of 15 months from the date of this Tender Opening.

15. Pre-Contract Integrity Pact as per enclosed format shall be submitted along with the techno-commercial offer.

16. In case of failure to execute the PO, Risk Purchase action shall be initiated for such un-executed quantities, by resorting to Off-Line Sealed Bid / OLSB with (Reverse auction Process) RAP amongst the balance acceptable bidders. In the absence of sufficient bidders, MIDHANI may resort to other modes of tender. Such a defaulting vendor shall not be allowed to participate in the subsequent procurement cycles. The Security Deposit shall stand forfeited.

17. Even after the Techno Commercial bids are frozen and one or more procurement cycles completed, there may be some new bidder who may want to participate now, but could not participate at the initial stage due to lack of information. Such bidders shall be afforded an opportunity to submit techno-commercial bids and in case the same are acceptable, they shall be eligible to participate in the price discovery of remaining procurement cycles of the total one year period.

GENERAL TERMS AND CONDITIONS FOR INDEGENOUS SOURCES

1. **DEFINITIONS:**

   PURCHASER:
   The term "Purchaser" as used herein shall mean Mishra Dhatu Nigam Limited, incorporated under the Companies Act, 1956, and having its registered office at P.O. Kanchanbagh, Hyderabad - 500 058, India, and shall include its successors and assigns.

   TENDERER:
   The term "Tenderer" shall mean the person, firm or corporation submitting a tender against the Invitation to tender and shall include his/its heirs, executors, administrators, legal representatives, successors and assigns.

2. Any Order resulting from this invitation to tender shall be governed by our General Terms and Conditions of Contract and the supplier quoting against this enquiry Shall be deemed / to have read and understood the same.

3. Where counter terms and conditions have been offered by the Tenderer, the purchaser shall not be governed by these unless specific acceptances have been given in writing in the order by the Purchaser

4. The offer should be complete in all respects. Full particulars and descriptive literature and drawings should be forwarded along with the quotation. The make of the items offered should be clearly specified. Materials should be offered strictly confirming to our specifications. The deviations if any, should be clearly indicated in the quotation. Test certificates must be produced, wherever required where stipulated samples should be forwarded along with the quotation. Material confirming to IS will be preferred.

5. PRICE (Not to be quoted now): The prices must be in unit shown, inclusive of packing, forwarding, insurance, Octroi duty and delivery charges and should be on FOR destination basis. Offers from local suppliers should be for free delivery at our stores

6. TAXES: The Tenderer shall indicate their GST Registration Number in the quotation with HSN code and applicable rate.

7. DELIVERY: Preference will be given to ex-stock offer. Suppliers submitting offer on forward, delivery basis must indicate the earliest guaranteed delivery date by which the material will be dispatched/ delivered free at our stores from the date of receipt of order. Offers indicating terms such as 'EX-Stock' subject to prior sale, goods remaining unsold as early as possible will not be entertained. The date after the third day of issue or the order will be considered as the date of receipt of the order.

8. **RIGHT OF ACCEPTANCE: The purchaser does not bind himself to accept the lowest or any other tender and reserves the right of accepting the whole or any part of the tender or portion of the quantity offered. Within a period of six months from the date of completion of the order, the**

Purchaser further reserves the right to place order on the successful tenderer for an additional up to 100% of the original ordered quantity.

9. TERMS OF PAYMENT: Payment of all the bills will be made within a period of 30 days from the date of receipt and acceptance of the material at site.

10. INSPECTION: The Purchaser reserves the right to get the Stores inspected before commencement of supplier/ or on arrival at our factory by an inspecting officer authorized by the Purchaser. The Tenderer should be in a position show and/ or send samples of material on demand.

11. PACKING: The stores should be securely packed and properly marked to avoid loss or damage in transit by Rail /Road /Air.

12. **TO RECOVER LIQUIDATED DAMAGES: In the event of unsatisfactory delayed or non supply of materials, the supplier shall be liable to pay by way of liquidated damages at the rate of 1% of the total contract price per week or part there of subject to a maximum of 10% of the contract price without prejudice to the right of the purchaser to take any other action. The amount shall also be recoverable from any other contract on account of the supplier.**

13. RISK PURCHASE: The supply of all items must be completed satisfactory and within the specified period in the order failing which, the Purchaser reserves the right to purchase stores from other sources at the suppliers cost and risk.

14. GUARANTEE: The supplier shall guarantee the store supplied in respect of good design, quality and workmanships for a period of 12 months from the commissioning or 18 months from the date of supply whichever is earlier.

15. In case the item offered is covered by DGS & D Rae Contract, the rate should be as per R/C and a copy of R/C should be enclosed with the offer.

16. Earnest Money Deposit (EMD)- **[APPLICABLE AT PRICE DISCOVEY STAGE]:** Tenderer/Bidder are required to furnish EMD of amount specified in tender (NIT) Through Online or in the form Bank Guarantee (BG) is acceptable.
    All Bidders are requested to Submit the "EMD & Security Deposit "online through the below Link: http://ebs.in/midhani/public/ **(or)**
    Visit Midhani website http://www.midhani-india.in > Purchase > Tenders > TENDER FEE, EMD FEE(EARNEST MONEY DEPOSIT) AND SECURITY DEPOSIT - ONLINE PAYMENT

In case of EMD/SD in the form of Bank Guarantee(BG), bidder shall submit BG as per format in the tender document.

i. In Indian Currency – from a Nationalized Bank or Scheduled Bank encashable in India.
ii. In Foreign Currency – from SBI, Frankfurt/ SBI, New York / any Nationalized Bank or Scheduled Bank encashable in India.
iii. EMD Bank guarantee shall be valid for a period of 90 days.
iv. Security Deposit Bank guarantee shall be valid till material is received and accepted at Midhani.

EMD Exemption:

(I) As per Public Procurement Policy(PPP) for Micro & Small Enterprises (MSEs) order,2012 vide Gazette notification dated 23.03.2012 by Ministry of Micro, Small and Medium Enterprises of Govt of India, the following benefits will be extended to the MSEs.

EMD is exempted for Micro & Small Enterprises(MSEs) registered with DIC/NSIC/KVIC/Udyog Aadhar Memorandum (UAM)issued by MoMSME or any other body specified by Ministry of MSME.

Purchase Preference: The following Purchase preference procedure is followed as per Ministry guidelines for award of quantity/order

Type of Tender	Price quoted by MSE	Finalization of tender
(i) If tender can be split	L-1	Full order on MSE
(ii)If tender can be Split	Not L-1 but with in L1+15%	20% order on MSE subject to matching with L-1 price
(iii)If tender cannot be split	L-1	Full order on MSE
(iv)If tender cannot be split	Not L-1 but within L-1 +15%	Full order on MSE subject to matching with L-1 Price

Note:

(i) In case more than one MSE enterprise quotes same price, the supply/order shall shared proportionally (to tender quantity) if tender can be split.

(ii)If the MSE who have quoted lowest rate among the MSEs in the price band of L-1 + 15% do not agree to match the rate of L-1 of the tender, then the next ranked MSE bidder who has quoted within the price band of L1+15% in order shall be given chance to match the rate of L-1 for award of the quantity/order.

(ii) All Central PSU's & Government departments / Authorities as well as Original Raw Material Manufacturers may be exempt from submission of EMD in all tenders.

17. **Security Deposit (SD)** [**APPLICABLE AT PRICE DISCOVEY STAGE**]**:** The successful tenderer/Bidder shall be required to furnish SD as specified in tender (NIT) within 21 days from the date of Purchase Order. In case SD is not submitted within 21 days from the date of Purchase Order, interest @ 12% p.a. shall be levied for the period of delay beyond 21 days.

Even in the case of EMD exemption for eligible parties, Security Deposit to be submitted if PO is placed. Security Deposit shall be refundable after material is received and accepted.

SD Exemption: All Central PSU and Govt. departments may be exempt from submission of SD in all tenders.

18. MAKE IN INDIA: [**APPLICABLE AT PRICE DISCOVEY STAGE**]

Purchase Preference under 'Make in India' Programme as per below mentioned Order and Notifications (For estimated value > 5 lakhs) shall be provided to all Local suppliers:

A. Public Procurement (Preference to Make in India) Order – 2017 dated 15/06/2017.

Local supplier means a supplier or service provider whose product (Goods, services, as also works) offered for procurement meets the minimum local content as prescribed under the above mentioned order or by competent Ministries/Departments in pursuance of this order.

Local content means the amount of value added in India which shall, unless otherwise prescribed by the nodal Ministry, be the total value of the item procured (Excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of total value in content.

Minimum local content shall ordinarily be 50%. The nodal ministry may prescribe a higher or lower percentage in respect of any particular item and may prescribe the manner of calculation of local content.
The local supplier at the time of tender, bidding or solicitation shall be required to provide self certification that the item offered meets the minimum local content and shall give details of the location(s) at which the local value addition is made.
In cases of procurement of value in excess of 10 Crores, the local supplier shall be required to provide a certificate from the statutory auditor or cost auditor of the company (In case of companies) or from a practicing cost accountant or practicing charted accountant (in respect of suppliers other than companies) giving the percentage of local content.
For details please visit the following website link.

https://dipp.gov.in/sites/default/files/Revised-PPP-MII-Order-2017_28052018.pdf

B. DDP Notification No. 59011/8/2015-D(HAL-II) issued on different dates mentioning list of Items with minimum specific local content etc for consideration as local supplier in pursuance of above mentioned order.

19 ADDENDA TO TENDER DOCUMENTS:

The Purchaser reserves the rights to issue addenda to the tender documents to clarify, modify, supplement or delete any of the condition, clauses or items stated in the tender documents issued with this Invitation to Tender. Each addendum issued will be uploaded on MIDHANI website.

20. NO CLAIM OR COMPENSATION FOR SUBMISSION OF TENDER:

The tenderers whose tenders are not accepted shall not be entitled to claim any costs, charges and expenses of the tender, incidental to or incurred by them, through or in connection with their submission of tenders even though the Purchaser may elect to withdraw the invitation to tender.

21. LOWEST TENDER NOT NECESSARY TO BE ACCEPTED:

The Purchaser is not bound to accept the lowest or any tender or to assign reasons for its non-acceptance. The Purchaser also reserves the right to accept the tender either in whole or in part.

22. PRICE NEGOTIATIONS:

Price negotiations as such shall not be held, except in the case of negotiations with the lowest tenderer and accordingly, the tenderers shall have to submit their best commercial bids.

23. ARBITRATION:

Any dispute(s) or difference(s) whatsoever arises under or out of or in connection with this contract, or in respect of any defined legal relationship associated therewith or derived there from, shall be resolved/settled by arbitration in accordance with the International Centre for Alternative Dispute Resolution (ICADR) Arbitration Rules 1996. The authority to appoint the arbitrator(s) shall be the International Centre for Alternative Dispute Resolution (ICADR). And will provide administrative services in accordance with ICAR Arbitration Rules 1996. The seat of arbitration shall be India. The language of the arbitration proceeding shall be English. The place of arbitration proceedings shall be Hyderabad, Indian.

For Government Organisation/ PSU Organisation
"Arbitration Clause: In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contact(s) between Central Public Sector Enterprise (CPSEs)/ Port Trusts inter se and also between CPSEs and Govt. Dept. /Organisation (excluding disputes concerning Railways, Income Tax, Customs & Excise Dept.), such disputes or differences shall be taken up by either party for resolution through AMRCD as mentioned in DPE OM No.4(1)/2013-DPE(GM)/FTS-1835 dt. 22.05.2018"

24. **Jurisdiction**: The contract shall be subject to the exclusive jurisdiction of the courts within the local limits of Hyderabad, Telangana, India.

25. BANKRUPTCY ETC.:
If the Contractor shall become bankrupt or insolvent or cause or suffer any receiver to be appointed of his business or any asset thereof or compound with his creditors, or being a corporation commence to be wound up, or carry on its business under a
Receiver for the benefits of its creditors or any of them, the Purchaser shall be at liberty:

To terminate the contract forthwith upon coming to know the happening of any such event as aforesaid by notice in writing to the Contractor or to the receiver / liquidator

OR
To give such receiver, liquidator or other person the option of carrying out the contract subject to his providing guarantee up to an amount to be agreed for the due and faithful performance of the Contract.

26. CANCELLATION / SHORT CLOSURE OF PURCHASE ORDER

The purchaser may, without prejudice to any other remedy for breach of Purchase Order Terms by written notice of default sent to supplier, terminate the purchase order in whole or in part:

a) If the supplier fails to deliver any or all of the stores within the time period(s) specified in the purchase order, or any extension thereof granted by the Purchaser.

b) If the supplier fails to perform any other obligation under the purchase order within the period specified in the purchase order or any extension thereof granted by the purchaser.

c) Purchaser reserves the right to cancel the Purchase Order/ contract on its own under exceptional circumstances

27. REJECTION :

The rejected goods at MIDHANI premises will lie at the risk of the Vendor. They should be replaced immediately on receipt of an inspection memo showing the details of goods rejected. In case the rejected goods are not replaced within six weeks from the date of receipt of the inspection memo, MIDHANI is not responsible for any loss, damage and theft, and in addition, MIDHANI reserves the

right to recover such amount as may be assessed on account of storage and incidentals or any other charges MIDHANI may have incurred.

The vendor has to lift the rejected material from MIDHANI within 6 months from the date of receipt of the inspection memo. In case of rejected goods are in MIDHANI for more than 6 months, MIDHANI reserves the right to dispose of the same and Vendor shall not have any right for claiming the goods or damages thereof

28. Only one vertical (Company) from a group of companies will be eligible to participate in the tender. MIDHANI reserves the right to reject the bids of all such parties summarily, if it is found that verticals under the same organizations have participated.

29. SUBMISSION OF TENDER:
Tenders shall be sent by registered post or put in personally in the sealed Tender Box located at the Corporate Security Gate of Midhani. The Tender cover shall superscribe our Tender Number and due date.
The tenders received after the stipulated time (10:30 hrs IST) and due date, due to any reason whatsoever will not be considered.

30. COO (Country Of Origin) certificate to be issued by chambers of commerce to avail discount in preferential custom duty amount in Indian customs.

31. COUNTERFEIT PARTS:
MIDHANI requires its supplier to take steps to eliminate the counterfeit (or) suspect counterfeit materials/ parts/ components. We define Counterfeit work as items that are, or contain, unlawful or unauthorized reproductions, substitutions or alterations that have been knowingly mismarked, misidentified or otherwise misrepresented to be an authentic, unmodified material/ parts/ component from the original manufacturer. Unlawful or unauthorized substitution includes used items represented as new or the false identification of Grade, Serial number / Heat number, Lot number and date code or performance characteristics/Test certificate/Coc / CoA. Suppliers of raw materials/ parts/ components are used fulfilling Purchase orders of MIDHANI LTD. Distributors shall only purchase materials/ components directly from original manufacturers.

32. TRADE PRACTICES:

Supplier will, at all times, refrain from engaging in any illegal, unfair or deceptive trade practices or unethical business practices. Supplier shall at its expense obtain any and all permits, licences, authorizations, and/or certificates that may be required in any jurisdiction or by any regulatory or administrative agency in connection with its activities hereunder. Supplier shall ensure that its employees are aware of:

- Their contribution to product or service conformity
- Their contribution to product safety, and
- Their contribution to the importance of ethical behaviour.

BAND SAW BLADES **MDN/PUR/BSB/MUI/03/19-20**

PRE CONTRACT INTEGRITY PACT

General

1. Whereas M/s. MISHRA DHATU NIGAM LIMITED a Government of India Enterprise incorporated and registered as a company under the company Act, 1956 having its registered office at P.O. Kanchanbagh, Hyderabad – 500058 state of A.P., India hereinafter referred to as the Buyer and the first part, propose to procure _____ _____hereinafter referred to as Defence Stores, and M/s. _____, (which term shall mean and include its successors assigns and legal representation), herein after referred to as the Bidder and the second party, has offered the stores.
2. Whereas the Bidder is a private company / public company / partnership / registered export agency, constituted in accordance with the relevant law in the matter and the Buyer is a Ministry of the Government of India performing its functions on behalf of the President of India.

Objectives

3. Now, therefore, the Buyer and the Bidder agree to enter into this Pre-contract agreement, hereinafter referred to as Integrity Pact, to avoid all forms of corruption by following a system that is fair, transparent and free from any influence / unprejudiced dealings prior to, during and subsequent to the currency of the contract to be entered into with a view to: -

3.1 Enabling the Buyer to obtain the desired equipment at a competitive price in conformity with the defined specifications of the Service by avoiding in high cost and the distortionary impact of corruption on public procurement, and

3.2 Enabling bidder to abstain from bribing or any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also refrain from bribing and other corrupt practices and the Buyer will commit to prevent corruption, if any form, by their officials by following transparent procedures.

Commitments of the Buyer:

4. The Buyer Commits itself to the following: -

4.1 The Buyer undertakes that no official of the Buyer connected directly or indirectly with the contract, will demand, take a promise for or accept directly or through intermediaries, any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the Bidder, either for themselves or for any person, organization of third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the contract.

4.2 The buyer will, during the pre-contract stage, treat all Bidders alike, and will provide to all Bidders the same information and will not provide any such information to any particulars Bidder which could afford an advantage to that particular Bidder in comparison to other Bidders.

4.3 All the officials of the Buyer will report to the appropriate Government office any attempted or completed breaches of the above commitments as well as any substantial suspicion of such a breach.

5. In case of any such preceding misconduct on the part of such officials (s) is reported by the bidder to the Buyer with full and verifiable facts and the same is prima facie found to be correct by the Buyer, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by the Buyer and such a person shall be debarred from further dealings related to the contract process. In such a case while an enquiry is being conducted by the Buyer the proceedings under the contract would not be stalled.

Commitments of Bidders:

6. The Bidder commits himself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of his bid or during any pre-contract or post-contract stage in order to secure the contract or in furtherance to secure it and in particular commits himself to the following:-

6.1 The Bidder will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the Buyer, connected directly or indirectly with the bidding process, or to any person, organization or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the Contract.

6.2 The Bidder further undertakes that he has not give, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the Buyer or otherwise in procuring the contract or forbearing to do or having done any act in relation to the obtaining or execution of the Contract or any other contract with the Government for showing or forbearing to show favour or disfavor to any person in relation to the Contract or any other contract with the Government.

6.3 The Bidder will not collude with other parties interested in the contract to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract.

6.4 The Bidder will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.

6.5 The Bidder further confirms and declares to the Buyer that the Bidder is the original manufacture / integrator / authorized government sponsored export entity of the defence stores and has not engaged any individual or firm or company whether Indian or foreign to intercede, facilitate or in any way to recommend to the Buyer or any of its functionaries, whether officially or unofficially to the award of the contract to the Bidder, nor has any amount been paid, promised or intended to be paid to any such individual, firm or company in respect of any such intercession, facilitation or recommendation.

6.6 The Bidder, either while presenting the bid or during pre-contract negotiations or before signing the contract, shall disclose any payments he has made, is committed to or intends to make to officials of the Buyer of their family members, agents, brokers or any other intermediaries in connection with the contract and the details of services agreed upon for such payments.

6.7 The Bidder shall to use improperly, for purposes of competitor or personal gain, or pass on to others, any information provided by the Buyer as part of the business relationship, regarding plans, technical proposals and business details, including information contained in any electronic data carrier. The Bidder also undertakes to exercise due and adequate care last any such information is divulged

6.8 The Bidder commits to refrain from giving any complaint direct or through any other manner without supporting it with full and verifiable facts.

6.9 The Bidder shall not instigate or cause to instigate any third person to commit any of the actions mentioned above.

6.10 A person signing IP shall not approach the courts while representing the matters to IEMs and he/she will awit their decision in that matter.

6.11 A Bidder undertakes that in case of subcontracting, he becomes a Principal Contractor and he/she shall take the responsibility of adoption of IP by the sub contractor.

7. Previous Transgression

7.1 The Bidder declares that no previous transgression occurred in the last three years immediately before signing of this Integrity Pact, with any other company in any country in respect of any corrupt practices envisaged hereunder or with any Public Sector Enterprise in India or any Government Department in India that could justify bidder's exclusion from the tender process.

7.2 If the Bidder makes incorrect statement on this subject, Bidder can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.

8. Earnest Money / Security Deposit

8.1 Every bidder, while submitting commercial bid, shall deposit an amount as specified in the RFP as Earnest Money / Security Deposit, with the buyer through any of the following instruments: -

(i) Bank Draft or a Demand draft in favour of M/s. Mishra Dhatu Nigam Limited, Hyderabad.

(ii) A confirmed guarantee by an Indian Nationalized Bank, promising payment of the guarantee sum to M/s. Mishra Dhatu Nigam Limited, Hyderabad on demand within three working days without any demur whatsoever and without seeking any reasons whatsoever. The demand for payment by the Buyer shall be treated as conclusive proof for payment.

8.2 The Earnest Money / Security Deposit shall be valid upto a period of Six Months or the complete conclusion of the contractual obligations to complete satisfaction of both the bidder and the buyer, whichever is later. In case there are more than one bidder, the Earnest Money / security deposit shall be refunded by the buyer to those bidder) s) whose bid (s) does/do not qualify for negotiation by the Commercial Negotiation Committee (CNC) as constituted by the Buyer, Immediately after recommendation is made by the CNC on the bid(s) after an evaluation.

8.3 In the case of successful bidder a clause would also be incorporated in the Article pertainingto Performance Bond in the Purchase Contract that the provisions of sanctions for violation shall be applicable for forfeiture of performance bond in case of a decision by the Buyer to forfeit the same without assigning any reason for imposing sanction for violation of this pact.

8.4 The provisions regarding Sanctions for violation in Integrity Pact include forfeiture of performance Bond in case of a decision by the Buyer to forfeit the same without assigning any reason for imposing sanction for violation of Integrity Pact.

8.5 No interest shall be payable by the Buyer to the Bidder(s) on earnest money / Security Deposit for the period of its currency.

9. Company Code of Conduct

9.1 Bidders are also advised to have a company code of conduct (clearly rejecting the use of bribes and other unethical behavior) and a compliance program for the implementation of the code of conduct throughout the company.

10. Sanctions for Violation:

10.1 Any breach of the aforesaid provisions by the Bidder or any one employed by him or acting on his behalf (whether with or without the knowledge of the Bidder) or the commission of any offence by the Bidder or any one employed by him or acting on his behalf, as defined in chapter IX of the Indian Penal Code, 1860 or the Prevention of Corruption Act 1988 or any other act enacted for the prevention of corruption shall entitle the Buyer to take all or any one of the following actions, wherever required: -

(i) To immediately call off the pre-contract negotiations without assigning any reason or giving any compensation to the Bidder. However, the proceedings with the other Bidder(s) would continue.

(ii) The earnest Money / Security Deposit / Performance Bond shall stand forfeited either fully or partially, as decided by the Buyer and the Buyer shall to be required to assign any reason therefore.

(III) To Immediately cancel the contract, If already signed, without giving any compensation to the Bidder.

(iv) To recover all sums already paid by the Buyer, and in case of an Indian Bidder with interest thereon at 2% higher than the prevailing Prime Lending Rate, while in case of a Bidder from a country other than India with interest thereon at 2% higher than LIBOR. If any outstanding payment is due to the Buyer from the Bidder in connection with any other contract for any other Defence stores, such outstanding payment could also be utilized to recover the aforesaid sum and interest.

(v) To en-cash the advance bank guarantee and performance bond / warranty bond, if furnished by the Bidder, in order to recover the payments, already made by the Buyer, along with interest.

(vi) To cancel all or any other Contracts with the Bidder.

(vii) To debar the Bidder from entering into any bid from the Government of India for a minimum period of five years, which may be further extended at the discretion of the buyer.

(viii) To recover all sums paid in violation of this Pact by Bidder(s) to any middleman or agent or broker with a view to securing the contract.

(ix) If the Bidder or any employee of the Bidder or any person acting on behalf of the Bidder, either directly or indirectly, is closely related to any of the officers of the Buyer, or alternatively, if any close relative of an office of the Buyer has financial interest / stake in the Bidder's firm, the same shall be disclosed by the Bidder at the time of filing of tender. Any failure to disclose the interest involved shall entitle the Buyer to rescind the contract without payment of any compensation to the Bidder. The term 'close relative' for this purpose would mean spouse whether residing with the Government servant or not, but to include a spouse separated from the Government servant by a decree or order of a competent court, son or daughter or step son or step daughter and wholly dependent upon Government servant, but does not include a child or step child who is no longer in any way dependent upon the Government servant or of whose custody the Government servant has been deprived of by or under any law, any other person related, whether by blood or marriage, to the Government servant or to the Government servant's wife or husband and wholly dependent upon Government servant.

(x) The Bidder shall not lend to or borrow any money from or enter into any monitory dealings or transactions directly or indirectly, with any employee of the Buyer, and if he does so, the Buyer shall be entitled forthwith to rescind the contract and all other contracts with the Bidder. The Bidder shall be liable to pay compensation for any loss or damage to the Buyer resulting from such rescission and the Buyer shall be entitled to deduct the amount so payable from the money(s) due to the Bidder.

(xi) In cases where irrevocable Letters of Credit have been received in respect of any contract signed by the Buyer with Bidder, the same shall not be opened.

10.2 The decision of the Buyer to the effect that a breach of the provisions of this Integrity Pact has been committed by the bidder shall be final and binding on the Bidder, however, the Bidder can approach the monitor(s) appointed for the purposes of this pact.

11. Fall Clause

11.1 The Bidder undertakes that he has not supplied/is not supplying the similar systems or subsystems at a price lower than that offered in the present bid in respect of any other Ministry / Department of the Government of India and if it is found at any stage that the similar system or sub-system was supplied by the Bidder to any other Ministry / Department of the Government of India a at lower price, then that very price will be applicable to the present case and the difference / in the cost would be refunded by the Bidder to the Buyer, if the contract has already been concluded.

11.2 The Bidder shall strive to accord the most favored customer treatment to the Buyer in respect of all matters pertaining to the present case.

12. Independent Monitors

12.1 **Shri R MUKUNDAN, IRPS(Retd)** , No.150-E, "Mandakini" Railway Officer's Enclave, Sterling Road, Nungambakam, CHEENAI-600 034 is the Independent External Monitor for Midhani.

12.2 As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Chairman & Managing Director of M/s. Mishra Dhatu Nigam Limited, Hyderabad.

13. **Examination of Books of Accounts:** In case of any allegation of violation of any provisions of this Integrity Pact or payment of commission, the Buyer or its agencies shall be entitled to examine the Books of accounts of the Bidder and the Bidder shall provide necessary information of the relevant financial documents in English and shall extend all possible help for the purpose of such examination.
14. **Law and Place of Jurisdiction:** This Pact is subject to Indian Law. The place of performance and jurisdiction is the seat of the Buyer i.e. Hyderabad.
15. **Other Legal Actions:** The actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the extent law in force relating to any civil or criminal proceedings.
16. **Validity**

16.1 The validity of this Integrity Pact shall be from date of its signing and extend upto 5 years or the complete execution of the contract to the satisfaction of both the Buyer and the Bidder, whichever is later.

16.2 Should one or several provisions of this Pact turn out to be invalid, the remainder of this Pact remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

17. The parties hereby sign this Integrity Pact at Hyderabad on _____.

BIDDER

BUYER

M/s. Mishra Dhatu Nigam Limited,
(A Govt. of India Enterprise)
P.O. Kanchanbagh,
Hyderabad 500 058,
INDIA.

In the presence of

In the presence of

Witness:

1.

2.

Witness:

1.

2.