



एचपीसीएल बायोफ्यूल्स लिमिटेड

(हिन्दुस्तान पेट्रोलियम कॉर्पोरेशन लिमिटेड के पूर्ण स्वामित्व वाली सहायक कम्पनी)

HPCL BIOFUELS LIMITED

(A wholly owned subsidiary company of Hindustan Petroleum Corporation Ltd)

पंजीकृत कार्यालय : हाउस नं०-271, रोड नं०- 3ई, पोस्ट बॉक्स नं०-126 (पटना जी.पी.ओ.) न्यु पटलिपुत्रा कॉलोनी, पटना-800 013, बिहार
Regd. Office : House No - 271, Road No.- 3E, Post Box No.-126 (Patna GPO), New Patliputra Colony, Patna - 800 013, Bihar

दूरभाष / Telephone - 0612 - 2260185 / 2260069, फ़ैक्स / Fax - 0612 - 2270483
Website : www.hpclbiofuels.co.in, CIN-U24290BR2009GOI014927

TENDER ENQUIRY

(This is only a Price Enquiry not a Purchase Order)

From: (Name & Address to be written below by the tenderer)

M/s _____ _____ _____ _____ _____

Tender No: HBL/TEN/PUB/15-16/089
Tender Date: 19.10.2015

Direct Queries related Sugauli to:
Shri BV Karande
DGM-SE& COGEN, SUGAULI
Telephone No: +91-9507292001
LPR No:- LPR/HBL/SGL/15-16/102,
Dt: 17/10/15

Direct Queries realted Lauriya to :
Shri VK Sharma
DGM-SE& COGEN, LAURIYA
Telephone No: +91-7543887024
LPR No:- LPR/HBL/LAU/15-16/107,
Dt: 17/10/15

Title:- Supply of Dry Rice husk on F.O.R basis to HBL plant at Sugauli, East Champaran, Bihar & Lauriya, West Champarn Bihar.

HPCL Biofuels Limited (hereafter called HBL) whose registered office is situated at House No. 271, Road No.-3E, New Patliputra Colony, Patna-800 013 is a wholly subsidiary of Hindustan Petroleum Corporation Limited, Govt. of India Enterprise (hereafter called HBL) invites competitive bids for Supply of fresh and dry bagasse at their Integrated Sugar Plant, Sugauli and Lauriya on door delivery basis as described in attached tender documents.

Tender to be received on or before 06/11/2015 by 1430 Hrs at the address mentioned below.

Tenders in Two bids to be dropped in the designated tender box at the address mentioned below:

HPCL Biofuels Limited.
House No-271,Road No -3E
New Pataliputra Colony,
Patna – 800013,
Bihar. Ph: 0612-2260185

Tender received after due date and time due to whatever reasons will be rejected.

1. For any greivance related issue, queries to be sent to CEO of HPCL Biofuels Limited (HBL) at above address.
2. All unit rates in **Indian Rupees** (Specify currency)

Please quote your most competitive rate for Supply of loose Rice husk on F.O.R basis to HBL plant SUGAULI & LAURIYA as per Part A and Part B as below:

Bidders to mention the quantity offered in **Unpriced bid** & Price components in **Priced bid**. Tenders will be summarily rejected if quantity is not quoted in Unpriced bid or if prices are quoted in unpriced bid or prices.

PART - A

Deliver To: HPCL Biofuels Ltd – Sugauli, Village – Sugauli, Nr. Sugauli Railway Station, Dist-East Champaran, Bihar-845456.

Total requirement of loose rice husk is 18,0000 MT during Five months for HBL-Sugauli (From 15th Nov '2015 to 15th April' 2016)

PLEASE QUOTE YOUR QUANTITY OFFER (IN MT) IN THE FIELD BELOW:

Quantity quoted/offered by Vendor: _____ MT during Six months (From 15th Nov '15 to 15th April'16)

(NOTE: Bidders to quote the quantity at least multiple of 1000MT)

The Priced bid format is indicated below: (PRICE NOT TO BE QUOTED BELOW)

Item No.	Description	Unit	Unit Rate (Rs/unit) in figures and in words **	Taxes/ Duties/ Levies	Total (Rs per MT) in figures and in words **
1A	Supply of Dry Rice Husk (in loose form) with moisture less than 10% and free from extraneous material on F.O.R/door delivered basis to HBL –Sugauli plant.	Per MT	In Figures: Rs. XXXX Per MT In Words: Rs. XXXXXXXX per MT Only	Please specify XXX %	In Figures: Rs. XXXXXXXX In Words: Rs. XXXXXXXX Only

Taxes/Duties/ Levies (Extra if Any) : Please note that in the event the below rows/fields are left blank or not clearly spelt whether the taxes/duties/levies/others are inclusive or exclusive then the rates quoted by the tenderer against the items above shall be considered inclusive of the taxes/duties/levies etc. and the same shall be borne by the tenderer.

PART - B

Deliver To: HPCL Biofuels Ltd – Lauriya, Village – Lauriya, Lauriya- Bgaha Highway, Dist- West Champaran, Bihar-845453.

Total requirement of loose rice husk is 12,0000 MT during Five months for HBL-Lauriya (From 15th Nov '2015 to 15th April' 2016)

PLEASE QUOTE YOUR QUANTITY OFFER (IN MT) IN THE FIELD BELOW:

**Quantity quoted/offered by Vendor: _____ MT during Six months
(From 15th Nov '15 to 15th April'16)
(NOTE: Bidders to quote the quantity at least multiple of 1000MT)**

The Priced bid format is indicated below: (PRICE NOT TO BE QUOTED BELOW)

Item No.	Description	Unit	Unit Rate (Rs/unit) in figures and in words **	Taxes/ Duties/ Levies	Total (Rs per MT) in figures and in words **
1B	Supply of Dry Rice Husk (in loose form) with moisture less than 10% and free from extraneous material on F.O.R/door delivered basis to HBL – Lauriya plant.	Per MT	In Figures: Rs. XXXX Per MT In Words: Rs. XXXXXXXX per MT Only	Please specify XXX %	In Figures: Rs. XXXXXXXX In Words: Rs. XXXXXXXX Only
Taxes/Duties/ Levies (Extra if Any) : Please note that in the event the below rows/fields are left blank or not clearly spelt whether the taxes/duties/levies/others are inclusive or exclusive then the rates quoted by the tenderer agins the items above shall be considered inclusive of the taxes/duties/levies etc. and the same shall be borne by the tenderer.					

NOTE: The evaluation shall be done part wise. Part A shall be evaluated seperately and independently and part B shall be evaluated seperately and independently for assessing the L1/successful bidder of respective parts.

Tenderers have to quote for all the item of respective parts (A/B).

EARNEST MONEY DEPOSIT:

EMD OF Rs. 3.00 LAKHS (RS. THREE LACS ONLY) IS REQUIRED IN THE FORM OF DEMAND DRAFT / PAY ORDER OF ANY SCHEDULED BANK (OTHER THAN CO-OPERATIVE BANK) FAVOURING "HPCL BIOFUELS LIMITED" PAYABLE AT PATNA OR BY WAY BANK GUARANTEE (AS PER ANNEXURE 1) OF ANY SCHEDULED BANK (OTHER THAN CO-OPERATIVE BANK) IN THE NAME OF "HPCL BIOFUELS LIMITED" PAYABLE AT PATNA. EMD SHOULD ACCOMPANY WITH THE TECHNICAL BID (UNPRICED BID). EMD SHOULD BE ENCLOSED IN A SEPERATED ENVELOPE EARMARKED "EMD MONEY" APART FROM THE PRICED BID & UNPRICED BID. EMD NOT IN LINE WITH THE AMOUNT CALLED FOR (AS ABOVE) THEN THE EMD AS WELL AS THE PRICED/UNPRICED BIDS WILL BE RETURNED TO THE TENDERER & WILL BE SUMMARILY REJECTED. IF THE EMD DOES NOT ACCOMPANY THE TECHNICAL (UNPRICED BID) AND ACCOMPANIES IN THE PRICED BID, SUCH BIDS WILL NOT BE CONSIDERED AT ALL AND WILL BE SUMMARILY REJECTED. THE EMD SHALL BE REFUNDED INTEREST FREE TO ALL THE UNSUCCESSFUL BIDDERS.

EXEMPTION FROM EMD:

Registered with the DGS&D will not entitle the tenderer to claim exemption from payment of EMD. Public Sector Enterprises and suppliers registered with NSIC are exempted from payment of EMD. For this purpose, in the event of the tenderer being a PSE, a declaration to that effect and in case of supplier registered with NSIC, a copy of valid registration certificate indicating item/value of registration as well as unit / plant should be submitted.

QUALIFICATION CRITERIA:

The bidder shall be a trader, supplier, transporter of Rice husk confirming to specifications as mentioned in the tender. Copies of the documents like Purchase order/s issued by buyers or certificate from established sugar mills for Rice husk related contracts supply or transportation of Rice husk along with bidder's profile to be submitted along with the technical bids/ unpriced bid.

EVALUATION CRITERIA:

- a. The technically accepted bid (s) shall be evaluated independently for Part A & independently for Part B and order will be placed on L1 bidder i.e, lowest cost to company basis in respective parts, after rationalization/negotiation of rates. Order may be placed on multiple parties if L1 do not fulfill the quantity required by HBL.
- b. The ranking of the bidder/s (plant wise) shall be indentified and evaluated basis their Landed rate (taxes inclusive) quoted and shall be ranked from of lowest to highest i.e L1, L2, L3.....
- c. Contract will be placed to the Bidder (s) who has quoted the lowest rate (L1 rate) or to group of bidders having lowest identical offered rate (L1 rate) against their offered quantities.
- d. In the event if it is found that the offered quantities of L1 bidder (s) consolidates to quantity more than the required quantity, then contract shall be distributed proportionally among L1 bidder/s based on their offered/quoted quantity.
- e. If the quantities offered by the L1 bidder/ s does not fullfill the total quantity required by HBL, then counter offer for matching L1 rates for balance required quantity shall be sought from the bidder/s next in ranking i.e from L2 bidder/s on his/their offered / quoted quantity and contract shall be placed on L2 bidders on balance required quantities at L1 rates or proportionately on their offered quantities (in case the total quoted quantity of L2 bidders exceed the balance required quantity), provided L2 bidder/s agrees to match L1 rate.
- f. In case L2 bidder/s does not agree to match L1 rate then counter offer shall be given to L3 bidder/s in original standing/s to match L1 rate for balance required quantity until the contract of published required quantity is fulfilled.

Your sealed quotation should be submitted to this office on **06.11.2015 at 1430 Hrs**. It should be opened on the same day by **1500 Hrs**. **Bidders and other interested bidder may witness the tender opening.**

Enclosures:

Instructions to bidder (Yes/No)

Terms and Conditions (Yes/No)

S/D

Name: DIPAK KUJUR.

Designation: HEAD- PROCUREMENT

INSTRUCTIONS TO BIDDERS

PART A

1. **This is only a Tender Enquiry and not an order.**
2. Partially completed / incomplete tenders shall not be considered.
3. **Two Bid System**
The bid prepared by the **BIDDER** shall be in two (2) parts.

PART – I - TECHNICAL & UNPRICED COMMERCIAL BID

- a. Technical bid shall comprised of Duly filled, signed and stamped on all pages of bid tender document in acceptance of scope, specifications, terms and conditions.
- b. Copy of Pan Card.

PART - II -PRICE BID

Should cover the bid price and other related costs in the format already given above.

4. The price to be quoted by the **BIDDERS** shall be in Indian rupees and the quotation shall be in accordance with the requirement of the relevant schedules in the bid specification. The price shall be separately for basic price, taxes and duties as called for elsewhere in this specification.
5. **Sealing and Marking of Bid**
 - a. The **BIDDERS** are requested to seal their bid documents in (2) separate envelope and all (2) shall be enclosed in one common envelope as below:
 - b. The **first envelope** should contain two 1 set (One original) of technical bid and one (1) set (One original) of unpriced commercial bid. This envelope should be clearly marked "**Technical & Unpriced Commercial Bid**" & **The Tender No & date & due date of submission** (in the cover of the envelope).
 - c. **The Second envelope** should contain one original copy of price bid and should be clearly marked as "**PRICE BID**" & **The Tender No & date & due date of submission** (in the cover of the envelope) (in the cover of the envelope) and shall be addressed to the registered office of the **PURCHASER**.
 - d. **The Third envelope** should contain EMD draft/BG and should be marked as "**EMD Money**" in the cover of the Envelope.
 - e. **The Fourth big envelope** should contain all the above (3) envelopes.
 - f. All the envelopes shall bear the title, "**Subject of enquiry, enquiry number, bid submission due date and brief description of the contents**".
 - g. The name and address of the **BIDDER** shall be clearly marked on the envelope to enable the bid to be returned unopened in case it is declared "late".
6. **Validity:** Quoted prices shall be valid for a period of 180 days from the due date / extended due date for the placement of order.
7. HBL shall not be responsible for any postal or other delays in submitting EMD / tender cost wherever applicable.
8. Request for extension of tender submission due date, if any, received from bidders within 48 hours of tender submission due date / time, shall not be considered. **Extension of due date (if any) shall be published in HBL web site.**
9. Tender opening (unpriced bid as well as priced bid) will be done at the time and dates specified in the tender.
10. HBL reserves the right to accept any tender in whole or in part or reject any or all tenders without assigning any reason. HBL reserves right to accept any or more tenders in part. Decision of HBL in this regard shall be final and binding on the bidder.

11. HBL shall follow Purchase Preference/ Price Preference as per prevailing guidelines of Government of India.
12. **Delivery Period:** Quantity offered shall be delivered within 5 months from the date of PO/LOI at respective location.

PART B

1. The bidder is advised to visit and examine the site of works at all locations and their surrounding and obtain for himself on his own responsibility all information that may be necessary for preparing of the bid and entering into the contract. The cost of visiting the sites shall be at bidder's own expenses.
2. Technical and Unpriced Part of the Offer will be opened by HBL as per the due date and time mentioned in notice in the presence of Bidders. The Priced part of the Offer of technically qualified bidders will be subsequently opened as per date specified in the tender/ advised subsequently.
3. Bid submitted by Bidder shall remain valid for a minimum period of 180 days from the date of submission of Bids. Bidders shall not be entitled during the said period of 180 days, without the consent in writing of the Owner, to revoke or cancel their Bid or to vary the Bid given or any term thereof. In case of Bidders revoking or canceling their Bid or varying any of the terms in regard thereof without the consents of Owner in writing, Owner shall reject such Offers and forfeit Earnest Money paid by them along with their offers.
4. Bidders are advised to refrain from contacting by any means HBL and/or their employees / representatives on their own, on matters related to Bids under consideration. HBL, if necessary, will obtain clarification on the Bid by requesting for such information/clarifications from any or all Bidders, either in writing or through personnel contact. Bidders will not be permitted to change the substance of Bids after opening of Bids.
5. HBL may issue clarifications / amendments in the form of addendum/ corrigendum during the bidding period and may also issue amendments subsequent to receiving the bids. For the addendum/corrigendum issued during the bidding period, bidders shall confirm the inclusion of addendum/corrigendum in their bid. Bidder shall follow the instructions issued along with addendum/ corrigendum. All such clarification/addendums/corrigendum (if any) shall be published in the HBL web site www.hpclbiofuels.co.in and shall be sole responsibility of the bidders to refer to this web site from time to time.
6. Bidders shall examine the Bidding Document thoroughly and submit to HBL any apparent conflict, discrepancy or error. HBL shall issue appropriate clarifications or amendments, if required. Any failure by Bidder to comply with the aforesaid shall not excuse the Bidder from performing the Services in accordance with the contract if subsequently awarded.
7. Bidder shall treat the Bidding Document and contents therein as private and confidential and shall not use the Bidding Document for any other purposes.
8. The bid prepared by the bidder, all correspondences and documents related to this bid shall be written in English language only. For document submitted in any other language, an English translation shall also be submitted, in which case, for the purpose of interpretation of the bid, the English translation shall govern.
9. Transfer of Bid document by the bidder is not permitted.
10. Bidder shall make his own interpretation of any and all information provided in the Bidding Document. HBL shall not be responsible for the accuracy or completeness of such information and/or interpretation.
11. Although certain information's are provided in the Bidding Document, however, bidder shall be responsible for obtaining and verifying all necessary data and information as required by him.
12. HBL reserves the right to accept or reject any/all tender in whole or in part without assigning any reason whatsoever.

13. HBL shall not be bound to accept the lowest tender and reserves the right to accept any or more tenders in part. Decision of HBL in this regard shall be final.
14. Bidders are advised to quote strictly as per terms and conditions of the Bidding Document and not to stipulate any deviation / exceptions. Once, quoted the bidders shall not make any subsequent price changes, whether resulting or arising out of any technical / commercial clarifications sought/allowed on any deviations or exceptions mentioned in the bid unless discussed and agreed by HBL in writing.

TERMS & CONDITIONS OF CONTRACT

1. This is a Contract for Supply, transportation, loading & unloading of Loose Rice husk in Rice husk Yard at HBL Sugauli, Dist- East Champaran, Bihar approx.. 200 Km from Patna an at HBL Lauriya, Dist – West Champaran, Bihar approx.. 220 Kms from Patna. **Supply, Transportation, loading & unloading at HBL-Sugauli plant shall be in the Supplier's scope.**
2. **Delivery Period:** Delivery of loose bagasse shall be within 5 months tentatively commence from 15th Nov' 2015 and shall be completed till 15th April 16.
3. **Delayed delivery:** In case of delay in completing the ordered quantity within the above stipulated time (untill and unless changed / differed of as specified by HBL in writing) penalty @ 1% per week delay or part there off shall be recovered for the undelivered PO quantity to maximum of 5% of the total contract/PO value.
4. **Penalty for off specification product:** Rice husk shall be fresh. Rice husk not meeting the criteria of freshness, moisture less than 10% or found mixed with extraneous material will be rejected at receiving location i.e, HBL Plant. Supplier will have to take it back with their own cost. However, in exceptional cases off-spec Rice husk may be accepted with deviation with deductions on prorata basis.
5. In case of repeated failure for contract execution within the supply period or to provide rice husk of off-specs (not as per contract terms) then the purchase order placed shall be cancelled and terminated in addition to appropriate actions shall be initiated against the supplier.
6. Part delivery & billing is allowed and billing shall be done on fortnightly basis.
7. All taxes, transit insurance, transportation charges, loading and unloading of rice husk are in supplier's scope. (Including Panchayat, Municipal Tax etc. applicable in Bihar) related to the above work.
8. Supplier to immediately send replacement load of items in another lorry in case of any accidents or breakdown of vehicle and likely hood of items not reaching units on desired date.
9. Wherever HBL is mentioned in this tender all references shall have the meaning of HPCL Biofuels Limited, having its registered office at Building No 271, Road No. 3E, New Patliputra colony, Patna, Bihar, 800013.
10. Supplier shall send the materials/items in a manner that it reaches our unit gate in 1st half of the working day so that the vehicles can be released immediately.
HBL shall endeavour to allow unloading of vehicles reporting up to 14:00 hrs in second half, however vehicles reporting after 14:00 hrs shall be unloaded on next working day only. No demurrage on account of late release of vehicle shall be paid by HBL.
Vehicle once allowed inside the unit premises shall be allowed to leave unit premises during working hours only. Beyond working hours departure shall be permitted only under special cases after obtaining necessary approvals, as laid down in the plant.
11. Evaluation of the tender bids will be based on cost to company which will include taxes etc.

12. The Purchase order when placed shall be valid for 190 days for execution from the date of FOI / Purchase order, for delivery on lot basis as per HBL advice.
13. Purchase order shall be awarded to successful bidder after completion of necessary tender formalities. Quoted prices shall be "Free to Destination Basis" and shall remain fixed and firm till completion of contract.
14. All taxes, duties or any other expenses quoted during the tendering process shall only be payable. Note: No revision of rates/change of rates considering escalation / de-escalation of raw material rates under any circumstances for manufacturing / transportation/printing etc. will be entertained. Suppliers to quote their rates in the tender taking in account and considering the same.
15. The quantity ordered shall be construed as tentative, and HBL has unilateral right to reduce the quantities against any item for part delivery or nil delivery against line items. All payments shall be made basis actual quantity of items received at respective unit locations mentioned above.
16. In case the value of the supply contract is equal or more than the Rs. 1 Crores then the successful bidder shall sign and accept the **Integrity Pact**.
17. The supply, loading, transportation, unloading of loose Rice husk shall be completely be as per the scope of the supplier/tenderer and the rates quoted shall be inclusive of all costs.
18. The supplier/ tenderer shall arrange his own supervisor for co-ordinating for weighment / safe loading and unloading, transportation etc. complete at their own cost.
19. All vehicles transporting the loose Rice husk shall be weighed at HBL weigh bridges inside the plant for gross and tare weights. In case of shortage more than 100 Kgs, in each lot / truck/trolley the same will be deducted from Bills.
20. Driver shall have the valid license and ensuring the same shall be supplier's/tenderer's responsibility. Vendor shall absolve HBL from all the legalities/penalties arising due to above. HBL shall account only for Loose Rice husk supplied at its premises.
21. The Vendor shall have to comply all statutory rules and regulations as applicable while carrying out work at HBL's site. Safety and statutory compliances related with Drivers/helper/labours deployed by Vendor shall be responsibility of Vendor..
22. The supplier/tenderer shall co-ordinate before hand and identify space for unloading / stacking of Loose Rice husk after consulting officer in-charge of HBL plant.
23. The supplier/tenderer on his own account shall maintain a register indicating date of shipment, location of shipment, vehicle no, challan nos, weighment slip no, gross wt., and tare wt., document nos. signature of HBL staff and supplier's signature etc.
24. It is the sole responsibility of the supplier/ transporter to obtain inter state or other road permits (if applicable). Entry tax (if any) shall be wholly on the account of the supplier/transporter or as per his quote. No claim for such charges shall be entertained later on.
25. HBL will not be responsible for any in transit losses, such as losses arising due to pilferage, accidents, seizures natural calamities, force majeure etc. The supplier/transporter shall absolve HBL from such issues. No claim shall be entertained by HBL on account of above.
26. No demurrages will be paid due to any delay (due to any reason) in loading/unloading and transportation. Vehicle reporting after 1600 Hrs shall be unloaded next working day. Unloading at plant shall not be done on Sundays and holidays until and unless permission/ approval is given by HBL

well in advance. However HBL may advise to supply round the clock depends on its requirement.

27. The rate quoted by the supplier/tenderer shall be inclusive of road permits, entry tax, supply, loading at supplier end, transportation & unloading and all types of licensing, statutory approvals, labour, tools and tackles and supervision costs etc. complete.
28. Successful bidder shall submit Security deposit (SD) of 1% of the contract/PO value within 15 days of receipt of LOI or letter of contract award. Failing to submit SD within the specified period shall lead to termination of the contract and forfeiting the EMD (if any).
29. In case the successful tenderer fails to deliver the quantity within the stipulated delivery scheduled, the company reserves the right to procure the same from alternative sources at the risk and cost of the successful tenderer. Additional cost incurred in such cases may be recovered through Vendor's pending bills or EMD.
30. **Payment Terms:** Payment shall be released on fortnightly basis. Party shall submit the bills for the supplies made during fortnight 1-15th during 16th to 31st & supplies made during 16-31st during 1st to 15th of next month. Payment will be released within 15 days from the date of receipt of bills along with relevant documents including test certificates through RTGS from Patna office.
31. PAN / Excise /Sales Tax/Service tax Registration Numbers and Dates shall be mentioned on all copies of your Invoices.
32. If the goods / services ordered are not delivered within the delivery date specified in this order, HBL reserves the right to cancel this order (if given) without prejudice. All cost and expenses, if any resulting from cancellation of the order (if given) shall be on the Contractor's / seller's account.
33. The terms 'HPCL Biofuels Limited' means and includes its successors and assigns.
34. Details of tax registration No of HPCL Biofuels Limited. **CIN: U24290BR2009GOI014927**
EXCISE REGISTRATION NO FOR HBL-SUGAULI : AACCH2879MXM001, AND FOR HBL-LAURIYA : AACCH2879MXM002,
SERVICE TAX REGISTRATION NO FOR HBL-SUGAULI : AACCH2879MST001, AND FOR HBL-LAURIYA : AACCH2879MST002,
VAT NO.: 10010909035, CIN NO: U24290BR2009GOI014927, PAN NO: AACCH2879M,
TAN NO: PTNH01055F, CST NO: 10010888130, ET NO: 10010774286.

35. ARBITRATION

- 35.1 All disputes and differences of whatsoever nature, whether existing or which shall at any time arise between the Parties hereto touching or concerning the agreement, meaning, operation or effect thereof or to the rights and liabilities of the Parties or arising out of or in relation thereto whether during or after completion of the contract or whether before after determination, foreclosure, termination or breach of the agreement (other than those in respect of which the decision of any person is, by the contract, expressed to be final and binding) shall, after written notice by either Party to the agreement to the other of them and to the Appointing Authority hereinafter mentioned, be referred for adjudication to the Sole Arbitrator to be appointed as hereinafter provided.
- 35.2 The appointing authority shall either herself act as the Sole Arbitrator or nominate some officer/retired officer of Hindustan Petroleum Corporation Limited (referred to as owner or HPCL/HBL) or a retired officer of any other Government Company in the Oil Sector of the rank of Ch. Manager & above or any retired officer of the Central Government not below the rank of a Director, to act as the Sole Arbitrator to adjudicate the disputes and differences between the Parties. The contractor/vendor shall not be entitled to raise any objection to the appointment of such person as the Sole Arbitrator on the ground that the said person is/was an officer and/or shareholder of the owner, another Govt. Company or the Central Government or that he/she has to deal or had dealt with the matter to which

- the contract relates or that in the course of his/her duties, he/she has/had expressed views on all or any of the matters in dispute or difference.
- 35.3 In the event of the Arbitrator to whom the matter is referred to, does not accept the appointment, or is unable or unwilling to act or resigns or vacates his office for any reasons whatsoever, the Appointing Authority aforesaid, shall nominate another person as aforesaid, to act as the Sole Arbitrator.
- 35.4 Such another person nominated as the Sole Arbitrator shall be entitled to proceed with the arbitration from the stage at which it was left by his predecessor. It is expressly agreed between the Parties that no person other than the Appointing Authority or a person nominated by the Appointing Authority as aforesaid, shall act as an Arbitrator. The failure on the part of the Appointing Authority to make an appointment on time shall only give rise to a right to a Contractor to get such an appointment made and not to have any other person appointed as the Sole Arbitrator.
- 35.5 The Award of the Sole Arbitrator shall be final and binding on the Parties to the Agreement.
- 35.6 The work under the Contract shall, however, continue during the Arbitration proceedings, except in case of termination and no payment due or payable to the concerned Party shall be withheld (except to the extent disputed) on account of initiation, commencement or pendency of such proceedings.
- 35.7 The Arbitrator may give a composite or separate Award(s) in respect of each dispute or difference referred to him and may also make interim award(s) if necessary.
- 35.8 The fees of the Arbitrator and expenses of arbitration, if any, shall be borne equally by the Parties unless the Sole Arbitrator otherwise directs in his award with reasons. The lumpsum fees of the Arbitrator shall be Rs. 70,000/- . Reasonable actual expenses for stenographer, etc. will be reimbursed. Fees shall be paid stage wise i.e. 25% on acceptance, 25% on completion of pleadings/documentation and balance 50% on receipt of award of the arbitrator.
- 35.9 Subject to the aforesaid, the provisions of the Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof and the rules made thereunder, shall apply to the Arbitration proceedings under this Clause.
- 35.10 The Contract shall be governed by and constructed according to the laws in force in India. The Parties hereby submit to the exclusive jurisdiction of the Courts situated at Patna for all purposes. The Arbitration shall be held at Mumbai and conducted in English language.
- 35.11 The Appointing Authority is the Functional Director of HPCL or **CEO –HBL**.

ANNEXURE-1 (SPECIMEN)

BANK GUARANTEE IN LIEU OF EARNEST MONEY

(On Non-Judicial stamp paper of appropriate value)

TO: HPCL Biofuels Limited
Building No. 271, Road No. 3E,
New Patliputra Colony,
Patna- 800013, Bihar.

In Consideration of Messrs. HPCL Biofuels Limited, (a Wholly Owned Subsidiary Company of Hindustan Petroleum Corporation Limited) registered under the companies Act 1956, having its registered office at Building No. 271, Road No.3E, new Patliputra Colony, Patna-13 (hereinafter called "The Corporation" which expression shall include its successor in business and assigns) issued a tender on Messrs. a partnership firm/sole proprietor business/a company registered under the Companies Act, 1956 having its office at (hereinafter called "the Tenderer" which expression shall include its executors, administrators and assigns) against Tender No..... dated (hereinafter called "the tender" which expression shall include any amendments/ alterations to "the tender" issued by "the Corporation") for the supply of goods to/execution of services for "the Corporation" and "the Corporation" having agreed not to insist upon immediate payment of Earnest Money for the fulfillment of the said tender in terms thereof on production of an acceptable Bank Guarantee for an amount of Rs.....(Rupees only)

- 1 We, Bank having office at..... Bombay (hereinafter referred to as "the Bank" which expression shall include its successors and assigns) at the request and on behalf of "the Tenderer" hereby agree to pay to the Corporation without any demur on first demand an amount not exceeding Rs..... (Rupees only) against any loss or damage, costs, charges and expenses caused to or suffered by "the Corporation" by reason of non performance and fulfillment or for any breach on the part of "the Tenderer" of any of the terms and conditions of the said "tender".
- 2 We, Bank further agree that "the Corporation" shall be sole Judge whether the said "Tenderer" has failed to perform or fulfill the said "tender" in terms thereof or committed breach of any of the terms and conditions of "the order" and the extent of loss, damage, cost, charges and expenses suffered or incurred or would be suffered or incurred by "the Corporation" on account thereof and we waive in favour of "the Corporation" all the rights and defences to which we as guarantors and/or "the Tenderer" may be entitled to.
- 3 We, Bank further agree that the amount demanded by "the Corporation" as such shall be final and binding on "the Bank" as to "the Bank" 's liability to pay and the amount demanded and "the Bank" to undertake to pay "the Corporation" the amount so demanded on first demand and without any demur notwithstanding any dispute raised by "the Tenderer" or any suit or other legal proceedings including arbitration pending before any court, tribunal or arbitrator relating thereto, our liability under this guarantee being absolute and unconditional.
- 4 We, Bank further agree with "the Corporation" that "the Corporation" shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said "tender"/or to extend time of

performance by "the Tenderer" from time to time or to postpone for any time to time any of the powers exercisable by "the Corporation" against "the Tenderer" and to forbear to enforce any of the terms and conditions relating to "the tender" and we shall not be relieved from our liability by reason of any such variation or extension being granted to "the Tenderer" or for any forbearance, act or omission on the part of "the Corporation" or any indulgence by "the Corporation" to "the tenderer" or by any such matter or things whatsoever which under the law relating to sureties would but for this provision have the effect of relieving us.

- 5 NOTWITHSTANDING anything hereinbefore contained, our liability under this Guarantee is restricted to Rs. (Rupees..... only). Our liability under this guarantee shall remain in force until expiration of six months from the due date of opening of the said "tender". Unless a demand or claim under this guarantee is made on us in writing within said period, that is, on or before all rights of "the Corporation" under the said guarantee shall be forfeited and we shall be relieved and discharged from all liabilities there under.
- 6 We, Bank further undertake not to revoke this guarantee during its currency except with the previous consent of "the Corporation" in Writing.
- 7 We, Bank lastly agree that "the Bank" s liability under this guarantee shall not be affected by any change in the constitution of "the Tenderer".
- 8 "The Bank" has power to issue this guarantee in favor of "the Corporation" in terms of the documents and/or the Agreement/Contract or MOU entered into between "the Tenderer" and "the Bank" in this regard.

IN WITNESS WHEREOF the Bank has executed this document on this day of

For Bank
(by its constituted attorney)

(Signature of a person authorized to sign on behalf of "the Bank")

INTEGRITY PACT

Between

HPCL Biofuels Limited (HBL) hereinafter referred to as “The Principal”,

and

..... hereinafter referred to as
“The Bidder/Contractor”

Preamble

The Principal intends to award, under laid down organization procedures, contract/s for The Principle values full compliance with all relevant laws and regulations, and the principles of economic use of resources, and of fairness and transparency in its relations with its Bidders/s and Contractor/s.

In order to achieve these goals, the Principal cooperates with the renowned international Non-Governmental Organisation “Transparency International” (TI). Following TI’s national and international experience, the principal will appoint an external independent Monitor who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

Section 1 – Commitments of the Principal

(1) The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:

1. No employee of the Principal, personally or through family members, will in connection with the tender for, or the execution of a contract, demand, take a promise for or accept, for him/herself or third person, any material or immaterial benefit which he/she is not legally entitled to.
2. The principal will, during the tender process treat all Bidders with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidders the same information and will not provide to any Bidder confidential / additional information through which the Bidder could obtain an advantage in relation to the tender process or the contract execution.

The principal will exclude from the process all known prejudiced persons.

If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the relevant Anti-Corruption Laws of India, or if there be a substantive suspicion in this regard, the Principal will inform its Vigilance Office and in addition can initiate disciplinary actions.

Section 2 – Commitments of the Bidder / Contractor

(1) The Bidder / Contractor commits itself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender process and during the contract execution.

1. The Bidder / Contractor will not, directly or through any other person or firm, offer, promise or give to any of the Principal’s employees involved in the tender process or the execution of the contract or to any third person any material or immaterial benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.
2. The Bidder / Contractor will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications,

certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelisation in the bidding process.

3. The Bidder / Contractor will not commit any offence under the relevant Anti-corruption Laws of India; further the Bidder / Contractor will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.

4. The Bidder / Contractor will, when presenting his bid, disclose any and all payment he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.

5. The Bidder / Contractor will not instigate third persons to commit offences outlined above or be an accessory to such offences.

Section 3 Disqualification from tender process and exclusion from future contracts

If the Bidder, before contract award has committed a transgression through a violation of Section 2 or in any other form such as to put his reliability or credibility as Bidder into question, the Principal is entitled to disqualify the Bidder from the tender process or to terminate the contract, if already signed, for such reason.

(1) If the Bidder/Contractor has committed a transgression through a violation of Section 2 such as to put his reliability or credibility into question, the Principal is entitled also to exclude the Bidder / Contractor from future contract award processes. The imposition and duration of the exclusion will be determined by the

severity of the transgression. The severity will be determined by the circumstances of the case, in particular the number of transgressions, the position of the transgressors within the company hierarchy of the Bidder and the amount of the damage. The exclusion will be imposed for a minimum of 6 months and maximum of 3 years.

(2) A transgression is considered to have occurred if the Principal after due consideration of the available evidence, concludes that no reasonable doubt is possible.

(3) The Bidder accepts and undertakes to respect and uphold the Principal's absolute right to resort to and impose such exclusion and further accepts and undertakes not to challenge or question such exclusion on any ground, including the lack of any hearing before the decision to resort to such exclusion is taken. This undertaking is given freely and after obtaining independent legal advice.

(4) If the Bidder / Contractor can prove that he has restored / recouped the damage caused by him and has installed a suitable corruption prevention system, the Principal may revoke the exclusion prematurely.

Section 4 – Compensation for Damages

(1) If the Principal has disqualified the Bidder from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover from the Bidder liquidated damages equivalent to Earnest Money Deposit / Bid Security.

(2) If the Principal has terminated the contract according to Section 3, or if the Name , Seal & Signature 45

Principle is entitled to terminate the contract according to Section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages equivalent to Security Deposit / Performance Bank Guarantee.

(3) The bidder agrees and undertakes to pay the said amounts without protest or demur subject only to condition that if the Bidder / Contractor can prove and establish that the exclusion of the Bidder from the tender process or the termination of the contract after the contract award has caused no

damage or less damage than the amount of the liquidated damages, the Bidder / Contractor shall compensate the Principal only to the extent of the damage in the amount proved.

Section 5 – Previous Transgression

(1) The Bidder declares that no previous transgression occurred in the last 3years with any other Company in any country conforming to the TI approach or with any other Public Sector Enterprise in India that could justify his exclusion from the tender process.

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

Section 6 – Equal treatment of all Bidders / Contractors / Subcontractors

(1) The Bidder / Contractor undertakes to demand from all subcontractors a commitment in conformity with this Integrity Pact, and to submit it to the Principal before contract signing.

(2) The Principal will enter into agreements with identical conditions as this one with all Bidders, Contractors and Subcontractors.

(3) The Principal will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

Section 7 – Criminal charges against violating Bidders/Contractors/Subcontractors

If the Principal obtains knowledge of conduct of a Bidder, Contractor or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the Vigilance Office.

Section 8 – External Independent Monitor / Monitors (three in number depending on the size of the contract)

(to be decided by the Chairperson of the Principal)

(1) The Principal appoints competent and credible external independent Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.

(2) The Monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the Chairperson of the Board of the Principal.

(3) The Contractors accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the Contractor. The Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to this

project documentation. The same is applicable to Subcontractors. The Monitor is under contractual obligation to treat the information and documents of the Bidder / Contractor / Subcontractor with confidentiality.

(4) The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.

(5) As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of the Principal and request the Management to discontinue or heal the violation, or to take other relevant action.

The Monitor can in this regard submit non-binding recommendation. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action. However, the Independent External Monitor shall give an opportunity to the bidder / contractor to present its case before making its recommendations to the Principal.

(6) The Monitor will submit a written report to the Chairperson of the Board of the Principal within 8 to 10 weeks from the date of reference or intimation to him by the 'Principal' and, should the occasion arise, submit proposals for correcting problematic situations.

(7) Monitor shall be entitled to compensation on the same terms as being extended to / provided to Outside Expert Committee members / Chairman as prevailing with Principal.

(8) If the Monitor has reported to the Chairperson of the Board a substantiated suspicion of an offence under relevant Anti-Corruption Laws of India, and the Chairperson has not, within reasonable time, taken visible action to proceed against such offence or reported it to the Vigilance Office, the Monitor may also transmit this information directly to the Central Vigilance Commissioner, Government of India.

(9) The word 'Monitor' would include both singular and plural.

Section 9 – Pact Duration

This Pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the respective contract, and for all other Bidders 6 months after the contract has been awarded.

If any claim is made / lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged / determined by Chairperson of the Principal.

Section 10 – Other provisions

(1) This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, i.e. Mumbai. The Arbitration clause provided in the main tender document / contract shall

not be applicable for any issue / dispute arising under Integrity Pact.

(2) Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.

(3) If the Contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.

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

For the Principal For the Bidder/Contractor

Place.....

Witness 1:

Date.....

Witness 2: