



KUDREMUKH

## KIOCL Limited.

(A Government of India Enterprise)

II Block, Koramangala,

**BANGALORE 560 034.**

Phone: 080- 25532168. 25531150,

Fax: 080- 25532153 – 5941

Web: [www.kioclltd.com](http://www.kioclltd.com), Email: [bgmcpts@kudreore.com](mailto:bgmcpts@kudreore.com)

AN ISO 9001, 14001 & OHSAS 18001 COMPANY

### OPEN TENDER NOTICE

**No. TS/PP/SHED04/45**

**Date: 19.12.2011**

KIOCL Limited invites bids from reputed consultants /firms for carrying out feasibility study & detailed engineering services to augment the storage requirement for iron ore fines and iron ore concentrate by constructing a covered storage shed alongwith the material handling system at Pellet Plant, KIOCL Limited, Panambur, Mangalore, Karnataka State.

Bidders can collect the tender documents on all working days from the office of the General Manager (CP&TS), KIOCL Limited, Bangalore from 19.12.2011 to 20.01.2012, 2.00 PM or the same can also be down loaded from our above website.

Cost of Tender document Fee: Rs. 750/-(Rupees seven hundred & fifty only). Earnest Money Deposit: Rs. 75,000/- (Rupees seventy five thousand only). The last date for submission of sealed bid is 20.01.2012, 3.00 PM.

A pre bid meeting is scheduled on 06.01.2012, 10.00 AM at the office of the General Manager (Production), Pellet Plant, KIOCL Limited, Panambur, Mangalore – 575010 for related clarifications.

KIOCL Limited reserves the right to reject any or all the bids without assigning any reasons whatsoever and without any liability.

GENERAL MANAGER (CP&TS)

**No. TS/PF/SHED04/45**

**Date: 19.12.2011**

KIOCL Limited invites bids from reputed consultants for carrying out feasibility study & detailed engineering services for augment the storage requirement for iron ore fines and iron ore concentrate by constructing a covered storage shed alongwith the material handling system within the area already available inside the pellet plant premises, KIOCL Limited, Panambur, Mangalore

**KIOCL Limited (Formerly Kudremukh Iron Ore Company Limited):**

KIOCL LIMITED, the country's prestigious 100% export oriented unit and Mini Rathna Company, having its Pelletisation Complex and Pig Iron Complex at Mangalore, is engaged in the business of manufacturing and exporting high quality Iron Oxide Pellets and supply of pig iron for domestic market. An ISO-9001:2008, ISO-14001:2004 certified company also compliant with OHSAS: 18001:2007 certifications for Occupational Hazards and Safety Management System, has its Corporate Office at Bangalore.

**1.0 Scope of Services:**

The detailed scope, terms & conditions of contract is as per Annexure – `B` enclosed.

**2.0 Bid qualifying conditions**

The consultants / firms who are submitting their tender documents shall furnish the following details.

General Information

<b>Name of the Agency/Firms</b>	<b>Address for Communication</b>	<b>Contact Person</b>	<b>Contact Number</b>
			Land Line: Mobile: Fax No: Email id:

### **SPECIFIC INFORMATION**

The bidder should fulfill the following eligibility criteria to submit the tender:

Sl.No.	Description	Minimum Required
1	<p>Average annual financial turnover during last three (03) years, ending 31<sup>st</sup> March 2011.</p> <p><b>Note:</b> <i>Audited Profit &amp; Loss account and Balance sheet for last three completed financial years should be furnished to meet the PQ criteria.</i></p>	Should be at least Rs.20.00 Lakhs (Rupees Twenty Lakhs only)
2	<p>Highest value of having successfully completed similar work/s during last seven (07) years ending 30<sup>th</sup> November 2011.</p> <p><b>Similar job means</b> the consultant shall have experience in the preparation of Basic Engineering study, Techno-economic feasibility report &amp; detailed engineering services for the construction of storage shed and material handling systems with respect to iron ore fines or any other associated raw materials.</p> <p><b>Note:</b> <i>The work completion certificates and its value should be furnished to meet the PQ Criteria. The offer from those bidders who do not qualify for the above condition will not be considered.</i></p>	<p>(a) Three (03) nos. of similar completed works costing not less than Rs. 26.00 Lakhs of each work.</p> <p style="text-align: center;">OR</p> <p>(b) Two (02) nos. of similar completed works costing not less than Rs. 33.00 Lakhs of each work.</p> <p style="text-align: center;">OR</p> <p>(c) One (01) no. of similar completed work costing not less than Rs.52.00 Lakhs.</p>
3	<p>The consultant / firms should have the followings:</p>	
	PAN Number	
	Service Tax Number	

4	<b>BANK DETAILS:</b>	
	Name of the Bank	
	Branch Code	
	Branch Address	
	Type of Account	
	Account No.	
	MICR No.	
	IFSC/RTGS No.	

### 3.0 Tender Documents

The tender document consists of:

- a) Open Tender Notice Advertisement.
- b) Invitation to bids.
- c) Schedule of Items and Prices at Annexure - A
- d) Detailed scope of works, terms & conditions of contract at Annexure- B
- e) Integrity Pact Agreement format at Annexure - C

A pre bid meeting has been scheduled to be held on 06.01.2012, 10.00 AM at the office of the General Manager (Production), Pellet Plant, KIOCL Limited, Panambur, Mangalore 575 010, for related clarifications. Bidders are requested to confirm in advance about their participation in the pre-bid meeting. Subsequent to the pre-bid meeting, amendments to tender terms and conditions, if any, shall be issued in the form of Bulletin and also uploaded on the website. Offers shall be submitted in accordance with the tender terms and conditions and the amendments issued, if any. The last date for submission of bids is 20.01.2012, 3.00 PM.

Bidders are requested to make site visit, get acquainted with site conditions before submission of their bids.

### 4.0 Sealed bids shall be submitted in the manner as mentioned below:

- a) First sealed Envelope superscribed as "**Un Priced – Consultancy services for Basic Engineering study & detailing for covered storage shed & associated material handling system at KIOCL Limited, Mangalore**", shall contain two (02) full set of all the above tender documents at 3.0 above including all annexure duly filled-in and supporting documents with official seal & signature on all pages but without any mention of rates & prices.

First envelope shall also contain "TENDER DOCUMENT FEE" and "EARNEST MONEY" in the form of Demand Draft as per below.

- b) Second sealed Envelope superscribed as "**Priced - Consultancy services for Basic Engineering study & detailing for covered storage shed & associated material handling system at KIOCL Limited, Mangalore**" shall contain prices filled in strictly as per format 3.0 (c) above i.e. Schedule of Items and Prices at Annexure –A. Price should be quoted only in Annexure-A and no other additional papers to be enclosed there in.
- c) Both the above envelopes should be kept in another cover and sealed and superscribed as "**Bid - Consultancy services for Basic Engineering study & detailing for covered storage shed & associated material handling system at KIOCL Limited, Mangalore**" and addressed to

General Manager (CP&TS),  
KIOCL Limited, II Block,  
Koramangala,

**BANGALORE – 560 034** and shall be submitted to his office till 03.00 PM, on or before 20.01.2012.

- 5.0 The bid shall be accompanied by a Tender form fee (TFF) of **Rs. 750/-** (Rupees. Seven hundred fifty only) and Earnest Money Deposit (EMD) of **Rs. 75,000/-** (Rupees Seventy five thousand only) in the form of Demand draft in favour of "KIOCL LIMITED" payable at Bangalore. Bids not accompanied with TFF and EMD are liable for rejection.

This EMD will be returned to the unsuccessful bidders without any interest after the award of the work to successful bidder. For the successful bidder the EMD amount will be returned on completion of job without any interest.

- 6.0 Further to the submission of the offer, un-priced offers will be opened for scrutiny for ascertaining the technical suitability on 20.01.2012 at 4.00 PM. Price bids of techno-commercially acceptable offers will be opened in the presence of bidders in due course.
- 7.0 Acceptance of the bid will be intimated to successful bidder through a Letter of Intent (LOI)/Work Order. The bidder shall sign LOI/ Work Order and send the same to KIOCL Limited within seven (07) days from the date of receipt. In the event of failure on the part of the bidder to sign and return the LOI within the specified time, the EMD shall be liable to be forfeited at the sole discretion of KIOCL Limited.
- 8.0 The bid shall be valid for a period of "**Three (03) months**" from the due date of receipt of the bid.
- 9.0 KIOCL Limited decision shall be final & no correspondence shall be entertained in this regard.

10.0 There will be no negotiation & order will be placed on the L-1 offer. The total price quoted as per the Annexure-A will be considered for finalizing the L-1 bidder. Hence, bidders are requested to quote competitive rates against schedule of items at Annexure-A.

11.0 For any related clarifications please contact the following officers:

Sl. No.	Name & Address	Phone No.	Fax No.
1	Shri. NOOR AHMED SENIOR MANAGER (TS) KIOCL LIMITED 2 <sup>ND</sup> BLOCK, KORAMANGALA BANGALORE – 560 034. Email: bgmcpts@kudreore.com	080- 25532168/ 25531150	080- 25532153/ 25535941
2	Shri. T. GAJANANA PAI ADDL. GENERAL MANAGER (PROJECTS & PC) KIOCL LIMITED PANAMBUR MANGALORE – 575 010. Email: mprojects@kudreore.com	0824- 2407304	0824- 2407422

12.0 KIOCL Limited reserves the right to reject any or all bids without assigning any reasons whatsoever.

Thanking you,

Yours faithfully,  
for KIOCL LIMITED.

(N.S.JEYAKUMAR)  
General Manager (CP&TS)

**ANNEXURE - A****SCHEDULE OF ITEMS & PRICES**

**Sub:** Feasibility study & detailed engineering services for augment the storage requirement for iron ore fines and iron ore concentrate by constructing a covered storage shed along with the material handling system at Pellet Plant, KIOCL Limited, Panambur, Mangalore,

Sl. No.	DESCRIPTION OF WORK	UNIT	AMOUNT IN RUPEES
1	<p><b>PART – A : BASIC ENGINEERING STUDY &amp; TECHNO-ECONOMIC FEASIBILITY REPORT.</b></p> <p>Consultancy agency shall identify the feasible and the best option/scheme with respect to iron ore fines &amp; concentrate storage and associated material handling system at Pellet Plant, KIOCL Limited, Mangalore.</p> <p>Work out techno-economics, time schedule and cost estimates for the best option and recommend the scheme for implementation.</p> <p>AS PER SCOPE OF WORK, PART – A, OF ANNEXURE - `B`</p>	LUMPSUM	
2	<p><b>PART – B : DETAILED ENGINEERING SERVICES</b></p> <p>Providing detailed engineering of the identified scheme.</p> <p>AS PER SCOPE OF WORK, PART – B, OF ANNEXURE - `B`</p>	LUMPSUM	
	<b>TOTAL OF SI. No. 01 + 02 =</b>		
3	<p><u>OPTIONAL:</u> Total amount for 40 manvisits to KIOCL site at Mangalore inclusive of all expenses towards travel, local transportation, boarding, applicable taxes &amp; duties etc except service tax &amp; cess.</p> <p>Rate at Rs. ....per man visit.</p>	LUMPSUM	
	<b>TOTAL OF SI. No. 01 to 03</b>		
4	<b>Add applicable service tax &amp; cess @ .....%</b>		
	<b>GRAND TOTAL</b>		

(Rupees..... only)

**Note:**

1. The price quoted shall be inclusive of all applicable taxes & duties but exclusive of services tax and cess which will be paid by KIOCL along with each invoice.
2. Price quoted for sl. No.1 & 2 above shall be on lump sum basis inclusive of all expenses towards the scope in complete with boarding, lodging & travels to KIOCL Site at Mangalore for the project related activities.
3. The price shall be firm and binding without any escalation whatsoever till completion of works in all respects.
4. Any variation in taxes, levies, & duties imposed after the due date of submission of offer will be paid /recovered by KIOCL, only during the tenure of the contract.
5. Income tax as per prevailing rate shall be deducted from each invoice and the TDS certificate will be issued by KIOCL.
6. Prices shall be filled in the Price Schedule with ink. Price Schedule shall not be typed again. Please ensure that all columns where prices need to be mentioned are filled up without any overwriting and corrections. In case of a difference between the quote in words and in numbers, the quote in words shall prevail.
7. Price schedule shall be signed and sealed on each page and shall not contain any alterations/ conditions / notes whatsoever.
8. **Method of evaluation:** The priced offers shall be evaluated considering the total of item at sl. no. 1 to 3.
9. Man visit Services (Optional): A man visit will be for a period of minimum two (02) days availability of the consultants' personnel at KIOCL Mangalore site during the implementation of the projects i.e. during part-B of the services. The above services is an optional, the same will be utilized by the KIOCL on need basis.

Seal & Signature of the Bidder

**DETAILED SCOPE, TERMS & CONDITIONS OF CONTRACT**

**Preamble:**

KIOCL intends to augment the storage capacity of iron ore fines and iron ore concentrate by constructing covered storage sheds within their existing premises at Pellet Plant, Mangalore. The proposed covered storage shed shall include the associated material handling system which shall be suitably interconnected with the existing system.

**1.0 SCOPE OF WORK:**

**PART – A: BASIC ENGINEERING STUDY & TECHNO-ECONOMIC FEASIBILITY REPORT.**

- (i) The consultant will have to visit the site at Mangalore to study the location of the proposed covered storage shed/sheds and associated material handling system keeping in view the land and other facilities that are already available within the KIOCL premises.
- (ii) Data collection in respect of existing facilities such as location and alignment of storage shed/sheds, existing conveying system, respective ground levels, soil data, relevant drawings etc.
- (iii) To identify and analyse the best option/ scheme with respect to iron ore fines / concentrate storage and associated material handling system and Interconnection of the existing facility to the new facility proposed.
- (iv) Preparation of report establishing the feasible scheme with identification of the storage capacity, number and size of the shed(s), conveyor routings and material handling system details, power requirement, schedule of items, cost estimates and implementation time schedule with bar chart. The report will also include the layout details, General Arrangement drawings, locations of other main features and interfacing aspects, P&I diagram, etc.
- (v) Use of existing infrastructural facilities and available equipment / spares to the extent possible shall be considered while preparing the feasibility report & developing the layout.
- (vi) Requirement of plant utilities such as power etc. as well as suitable distribution systems shall be outlined.
- (vii) Capital cost estimates covering civil and structural work, mechanical and electrical equipment, material handling system and other facilities, as may be required for the completeness of this finalized scheme.

- (viii) The report shall recommend the best option / scheme for implementation providing necessary financial analysis establishing the feasibility of the finalised scheme.
- (ix) The report shall consist of the specifications and BOQ for the equipment/items considered for the project along with a list of suggested vendors.
- (x) DELIVERABLES:
  - (a) Submission of draft report in five (5) hard copies and a soft copy (CD) and making a presentation to KIOCL, if necessary.
  - (b) Incorporating comments from KIOCL and submission of Final report in Six (6) hard copies along with two (2) soft copies (CD).

**NOTE:** The Feasibility Report should contain the complete details of the study and the description of the equipment proposed, as well as a summary of the data and results. The feasibility report shall be complete and clear in all respects to enable KIOCL Limited to decide on the implementation of the project.

**PART – B: DETAILED ENGINEERING SERVICES:**

- 1.0 CONSULTANT will carry out the detailed engineering services for the project based on the TEFr approved by KIOCL:
- 1.1 Technical specification for civil, structural, mechanical, electrical and instrumentation works. This shall include modification required for existing structures and equipments, if any. KIOCL will provide the necessary information / drawings / data of the existing structures and equipments to the extent available. The consultant shall suggest appropriate modifications (if required) and prepare a suitable scheme in consultation with KIOCL.
- 1.2 Preparation & issue of bid specifications, tender documents, special conditions & tender drawings etc.
- 1.3 Preparation of schedules and bills of quantities.
- 1.4 Provide the list of bidders (vendors list) for supply of equipment and or erection works.
- 1.5 Clarifications to letters received from the bidders/vendors.
- 1.6 Technical analysis of the bids, Bid evaluation report along with recommendation.
- 1.7 Construction drawings for all civil works viz. for covered storage shed (s), equipment foundations and other structures etc. shall be in the scope of consultant.
- 1.8 Drawing pertaining to mechanical/electrical/ instrumentation works.
- 1.9 Design drawings for steel structures.

- 1.10 Approval of manufacturer's /contractor's drawings and specifications.
- 1.11 Designer's supervision: In the event of any technical clarification required during the implementation /construction phase (which may likely to hold the ongoing work for some technical reason), the consultant shall have to make a visit to the plant site and provide the necessary clarification / suggest / modify the design, if required.
- 1.12 Assistance in techno-commercial discussions on procurement and erection contracts.
- 1.13 Review and approval of QAP and Billing Schedule in consultation with KIOCL.
- 1.14 Certification & submission of "As-built" drawings submitted by the Contractor to KIOCL.
- 1.15 Issue of technical specification along with tender drawings for design, manufacture, supply, erection, testing and commissioning of conveyor system.

Issue of all required structural design drawings for the steel structurals of the storage sheds, conveyor galleries, trestles etc., is in the scope of the consultant.

- 1.16 CONSULTANT shall issue all the required construction drawings (detailed engineering drawings) pertaining to the civil works.
- 1.17 Assistance in settlement of disputes with suppliers / construction contractors.
- 1.18 Assistance in order placement by way of review of technical contract documents.
- 1.19 Post order placement services such as review of vendor drawings and other documents to ensure conformity of the equipment supplied and services provided by the contractor/s.
- 1.20 CONSULTANT shall issue all the required design drawings for the fabrication of steel structures based on which the CONTRACTOR will prepare detailed drawings (working or construction drawings) for carryout the fabrication job. The same shall be approved by the CONSULTANT.
- 1.21 Prepare single line diagram for power distribution system.
- 1.22 Prepare layouts of electrical distribution system for power, earthing, lighting, lightning protection.
- 1.23 Design instrumentation and control system as required.
- 1.24 Prepare list of instruments and controls.
- 1.25 Prepare technical specifications / data sheets for various instruments that would be required, control systems, control panel etc, as may be required.
- 1.26 The consultant shall assist KIOCL in integrating the new system with the existing control system.
- 1.27 Prepare electrical and instrumentation cable routing drawings as may be required.
- 1.28 Facilities such as the water, compressed air etc. as necessary for the project to be considered.

2.0 Consultant shall indicate the estimated costs for individual packages proposed including taxes & duties with base date. The base date shall be close to the last date of receipt of bids for the finalised tender packages. Consultant shall also suggest the list of bidders (vendors list) for each package wise.

### **3.0 SUPPLY OF DOCUMENTS/DRAWINGS: ( for Part –B job)**

CONSULTANT will prepare reports, specifications and drawings in English language and in metric system. CONSULTANT will submit the various reports, drawings / documents prepared by them in the number of copies mentioned as under:

- i. Tender specification and documents : 03 copies as draft &  
06 copies final+2 soft copies
- ii. Drawings for construction : 06 copies + 1 soft copy
- iii. "As-Built" drawings : 1 reproducible + 4 copies

### **4.0 OBLIGATIONS OF KIOCL**

- i. KIOCL will furnish details to the extent available. For details not available, the CONSULTANT shall assume/ provide based on their experience. If any test/investigation is required to be carried out, the CONSULTANT shall furnish the details as required for such tests/investigations.
- ii. Statutory clearances, if any, required including necessary sanction from Government and local bodies.
- iii. Inviting tenders, obtain clarifications from tenderers, arrange for discussions with tenderers, place orders for plant and equipment and necessary services.
- iv. Procure and pay for all investigations, surveys, tests, plant, equipment, construction tools, labour and materials required for the job. This includes payments to contractors and suppliers on orders placed by KIOCL.
- v. Making available the construction power and water supply at one point.
- vi. KIOCL will provide office accommodation as available at site. KIOCL's facilities of telephone and fax can be used free of cost for official purposes.

## **5.0 TIME SCHEDULE:**

### **PART – A: BASIC ENGINEERING STUDY & TECHNO-ECONOMIC REPORT.**

- (i) FIVE (05) WEEKS for preparation & submission followed by presentation of draft report from the date of issue of work order.
- (ii) Three days for KIOCL to furnish comments.
- (iii) Three days for submission of final report on receipt of comments from KIOCL.

### **PART – B: DETAILED ENGINEERING SERVICES: 50 Weeks from the date of clearance from KIOCL to proceed with the Part- B activities.**

It is the intention of the KIOCL to get the construction of storage sheds and associated material handling systems ready for use within 50 weeks from the date of clearance by KIOCL to the consultant for proceeding with the detailed engineering services.

Decision to proceed with the scope covered under the PART-B, i.e. Detailed Engineering will be communicated to the CONSULTANT within TWO months of receipt of the Feasibility Report.

The Consultant shall progressively release the tender documents for various packages within TWO (02) weeks from the date of clearance from KIOCL for start of PART-B activities.

KIOCL LTD. shall float the tender enquiry and finalise the agencies/ contractors for carrying out the supplies / works.

Issue of construction drawings progressively for civil works / design drawings for the structures, mechanical, electrical and instrumentation drawings and details connected with the utilities for the project, specifications for procurement of bought out items and other activities as per the scope of work shall be carried out by the CONSULTANT subsequently for completion of the project within the time schedule specified.

During the implementation stage, the CONSULTANT shall co-ordinate with KIOCL/implementing contractor as and when required.

### **PART – C: MAN VISIT SERVICES (Optional).**

It is envisaged that total 40 man visits of the consultant's personnel to KIOCL site, Mangalore may be required for completion of the job during the part-B: Detailed Engineering Services. The

payment shall be regulated as per the actual number of man visits performed.

A man visit will be for a period of minimum two (02) days availability of the consultants' personnel at KIOCL Mangalore site during the implementation of the projects i.e. during part-B of the services.

**Note:** The above services is an optional item, the same will be utilized by the KIOCL on need basis.

## 6.0 **TERMS OF PAYMENTS:**

### **PART – A: BASIC ENGINEERING STUDY & TECHNO-ECONOMIC REPORT.**

<b>Sl. No.</b>	<b>% age of Part-A job</b>	<b>Description</b>
i	20	Lump sum fee payable on completion of first visit to site for the scope of job and on submission of brief report on study carried out.
ii	40	Lump sum fee payable after the submission of the draft report in five (5) hard copies and a soft copy (CD) and making a presentation to KIOCL, if necessary.
iii	30	Lump sum fee payable after acceptance of the draft report by KIOCL Limited
iv	10	Lump sum fee payable on submission of the Final report in Six (6) hard copies along with two (2) soft copies (CD).

### **PART – B: DETAILED ENGINEERING SERVICES.**

<b>Sl. No.</b>	<b>% age of Part-B job</b>	<b>Description</b>
i	45	Lump sum fee is payable on progressively on completion & issue of all the technical specifications & tender documents along with the drawings, relevant documents required for tendering action by KIOCL.  <b>Note:</b> The payment will be made depending upon the number of packages finalized along with KIOCL Limited.  <b>(Example:</b> If number of packages are 05, the payment will be made 9% for each package).
ii	50	Lump sum fee, is payable against milestones as below:
		(a) 10% of the compensation of 50% shall be paid progressively on review of the bids for job/tender packages and issue of first set of

			clarification letters to the bidders for job.
		(b)	10% of the compensation of 50% shall be paid progressively on submission of the bid evaluation report for job/tender packages to KIOCL.
		(c)	20% of the compensation of 50% shall be paid progressively after issue of work order/s to implementation agencies/suppliers/contractors.
		(d)	Balance 60% of the compensation of 50% will be paid as progress payment on pro-rate basis against mutually agreed billing schedule with the successful bidder.
iii	5		Lump sum fee is payable after successful commissioning of the scheme, witnessing performance test of the implemented scheme and submission of the "As-Built" drawings based on the implemented scheme.

### **PART – C: MAN VISIT SERVICES (Optional).**

Total 40 man visits of the consultant's personnel to KIOCL site, Mangalore/Corporate Office, Bangalore for completion of the job during the part-B: Detailed Engineering Services. The progressive payment shall be regulated as per the actual number of man visits performed against the each invoice/s raised by the consultant.

A man visit will be for a period of minimum of 2 days availability of the consultants' personnel at KIOCL during the implementation of the projects i.e. during part-B of the services.

### **7.0 PRICES:**

- (i) Price quoted shall be lump sum inclusive of all expenses towards the scope in complete including site visits, to and fro travel expenses, boarding, lodging and local travel etc.
- (ii) The price shall be firm and binding without any escalation whatsoever till completion of works in all respects.
- (iii) The quoted lump sum fee shall be inclusive of all applicable taxes & duties and exclusive of services tax and cess which will be paid by KIOCL along with each invoice.
- (iv) Income tax as per prevailing rate shall be deducted from each invoice and the TDS certificate will be issued by KIOCL Limited at the end of the financial year.
- (v) Prices shall be filled in the Price Schedule with ink/ball pen. There shall not be any corrections or over writings. Please ensure that the column where prices need to be mentioned is filled up.

- (vi) Price schedule shall be signed and sealed on each page and shall not contain any alterations/conditions/notes whatsoever.
- (vii) Any variation in taxes, levies, & duties imposed after the date of submission of offer will be paid /recovered by KIOCL, only during the tenure of contract, depending upon nature of levies and enabling clauses to pay / recover the same from the concerned party.

#### **8.0 SPECIAL CONDITIONS:**

- (i) It is the responsibility of the agency/firm to deploy competent personnel for carrying out the job.
- (ii) Under Exceptional circumstances, KIOCL Limited reserves the option of not pursuing with the Part-B of the order i.e. for Detailed Engineering Services.
- (iii) Security: Site of work is within the prohibited area. All entries/exits for men and materials shall be through the main gate of the Pellet Plant Unit only. This is manned for CISF Security Force staff. Entry/Gate passes duly counter signed by the company's authorized Executive are therefore required to be furnished at the main gate without fail.
- (iv) Integrity Pact: The tenderer shall execute Integrity Pact Agreement with the KIOCL as per the Integrity Pact Agreement prescribed format supplied by KIOCL Limited. The following Independent External Monitor (IEM) is nominated for the above job.

Sri. Lukose Vallatharai  
No. 20, Bore bank Road,  
Benson Town,  
Bangalore - 560046,  
Phone No. 080-23536649  
Email: lukose3@gmail.com

The tenderer shall sign and seal with witness signature in the Integrity Pact Agreement format (Annexure-C) and shall submit along with the tender document.

- (v) Compensation: The quoted lumpsum fee shall be inclusive of all expenses towards cost of travel to KIOCL site at Mangalore/ Corporate Office, Bangalore, boarding, lodging, local transportation etc. of the consultant/s personnel on this assignment.
- (vi) Penalty: If, Consultant / Bidder fails to complete the work or the component part of the work within the stipulated completion date or the component milestone stipulated in the

CONTRACT, Consultant / Bidder shall pay to KIOCL, as penalty for such default (unless extension of time is granted by KIOCL Limited) as below which lapse between the date of completion as prescribed in the order and the actual date of completion of the work. The amounts determined on the basis of the percentages of the proportioned value as specified herein.

- i) Delay for first 30 days - 0.05% per day to a maximum of 1.5 % of the total CONTRACT VALUE.
- ii) Delay beyond first 30 days up to 45 days - 2.5% of the total CONTRACT VALUE.
- iii) Delay beyond 45 days - maximum of 3.5% of the total CONTRACT VALUE.

KIOCL Limited reserves the right to waive the penalty clause either in part or in full at its sole discretion.

- (vii) Force Majeure: Any delay, in or failure of performance of the Contract by Consultant / Contractor or Owner shall not constitute defaults by such party or give rise to any claim for damages against it, if and to the extent such delay or failure of performance is caused by acts of God, acts of war or hostilities, acts or omissions of Government, invasion, revolution, civil commotion, blockade, embargo, sabotage, fires, severe earth quakes, typhoons, cyclones, lightning, plague, epidemic or other act, omission or circumstances, (excluding monsoon) which are beyond the reasonable control of the parties affected which they could not have reasonably foreseen and guarded against which by exercise of reasonable care and diligence, they are unable to prevent (herein after referred to as Force Majeure). Owner shall be the sole judge to decide and the decision is final and binding. Monsoon season is not considered a Force Majeure.
- (viii) Secrecy: Both the CONSULTANT and OWNER undertake that they shall hold in confidence one Part to the other directly or indirectly in connection with the PROJECT. All information gathered there from and therein shall not be disclosed to any third party.
- (ix) Arbitration: In case of arbitration if any, Arbitration shall be as per Arbitration and conciliation Act 1996. Jurisdiction to this will be Bangalore only.
- (x) Termination: Under exceptional circumstances KIOCL is free to terminate the order/contract either in whole or portion thereof. In such cases, KIOCL will be compensating for the services carried out till the date of cancellation as per mutually agreed terms.

(xi) Safety: The consultants shall comply safety regulations as per statutory requirement under the Factories Act.

(xii) Fraud prevention policy of KIOCL:

“Fraud Prevention Policy” is being followed at KIOCL, which provides a system for prevention/detection/reporting of any fraud. It also forbids everyone from involvement in any fraudulent activity and that where any fraudulent activity is suspected by anyone the matter must be reported to the Chief Vigilance Officer- `Nodal Officer`, 2<sup>nd</sup> Block, KIOCL Limited, Koramangala, Bangalore- 560 034 as soon as he/she comes to know of any fraud or suspected fraud.

Seal & signature of the bidder

**INTEGRITY PACT**

THIS AGREEMENT is entered into between the following Parties:

**KIOCL Limited, IInd Block, Koramangala, Bangalore 560 034** hereinafter referred to as "**The Principal**",

and

**Name & Address of the Party**

.....

.....

.....

hereinafter referred to as "**The Tenderer/ Contractor**"

**Preamble**

The Principal intends to award a contract, following its laid-down organizational procedures, for feasibility study & detailed engineering services for augment the storage requirement for iron ore fines and iron ore concentrate by constructing a covered storage shed along with the material handling system at Pellet Plant, KIOCL Limited, Panambur, Mangalore. The Principal values full compliance with all relevant laws and regulations and the principles of economical use of resources and of fairness and transparency in its relations with its Tenderer(s) and /or Contractor(s).

In order to achieve these goals, the Principal cooperates with the renowned international Non-Governmental Organization, "Transparency International" (TI). Following TI's national and international experience, the Principal will appoint an Independent External Monitor (IEM) who will monitor the tender process and the execution of the Contract for compliance with the principles mentioned below.

**IT IS AGREED AS FOLLOWS:**

**Definitions:**

a) "**Principal**" means KIOCL LIMITED, incorporated under the Companies Act 1956, having their registered office at Koramangala, Bangalore – 560 034 and includes their successors.

b) "**Tenderer**" means the person, firm or company submitting a tender against the Invitation to Tender and includes his/ its/ their staff, consultants, parent and associate and subsidiary companies, agents,

consortium and joint venture partners, sub-contractors and suppliers, heirs, executors, administrators, representatives, successors.

c) "**Contractor**" means the Tenderer whose tender has been accepted by the principal or Company whose tender has been accepted and shall be deemed to include his/ its/ their successors, representatives, heirs, executors and administrators unless excluded by the Contract.

d) " **Independent External Monitor**" means a person, hereinafter referred to as IEM, appointed, in accordance with **clause 8.a** below, to verify compliance with this agreement.

e) "**Party**" means a signatory to this agreement.

f) "**Contract**" means the contract entered into between the Principal and Tenderer/Contractor for the execution of work mentioned in the preamble above.

### **Commitments of the Parties**

#### Section 1 - Commitments of the Principal:-

The Principal commits itself to take all measures necessary to prevent corruption (inducement to violate duty assigned to its employees) and to observe the following principles;

i) No employee of the Principal, personally or through family members or any third person, will in connection with all stages of tendering or the execution of Contract, demand or take a promise, or accept, for him/herself or any third person, any material or non-material benefit which he/she is not legally entitled to;

ii) The Principal will, during the tender process, treat all Tenderers with equity and reason. The Principal will in particular, before and during the tender process, provide to all Tenderers the same information and will not provide to any Tenderer any information/ clarification through which the Tenderer could obtain an advantage in relation to the tender process or the Contract execution;

iii) The Principal will not take, directly or indirectly, any steps, which could unduly influence the functioning of IEM.

iv) 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/ guidelines of Govt. / guidelines of CVC/ guidelines of Principal, or if there be a substantive suspicion in this regard, the Principal will inform its Vigilance Office and in addition can initiate disciplinary actions.

v) If the Principal obtains information of conduct of a bidder, contractor or sub-contractor or of an employee or a representative or an associate of a bidder, contractor or sub-contractor, which constitutes corruption, or if the Principal has a substantive suspicion in this regard, the Principal will inform the Vigilance Department of the principal.

## Section 2 - Commitments of the Tenderer(s)/Contractor(s):-

2.1 The Tenderer /Contractor commits himself 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;

i) The Tenderer / Contractor will not directly or through any other person(s) or firm, offer, promise or give to the Principal, or 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, an advantage during the tender process or to vitiate the Principal's tender process or the execution of the Contract.

ii) The Tenderer / Contractor will not enter with other Tenderers into any illegal agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or actions to restrict competitiveness or to vitiate the Principal's tender process or the execution of the Contract.

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

iv) The Tenderer / Contractor of foreign origin shall disclose the name and address of the agents/representatives in India, if any. Similarly, the Tenderer / Contractor of Indian Nationality shall furnish the name and address of the foreign principals, if any.

v) The Tenderer / Contractor will, when presenting his bid, disclose any and all payments 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.

vi) The Tenderer/ Contractor will not take, directly or indirectly, any steps, which could unduly influence the functioning of IEM.

vii) The Tenderer / Contractor will not instigate third persons to commit offences outlined above or be an accessory to such offences.

## **2.2 Obligation to Ensure Compliance**

a). Each Party will take all reasonable steps to ensure that the provisions of this agreement which are binding on it are complied with by all of its staff, consultants, parent and associated and subsidiary companies, agents, consortium and joint venture partners, sub-contractors and suppliers.

b). Each Party will appoint an appropriate senior manager with responsibility for ensuring that the provisions of this agreement are complied with.

## **Section 3 - Disqualification from tender process and exclusion from future contracts**

a). If the Tenderer, before award of Contract, has committed a transgression through violation of any of the terms **under section 2 above** or in any other form such as to put his reliability or credibility as Tenderer into question, the Principal is entitled to disqualify the Tenderer from the tender process or to terminate the Contract, if already signed, for such reason.

b). If the Tenderer / Contractor has committed a transgression through a violation of any of the terms **under section 2 above** or in any other form such as to put his reliability or credibility into question, the Principal is entitled also to exclude the Tenderer / 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 Tenderer /Contractor and the amount of the damage. The exclusion will be imposed for a minimum of six (6) months and a maximum of three (3) years.

c). If the Tenderer / 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 before the expiry of the period of such exclusion.

d). A transgression is considered to have occurred if, in light of all available evidence, a reasonable doubt is possible.

## **SECTION 4 - COMPENSATION FOR DAMAGES**

a). If the Principal has disqualified the Tenderer from the tender process prior to the award according to **Section 3 above**, the Earnest Money Deposit (EMD) furnished, if any, along with the offer as per the terms of the Invitation to Tender (ITT) shall be forfeited. This is apart from the

disqualification of the Tenderer as may be imposed by the Principal as brought out at section **3 above**.

b). If the Principal has terminated the Contract according to **Section 3 above**, or if the Principal is entitled to terminate the Contract according to **section 3 above**, the EMD/Security Deposit furnished by the contractor, if any, as per the terms of the ITT/Contract shall be forfeited. This is apart from the disqualification of the Tenderer, as may be imposed by the Principal, as brought out at **section 3 above**.

### **Section 5 - Previous Transgression**

a) The Tenderer hereby declares that no previous transgressions with respect to provisions of Integrity pact occurred in the last three (3) years with any other Company in any country or with any other Public Sector Enterprise in India and, as such, there is no case for his exclusion from the tender process.

b) The Tenderer hereby agrees that if he has made/makes incorrect statement in regard to this aspect, he can be disqualified from the tender process or the Contract, if already awarded, can be terminated for that reason.

### **Section 6 - Equal treatment of all Tenderers/Contractors/ Sub-contractors**

a) The Tenderer / Contractor undertakes to obtain from all sub-contractors a commitment consistent with this integrity pact, and to submit it to the Principal at the time of seeking approval of the principal for appointment of sub-contractors.

b) The principal will enter into agreements with identical conditions as that of this Integrity Pact, with all Tenderers / Contractors

c) It is essential for all tenderes / contractors to sign the Integrity Pact with the company if the value of the transaction is more than 30 lakhs. The principal will disqualify from the tender process all tenderers/ contractors who do not sign this Pact or violate its provisions.

### **Section7 - Breaches of this Agreement**

a) In the event that any Party believes that there is *prima facie* evidence that there has been a failure by a Party to comply with any provision of this agreement, such Party will take the following actions:

i) It will report full details of such suspected non-compliance to the IEM and CVO with copies to the Chief Executives of each of the Parties.

ii) If any such non-compliance has been carried out, or assisted by an individual who is a member of a professional association, and such non-

compliance may constitute a breach of any disciplinary code of such professional association, such Party may report such matter to the professional association.

b) If such non-compliance may constitute a criminal offence, either in the country in which the Contract is being carried out, or in the home country of the organization or individual which carried out or assisted such non-compliance, such Party may report such matter to the appropriate criminal authorities in those territories.

c) In the event that any Party breaches any provision of this agreement, the other Parties may, in addition to the rights under this agreement, claim damages against the defaulting Party, and exercise any other rights they may have against the defaulting Party.

d) The Parties will take appropriate disciplinary or enforcement action against any of their staff, consultants, parent and associated and subsidiary companies, agents, consortium and joint venture partners, sub-contractors and suppliers who cause or assist in any breach of any provision of this agreement.

### **Section 8 - Independent External Monitor/Monitors (IEM)**

a). The Principal, will appoint a competent and credible IEM/Number of IEMs for the duration of this agreement from the panel of IEMs appointed in consultation with the Central Vigilance Commission (CVC).

b). The IEM will assess, on an independent and objective basis, the extent to which the Parties comply with their obligations under this agreement.

c). The Parties will, after submission of a tender; after the award of any contract to them and for the duration of the contract:

i) Allow the IEM unrestricted access to all books, records and staff relevant to such tender;

ii) Ensure that the IEM has unrestricted access to the relevant books, records and staff of their consultants, parent and associated and subsidiary companies, agents, consortium and joint venture partners, sub-contractors and suppliers.

d). In the event that the IEM believes that there is *prima facie* evidence that there is a violation of this agreement, the IEM will report the same to CEO of the Principal.

e). Upon receipt of a report from the IEM, CEO of the Principal and the Board will discuss and try to agree upon the appropriate action to be taken in line with **sections 3,4 & 5 above** to deal with such violation.

f). The IEM has no power to inquire any of the Parties to undertake any actions. No statement by the IEM, whether oral or in writing, is binding on any of the parties. Any Party in legal or dispute resolution proceedings can use all reports and other documentation issued by the IEM. The IEM can be called as a witness in legal or dispute resolution proceedings.

g). Fee and /or any other incidentals including traveling/conveyance expenses, if any, payable to IEM shall be borne by the Principal.

h). The IEM can only be removed from his appointment, if:

1. All parties agree in writing to remove him: or
2. He resigns: or
3. He is removed from his office by order of a Court having appropriate jurisdiction.

i) On completion of the term by the IEM or if the IEM is removed from his appointment or in case of death of IEM (whichever is earlier), the Principal will appoint another IEM as per **section 8.a) above** for the remaining duration of this agreement.

### **Section 9 - Duration of Agreement**

**a).** This agreement comes into force as soon as it has been signed by all the Parties have signed it. It cannot be terminated or varied except by the written agreement of all the Parties.

**b).** This agreement will expire after 12 months from the date of last payment under the respective Contract for the Contractor, and for all other Tenderers 6 months after the award of the Contract.

### **Section 10 - Other Provisions**

**a).** The Principal will disqualify from the tender process all Tenderers who do not sign this Pact or violate its provisions.

**b).** Should any occasion arise entailing IEM to undertake any investigation under the provisions of this agreement, the venue for such investigation shall generally be at KIOCL Corporate Office, Kormangala, Bangalore – 560034.

**c).** This agreement is subject to Indian law. Place of performance and jurisdiction is the corporate office of the Principal. In case of any dispute, the courts at Bangalore only shall have jurisdiction.

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

**e).** Addresses along with other relevant details of the Chief Executives of the Parties are as given under;

<p style="text-align: center;"><b>1. Principal:</b></p> <p>Chairman-cum-Managing Director, KIOCL Limited II-Block, Koramangala, BANGALORE – 560 034 <b>INDIA.</b></p>	<p><b>Tel</b> : 080-25531322(O) : 080-25531272(O) <b>Fax</b> : 080-25521584(O)</p>
<p style="text-align: center;"><b>2. Tenderer / Contractor</b></p> <p>.....</p> <p>.....</p> <p>.....</p>	<p><b>Tel:</b></p> <p><b>Mobile:</b></p> <p><b>Email:</b></p> <p><b>Fax:</b></p>

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

**g).** If the contractor is a partnership or consortium, all partners or consortium members must sign this agreement.

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For the Principal

Place.....

Date .....

Witness 1: .....  
.....

(Name & address)

Witness

2: .....

(Name & address)

For the Tenderer/ Contractor

Place.....

Date .....

Witness 1:

(Name & address)

Witness 2: .....

(Name & address)

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