

NOTICE INVITING E-TENDER
BHARAT PETROLEUM CORPORATION LIMITED
LOBP TONDIARPET, CHENNAI
35, Vaidyanathan Street, Tondiarpet, Chennai-600081
Tel: 044 25952386, 25986530, 25986249



Tender no CRFQ No.	CRFQ 1000318253
Subject	E-Tender for Repacking of Lubricants in pillow pouches for a period of one year for our Lube Oil Blending Plant, Tondiarpet, Chennai
Pre-bid meet for clarification on tender condition	08.11.2018 at 11 AM at LOBP Tondiarpet, Chennai
Due date & time of submission of tender	22.11.2018 by 11.00 AM
Date & time of opening of bid	22.11.2018 at 11.30 AM
Contract period	One year w.e.f. 01.02.2019
Earnest Money Deposit	Not applicable
Security Deposit	As mentioned in tender document

Reference : CRFQ 1000318253

Dear Sirs,

TENDER ENQUIRY FOR REPACKING MAK 2T OIL IN “PILLOW POUCHES AT CHENNAI FOR PERIOD OF ONE YEAR

- ✦ We are pleased to invite e-bids for repacking of lubricating Oil in pouches for a period of one year. Please visit our website <https://bpclproc.in> for participating in the tender and submit your bids online.

Estimated requirement for repacking for period of 1 year is as under:

Sl. No.	Grade	Repacking Size	No. of Pouches in a case (Nos.)	No of Cases per annum	No of pouches per annum	Quantity in KL per annum
1	MAK 2T	20 ML Pillow Pouches	600	60000	36000000	720
2	MAK 2T	40 ML Pillow Pouches	300	150000	45000000	1800
3	MAK 2T	60 ML Pillow Pouches	200	60000	12000000	720

- ✦ The estimated requirement given above shall be considered as indicative figures only and it is not binding on BPCL in any way (the requirement will be need based only). Actual requirement shall be indicated to you from time to time through Purchase Orders after the award of contract. BPCL does not guarantee any minimum volume of business. During any month, the estimated requirement may be higher by 50% of the pro-rated tender quantity.

The standard configuration for a case (stock keeping unit) is given below

- a) 20 ml - 600 nos
- b) 40 ml - 300 nos
- c) 60 ml - 200 nos

However based on market requirement, this configuration may change. This should not have impact on the scope of the job and rates offered.

- ✦ Any correction/addendum etc. of the tender shall be published online in the BPCL e-procurement website <https://bpclproc.in> only. No separate communication shall be sent in this regard.
- ✦ AWARD of Contract:
 - 100% to L1.
 - L1 shall be finalized based on the overall cash outflow including taxes.

✚ The attached tender document consists of the following:

- i. General Terms and Conditions
- ii. Quality control check list
- iii. Lists of testing equipment/ facilities required for QC checks
- iv. Bank Guarantee format for Security Deposit
- v. Arbitration Clause (Annexure I)
- vi. Termination Clause (Annexure II)
- vii. Force Majeure Clause (Annexure III)
- viii. Penalty Clause for delayed delivery (Annexure IV)
- ix. Sub-leasing Clause (Annexure V)
- x. Declaration (Annexure VI)
- xi. Integrity pact (Annexure VII)
- xii. Draft format for Declaration (Annexure VIII)
- xiii. Draft Copy of Agreement (Annexure IX)

✚ Price bid

The tenderer has to download the entire tender document. The tenderer should duly sign (digital) the tender document as token of acceptance of all tender terms and conditions and upload the same in the website <https://bpcleproc.in>. **The price bid is to be filled online only on website <https://bpcleproc.in>**

It is the sole responsibility of the tenderer to arrange for digital signature certificate and digital encryption certificate for quoting online.

INSTRUCTIONS TO BIDDERS

- i) Tender is to be submitted online only at <https://bpcleproc.in>. The bids received in any other form shall not be accepted.

Due date & time of submission of tender : 22.11.2018 by 11:00 AM

Date & time of opening of bid : 22.11.2018 at 11:30 AM

Contact persons : Mr. K.S. Kannan, Sr. Manager (Ops), Lubes, Tondiarpet and , Ms. G. Vijayalakshmi, Asst. Manager Ops (Lubes) Tondiarpet, Phone: 044 25952386, 25986530.

- ii) Tenderer submitting / uploading tender documents through digitally signed certificate shall be construed as their complete agreement with the terms and conditions and that they have fully understood the tender documents.
- iii) As a pre-requisite for participation in the tender, bidders are required to obtain a valid Digital Signature Certificate of Class IIB and above as per Indian IT Act from the licensed Certifying Authorities operation under the Root Certifying Authority of India (RCIA) Controller of Certifying Authorities (CCA). The cost of obtaining such Digital Signature Certificate shall be borne by the bidder. In case any tenderer so desires, he/she may contact our e-procurement service provider M/s. E-Procurement Technologies Ltd (EPTL), at their contact no. in Chennai : 044-26142669 / Mr. Rajesh (Mob. 7892235178) for obtaining Digital Signature Certificate.

- iv) Corrigendum /amendment, if any, shall be published on the e-procurement site <https://bpcleproc.in> only. In case any corrigendum/ amendment is issued after the submission of the bid, then such tenderers who have submitted their bids, shall be intimated about the corrigendum/amendment by an auto-generated email. No written communication will be circulated. It shall be assumed that the information contained therein has been taken into account by the tenderer. They have the choice of making changes in their bid before the due date and time.
- v) Tenderers are required to submit their bid online on or before the due date and time of closing of the tender as depicted in this document. Tenderers shall have to log on to the website (<https://bpcleproc.in>) for submitting their bid. The system time (IST) that will be displayed on e- Procurement web page shall be the time considered for determining the expiry of due date and time of the tender and no other time shall be taken into cognizance. Tenderers are advised in their own interest to ensure that their bids are submitted in e-Procurement system well before the closing date and time of bid. If the tenderer intends to change/revise the bid already entered, he may do so any number of times till the due date and time of submission deadline. However, no bid can be modified after the deadline for submission of bids. Once the entire process of submission of online bid is complete, the tenderers are required to go to option 'own bid view' through dashboard and take the print of the envelope receipt as a proof of submitted bid.
- vi) Bids / Offers shall not be permitted in e-procurement system after the due date /time of tender. Hence, no bid can be submitted after the due date and time of submission has elapsed.
- vii) No manual bids/offers along with electronic bids/offers shall be permitted.
- viii) Once the bids are opened, vendors can view the rates quoted by all the participating bidders in the e-procurement site.
- ix) No responsibility will be taken by BPCL and/or the e-procurement service provider for any delay due to connectivity and availability of website. They shall not have any liability to tenderers for any interruption or delay in access to the site irrespective of the cause. It is advisable that tenderers who are not well conversant with e-tendering procedures, start filling up the tenders much before the due date /time so that there is sufficient time available with him/her to acquaint with all the steps and seek help if they so require. Even for those who are conversant with this type of e-tendering, it is suggested to complete all the activities ahead of time. It should be noted that the individual bid becomes viewable only after the opening of the bid on/after the due date and time. Please be reassured that your bid will be viewable only to you and nobody else till the due date/ time of the tender opening. The non- availability of viewing before due date and time is true for e-tendering service provider as well as BPCL officials.
- x) BPCL and/or the e-procurement service provider shall not be responsible for any direct or indirect loss or damages and or consequential damages, arising out of the bidding process including but not limited to systems problems, inability to use the system, loss of electronic information etc.
- xi) The bidders shall be deemed to have visited the site and familiarized themselves thoroughly with the site and working conditions before submitting the tender. Vendors may attend Pre-bid meeting for clarification on tender conditions at the below mentioned address on 08.11.2018 at 11:00 AM :

**Bharat Petroleum Corporation Ltd.
Lube Oil Blending Plant,
35, Vaidyanathan Street
Tondiarpet
Chennai - 600081
Ph : 044 25952386, 25986530,25986249**

Offers received after due date and time will not be entertained. Any offer received that is not adhering to the terms & conditions and other clauses of tender is liable for rejection. The offer should be complete in all respects. The corporation reserves the right to reject such offers without assigning any reason.

xii) BPCL reserves the right to accept any tender in whole or part or reject any or all offers without assigning any reason to the tenderer.

xiii) In case of any discrepancy, inconsistency, error or omission in tender documents, the tenderer shall bring it to the notice of BPCL for necessary clarification before submission of bid. No claim shall be entertained after the due date & time for submission of the tender.

Thanking you,

Yours truly,
For BHARAT PETROLEUM CORPN. LTD.

PLANT MANAGER (LUBES)
TONDIARPET

PART A: Technical part

I. REQUIREMENT FOR INFRASTRUCTURE

a) Capacity

Should have spare machine capacity for filling packs as per our monthly average requirement with occasional 50 % increase based on average 8 hours working per day or more in case of double shift working.

b) Requirement of filling machine

Vendor shall possess following machine for doing the filling operation

- i. FFS (Form fill sealing) machine in good workable condition
- ii. Roller mechanism for handling laminates in rolled form
- iii. Vendor should have rolling and inkjet printing arrangement for laminates
- iv. BOPP taping arrangement
- v. Cartonising arrangement. The Cartonising may be on line or off line with BOPP taping arrangement
- vi. The inlet line to filling machine should have filtration arrangement with minimum 100 mesh filters.
- vii. Weighing scale for random checking shall be available and should be duly certified by Dept. of Legal Metrology.

c) Bulk tankage requirement

Vendor shall have dedicated above ground tankage of minimum 20 kl for MAK 2T oil to be handled for us. The tanks must be calibrated and certified by Dept. of Legal Metrology. The no. of tanks may be one or more, but should have dedicated facility with positive segregation. The capacity and tank cleaning details should be displayed on the body of the tanks.

d) Warehousing

Vendor shall have covered warehouse for storing packaging materials and finished goods as per requirement of BPCL.

e) Transportation and unloading arrangement

Vendor shall arrange to uplift bulk products from our plant through tank lorry, by their own transport arrangement & at own cost. The tank lorry should meet prevailing RTO rules of Tamilnadu and Chennai City and shall be calibrated and designed as per standard requirement of transporting bulk petroleum products. The products which are loaded at our plant, is required to be unloaded at the premises of vendor by dedicated pump arrangement to the designated tanks (above ground), within reasonable period. The inlet pipeline for unloading should have filtering arrangement of minimum 100 mesh, and necessary hose connection for unloading of product. The repacked products should be delivered to BPCL in trucks. The delivery truck should meet prevailing RTO rules of Tamilnadu and Chennai City.

f) HSSE requirement

Vendor shall ensure that the entire filling and warehouse area is clean and equipped with proper safety arrangements. Firefighting equipment, wherever applicable, to be provided. The vendor should have good HSSE policy and should be able to exhibit the same as and when required. It is preferable that vendor uses racks / pallets / conveyors, etc. for material handling.

g) Manpower requirement

Vendor should have minimum one experienced supervisor and one technician who can take care of all operations & QC requirements. He should have experienced manpower for carrying out the various activities in their plant.

h) Statutory requirement

Vendor should have valid trade license, GST registration, IT registration, factory license, approval from local Labour commissioner as required and stamping of all equipment by Dept. of Legal Metrology.

i) Quality Assurance

The following equipment should be available for testing the oils:

- i. Thermometer (IP - 64 C)
- ii. Hydrometer (.8500-.9000 & .9000-.9500)
- iii. Standard Jars (25 ml, 50 ml and 100 ml)
- iv. Viscometers (constant .04)
- v. Stop Watch (Quartz make, 15 min., min. 1 seconds)
- vi. Constant Temp. Bath (100° C) along with standard Thermometer ASTM 121 C
- vii. PMCC-Flash point Apt. as per IS 1448:P-21
- viii. Pour Point Apparatus as per IS 1448:P-10
- ix. Standard weigh balance

- x. Standard weights
- xi. Sampling apparatus

II. GENERAL TERMS AND CONDITIONS

a) Validity period and estimated requirement

Your offer shall be valid for a period of 180 days from the date of opening of tender. Estimated requirement for repacking of pouches given in this tender enquiry should be considered as indicative figures only and not binding on us in any way. Actual requirement shall be indicated to you from time to time through Purchase Orders, after award of contract. We do not guarantee any minimum volume of business.

b) Rates

Please offer firm rates for entire contract period. The rates shall be inclusive of transportation from and to our Plant and filling, printing, packing charges, unloading at BPCL plant, etc. Rates quoted should be exclusive of taxes.

c) System for operation

The successful tenderer has to collect the BULK Lubricants and Packaging materials from **LOBP, Tondiarpet, Chennai** through their own transport arrangement. The broad scope of the job is as below:

- a. Uplifting bulk Lubricating oils from BPCL plant
- b. Transportation of Packaging materials from BPCL plant to their premises
- c. Storing / stacking of bulk lubricants, packaging materials and packed products at their premises
- d. Filling of packs as per call up of BPCL
- e. Supplying packed lubricants to BPCL plant
- f. Accounting for all operational losses on a daily basis
- g. Maintaining all necessary documents required for operations and quality control
- h. Arranging safe keeping and stock checking of BPCL materials time to time
- i. Reconciliation of all materials on a monthly basis
- j. Maintaining all statutory records
- k. Periodic inspections and scrutiny as required by BPCL
- l. Arranging Insurance as required by BPCL
- m. Maintaining HSSE as required by BPCL

The total operation for repacking of pouches should be carried out as per Instructions and Guidelines issued by BPCL from time to time. The detailed scope of operation is as under:

- a) Vendor shall uplift bulk lubricating oils from our LOBP Tondiarpet, Chennai through own transport and at own risk and cost. The tank lorry shall be fit, both technically (includes safety fittings such as Master Valve, Vent, etc.) and as per W&M Act for loading / unloading and bulk transportation of lubricating oils. The Tank Lorry should be cleaned (internally & externally) before up-liftment of bulk oil. BPCL shall issue batch test report for every consignment of bulk oil. The tank lorry shall be calibrated by the Dept. of Legal Metrology and the calibration certificate shall be available in the lorry. In case of suspicion, BPCL may choose to get the tank lorry recalibrated at any of their locations or outside. In the event of proof of any malpractice in the lorry, penal action, as deemed fit, shall be taken by BPCL. BPCL shall recover losses towards excess products already uplifted due to wrong calibration at the prevailing selling rates. Also, the tank lorry shall be black-listed by BPCL on industry basis. The measurements in each chamber of the tank lorry and the dip rod shall be in line with the readings in the calibration certificate. The dips taken at natural temperature, shall be converted

into equivalent volume at 29.5° Centigrade, as per relevant ASTM table. The document shall be generated for volume at 29.5° Centigrade. No transit losses is permissible as the material is uplifted by the repacker on ex-MI basis. The bulk oils shall be issued on volume basis only and in no case, conversion of weight to volume will be considered while issue of material.

- b) Packaging materials viz., laminates (empty pillow), cartons, BOPP tape, etc., shall be uplifted by the vendor from our plant through their own transport. The truck shall meet prevailing RTO rules of Tamilnadu and Chennai City. Loading operations at our premises and loading / unloading operations at your premises shall be arranged by you. Vendor shall check all laminates/Cartons/BOPP tapes received by them to ensure that they are free from water, dirt, etc., and in proper condition to fill the oil. Vendor should clean/ wipe and make the packs good for filling before actual filling, to ensure nil customer complaint. In case of any complaint other than above it shall be brought to the notice of Plant Manager within 3 days of receipt of material. The Plant Manager will arrange to inspect defective material if any for replacement if required. Complaint received at later date will not be entertained. Vendor shall exercise strict checks on quality and quantity of packages filled by doing random sampling and maintain records of the same. In case, any difference / damage is observed in the quality / quantity at the time of receipt of filled pouches/packs at our Plants any time during the contract, the cost of such difference / damage shall be debited to the vendor at the then prevailing procurement rate including all taxes and levies. Vendor shall also arrange to keep stock of empty pouches / tape, etc., as advised by BPCL which may be 15 days coverage (for each grade/ pack) at any point of time.
- c) On receipt, at repacker, Lube oil shall be tested for density, temperature and relevant tests after drawing random samples to ensure that it matches the specifications given by LOBP Tondiarpet. Vendor shall also maintain proper records of such testing
- d) All the storage tanks, pipelines and filling machines should be kept free of dust or any foreign particles. All the equipment / parts of the system used for filling should be kept clean both internally and externally.
- e) All necessary equipment, apparatus, etc., and labour required for carrying out the above job, to the satisfaction of Plant Manager, shall be arranged by vendor at his cost.
- f) Filling and weighing machines duly stamped by Dept. of Legal Metrology only shall be used. Filling accuracy will be monitored for volume specified @ 29.5 deg. C on the packs. Immediately after filling, all pouches shall be properly sealed.
- g) Please note that any inaccuracy in filling shall be viewed seriously and repetition of the same shall be considered as breach of contract, leading to termination of contract.**
- h) You will also observe all quality control measures as laid down by BPCL from time to time. The QC guidelines are as per the prevailing requirements. However, they are subject to change from time to time and will be intimated to you accordingly. Vendor shall ensure compliance immediately and if it requires to put up additional facilities one month period will be given for the compliance from the date of intimation of the same. Correct grade of oil in correct quantity shall be filled as per the grade/capacity printed on each containers. The samples will be taken by our Plant Officers during monthly stock checks and other periodic checks. Vendor shall maintain requisite sampling device and sample containers and also conduct QC checks once in six months, which will be done by our QC team.
- i) BPCL officials may conduct surprise check during your filling operations to verify the stocks and quality inspections.

j) **Maximum Retail Price (MRP), Date of Manufacture, and Batch number should be printed only by inkjet printing on the pouches.**

l) Vendor shall comply with all statutory rules as required for repacking activities.

m) **Operational loss:**

This will be allowed maximum to the extent of 0.1 % for bulk and packaging material. The loss will be calculated based on the actual physical stock check carried out by BPCL representative from time to time and not allowed on notional basis. Repacker cannot account losses flat @ 0.1 %. Any loss beyond 0.1% will be recovered from the repacker. Accounting of loss / gain shall be for product / packaging material wise. Also, loss / gain of a month cannot be carried forward in the next month and recovery towards losses shall to be made on monthly basis by the 10th of the following month. The rate of recovery shall be as follows:

i. **For Bulk Material:** For Losses beyond 0.1 % , recovery will be made as per rate of Dealer Billing Price of barrel of the respective material less landed cost of empty barrel plus penal charges of 15 % of DBP.

ii. **For Packaging Material:** Losses on account of physical shortage will be calculated on monthly basis as per LPUP (basic) + GST + other charges if any + transportation charges + penal charges of 15 % of the total value. The recovery towards losses should be done on monthly basis and the repacker shall be advised to pay the amount by Demand Draft / Pay Order by 10th of the following month. Failure to do so, the Corporation reserves it right to invoke BG submitted by the repacker.

n) **Loss towards off spec product:**

Losses towards off spec product will be recovered for the full quantity without any allowance irrespective of whether the off-spec is identified at the repacker's premise or at our plant. At the time of receipt of finished packs, in case it is observed to be off spec (declared off spec by Plant QC), the entire batch will be taken under the custody of by the Plant Manager and bulked. Vendor should bear cost of bulking. The repacker will be informed about the off spec and advised to visit the plant within two working days of receiving the information to verify the off spec product and jointly certify the statement confirming the material as off-spec. Failure to do so, recovery shall be initiated from re-packer towards off spec materials as per details below.

- i. Value of oil if the oil after bulking cannot be reprocessed Or Cost of reprocessing, if the bulked oil can be reprocessed
- ii. Cost of all packaging material of the rejected lot irrespective of whether the product can be reprocessed or not.
- iii. The decision of Plant Manager will be final.
- iv. **Reprocessing cost:** As decided by Plant Manager on the basis of existing average blending cost of similar grades. Beside penal action as explained above, in case of QC failure more than 3 times during the tenure of the contract, BPCL will take suitable action including suspension / termination of the contract.

o) Repacker shall pack the filled pouches in the cartons after ensuring proper sealing and the filled carton shall be sealed with BOPP tapes. Vendor have to collect, from the Plant the BOPP tapes (as required for the appropriate grades of lubricating oils), along the cartons required for packing the cartons. You shall keep an account of the tapes consumed. You shall put a stamp bearing your CODE / date of filling at suitable place on carton as per our directive before returning the same to LOBP

Tondiarpet, Chennai. You shall get your unique CODE approved by Plant Manager (Lubes) be at the time of commencement of supply.

- p) In case at plant or at upcountry depots, the pouches are found empty even if outside seal is intact, the vendor will be held responsible of paying the cost to our customer .The cost will be deducted from vendor at MRP. Re packer may visit the premises to satisfy himself within 15 days of the intimation.
 - q) Vendor shall arrange to provide for training and development of all staff in quality assurance, repacking etc., to meet the norms specified by the Corporation.
 - r) Adequate supervision by competent person shall be ensured while repacking / filling the oil.
 - s) Vendor shall maintain proper records of receipt of all materials, filling done, despatches of filled pouches/cases, opening & closing of stock of all materials. Above shall be submitted to us, latest by 2nd of following month. Plant Manager or his representative may verify the stocks/ quality of the product without giving any advance notice to you. The materials /products should be stored in such a manner that physical verification can be done even during surprise checks.
 - t) Vendor shall operate in such a manner so as to give clear indication to a third party that all Lube oils/pouches/cartons etc., belong to us. You shall not sell, transfer, alienate, mortgage, change, hypothecate, pledge or otherwise create any encumbrances on all or any of the said goods.
 - u) Repacker shall maintain business confidentiality and our marketing discipline at all times. Vendor shall comply with all statutory requirements relating to GST registration, provident fund registration etc. as applicable to the repacking activity. The Packaging material/bulk issued from Plant should be returned to plant within 90 days period.
 - v) You shall not infringe, copy, initiate or otherwise deal with brand name, trade, merchandise marks or devices of designs/copyright belonging to BHARAT PETROLEUM CORPORATION LIMITED.
 - w) Vendor shall maintain adequate inventory of filled cases in different packs.
 - x) Vendor shall deliver properly packed filled pouch cases to plant time to time, as per Purchase Orders/Call-ups.
 - y) Each consignment should be accompanied with batch test report, as per the format provided by BPCL.
 - z) BPCL may run Schemes for promotion of the product from time to time. It would be binding on you to make necessary arrangement on production line for implementing the same and keep records suitably.
 - aa) Within 15 days from the date of termination of this contract, you shall arrange to return at your cost all our goods, (i.e. Lube Oil, pouches/ bulk oil, filled pouches, carton, BOPP tapes etc., and any other goods issued to you on returnable basis) to our LOBP, Tondiarpet, Chennai
- Any shortage detected during subsequent settling of accounts between goods issued and goods received shall be recovered by debiting to your account.
- bb) vendor shall maintain manual documentation for stocks (oil, pouches, cartons, BOPP tapes, etc.) as per instructions of BPCL .
 - cc) Stock keeping: The stocks of BPCL are required to be kept at dedicated place/ tank as directed by BPCL and should be easily assessable by BPCL officials for stock checking at any point of time. Physical

stock check shall be done along with the BPCL representative on Monthly basis. The format of Monthly Stock Check Report is given below:

III. Stock Check Format

Vendor's Name: _____ Date: _____

Vendor's Representative: _____

Vendor's Address: _____

BPCL Officer's Name: _____ Designation: _____

BPCL Officer's Name: _____ Designation: _____

Finished bulk product tanks:

S. No	Tank	Material	Batch No	Dip in cm	Temperature	Quantity (L29)

Finished bulk product in packs:

S. No	Tank	Material	Batch No	Dip in cm	Temperature	Quantity (L29)

Off Spec finished product bulk:

S.No	Material	Batch No	Quantity (L29)	Description of defect

Details of Empty Packaging Material: (provide separate annexure)

I/We hereby certify that above mentioned stocks of M/s BPCL, Tondiarpet Lube Plant have been physically verified and are correct.

Place: _____

Date: _____

Vendor's Signature: _____
with stamp

Verified by:

BPCL Officers Signature:

1. _____

2. _____

- dd) Vendor shall keep our products in dedicated tanks as finalized by us and will not change the tanks/locations without our prior advise. No bulk, in any case shall be issued or stored in barrels.
- ee) Vendor shall arrange to do monthly reconciliation as per instruction of BPCL and submit the records within two working days from monthly stock checks.
- ff) Vendor shall allow BPCL representatives to visit your premises and draw samples as and when required or during periodic stock checking and inspections. You will jointly sign the stock checking report and sample sealed after taking from your premises.

IV. PLACE OF DELIVERY :

**Bharat Petroleum Corpn. Ltd.,
Lube Oil Blending Plant,
35, Vaidyanathan Street,
Tondiarpet,
Chennai - 600081.
044 25952381, 25986530,25986249**

V. DELIVERY SCHEDULE:

The requirement for repacking will be intimated from time to time. Vendor shall adhere to the delivery schedule given from time to time. It is emphasized here that strict adherence to the delivery schedule is of utmost importance to us.

VI. HSSE:

Vendor shall comply with all Health, Safety, Security and Environment requirements as directed by BPCL from time to time. Tank Lorries shall be accompanied by a driver and a cleaner with proper uniform and PPEs (safety Shoe, Helmet) while entering the Lube Plant. Trucks will not be permitted inside the Lube Plant if the crew members are not adhering to the safety norm of BPCL.

VII. AGREEMENT:

Within 15 days of LOI, party shall submit a declaration on non-judicial stamp paper of Rs.100/-. The draft of DECLARATION is enclosed as Annexure VIII. The party also has to enter into an formal agreement as per Format enclosed - Annexure IX

VIII. LICENCE:

Repacker premises should be covered and spacious, for neat operation of all activities within the contract, with a valid Municipal License. Any other license if required to be taken as per relevant laws/ rules in force, shall be taken by you. You shall conform to the provisions of Acts of Parliament, or state Legislature and that of any by-laws, rules, orders and Notifications of Central / State Govt., Municipal or Local Authority from time to time and will keep us indemnified against all claims, penalties and losses that may be incurred due to any breach of Act/ Rules by you.

IX. INSURANCE:

Stock of Lube oil, empty pouches, cartons, tapes etc., lying with the repacker at any time shall be insured by the re packer at their cost to cover the entire value of the product / packages against all perils like theft, fire, floods civil commotion, etc., and transit risk. The Insurance policy shall be endorsed in favour of Bharat Petroleum Corp. Ltd., and shall be submitted to Plant in original within 15 days from the date of issue of letter of intent (LOI). The party to review the insurance cover as per the value

declared by Plant Manager BPCL on monthly basis (Bulk/packed/packaging and other materials) and party has to extend all cooperation in insurance related activities. Insurance should be valid for the period of contract. Insurance has to be agreement wise. The estimated value of insurance is approximately 160 lakhs.

Also party should upgrade the insurance coverage to the higher value in case of escalation of the listed selling price of goods. Relevant information for this will be provided by Plant manager time to time.

X. SAMPLING:

We will have the right to take sample of the product at any time from your premises and also from the filled pouches delivered to our LOBP, Tondiarpet, Chennai and to check the same at any laboratory of our choice. Vendor shall remain responsible for the quality / quantity. We will also have the right to check physical inventory of product and packages at any time at repacker premises. Vendor shall remain responsible for any difference in quantities detected during such checking.

XI. ARBITRATION CLAUSE:

Arbitration clause will be as per Annexure "I".

XII. TERMINATION CLAUSE:

Termination clause will be as per Annexure II

XIII. FORCE MAJEURE CLAUSE:

Force Majeure clause will be as per Annexure III

XIV. PENALTY CLAUSE FOR DELAYED DELIVERY:

Penalty Clause will be as per Annexure IV

XV. SUB-LEASING CLAUSE:

Sub-leasing Clause will be as per Annexure V.

XVI. PERIOD OF CONTRACT:

The period of the contract will be one year from the date of LOI.

XVII. CERTIFICATE:

You shall submit a certificate on your letterhead declaring relationship with any of BPCL directors as per enclosure (Refer Annexure VI). The certificate of declaration is to be uploaded along with the tender document.

XVIII. PAYMENT:

Plant shall arrange for payment towards repacking charges to Repacker only after completion of raising debit notes on account of recoverable losses beyond permissible limits. Payments shall be made by way of National Electronic Fund Transfer (NEFT) on the 30th day from receipt of invoices. You shall submit your bills for payments along with all required documents at the following address:

**Bharat Petroleum Corpn. Ltd.,
BPCL Office Complex, Business Process Excellence Centre.(BPEC)
Plot No 6, Sector 2, Behind CIDCO garden, Khargar. Navi Mumbai - 410210**

XIX. We reserve the right to accept / reject the whole or part of any tender without assigning any reason.

XX. **Filling accuracy:**

BPCL shall not allow under filling of their packs beyond their internal tolerance limit. This is much stricter than as per provision contained in the standards of Weights and Measures Act 1976; Weights & Measures Act(enforcement),1985 and Weights and Measures (Packed commodities Rules, 1977) or any latest guideline/gadget as declared by concerned authority and are subject to change time to time.

XXI. **Type of Sealing are of following types :**

- On-line sealing for pillow pouches in FFS machine,

XXII. The filled pouches will be tested for drops to check the effectiveness of the Sealing joints as carried out by the vendor in case of pillow pouches and the filled pouches will be tested for 4 drops from a height of 1.2 M so as to check the effectiveness of the Sealing joints as carried out by the vendor. Based on random checking the goods will be accepted or rejected accordingly.

XXIII. **SECURITY DEPOSIT:**

On award of contract, successful vendor shall be required to submit security deposit as per details given below

Vendor	Security Deposit Amount
Successful Bidder	Rs. 35 lakhs

The security deposit can be submitted in the form of Bank Guarantee (as per BPCL format) or by Demand Draft / Pay Order drawn on any scheduled bank favouring Bharat Petroleum Corporation Ltd, payable at Chennai. Payment in cash / cheque is not acceptable. The Bank Guarantee shall remain valid for the entire contract period plus an additional period of six months. No interest shall be payable on security Deposit. Security Deposit shall be refunded on the completion of the contract to our satisfaction. No exemption is allowed for this deposit, since this is required against product issued to vendor.

The Bank guarantee shall be issued in favour of Bharat Petroleum Corporation Limited from a scheduled bank. The Bank guarantee shall be accepted only after verification by us.

XXIV. **Selection:**

Contract is for a period of one year. Standard tender terms / works contract guideline has to be followed. Vendors shall be finalized based on overall cash out flow including taxes.

XXV. QUALITY CONTROL CHECKS AT REPACKER PREMISES

I)RANDOM QC CHECKS FOR POUCHES:

- 1) Visual appearance
- 2) Weight of laminates
- 3) Colour of pack
- 4) Printing
- 5) Sealing of pouches

II) QC CHECKS FOR LUBE OILS:

- 1) Visual appearance
- 2) Density
- 3) Kinematic viscosity. at 100 Deg. C.
- 4) Metal content
- 5) Flash point (PMCC) Deg.C.
- 6) Pour Point Deg.C.

XXVI. QC CHECKS FOR FILLED POUCHES:

- 1) Party to ensure that the filled pouches are kept for settling time of at least 24 hours before being supplied to plant. During the settling time, it has to be observed if there is any leak from pouches.
- 2) The sealing joints of the filled pouches to be intact when carried out a serial 4 drops from a height of 1.2 M
- 3) filled pouches accuracy - Tolerance limit for variation is 0.5%

XXVII. List of Testing equipment /facilities required for QC Checks:

The following equipment should be available for testing the oils:

- i. Thermometer (IP - 64 C)
- ii. Hydrometer (.8500-.9000 & .9000-.9500)
- iii. Standard Jars (25 ml, 50 ml and 100 ml)
- iv. Viscometers (constant .04)
- v. Stop Watch (Quartz make, 15 min., min. 1 seconds)
- vi. Constant Temp. Bath (100° C) along with standard Thermometer ASTM 121 C
- vii. PMCC-Flash point Apt. as per IS 1448:P-21
- viii. Pour Point Apparatus as per IS 1448:P-10
- ix. Standard weigh balance
- x. Standard weights
- xi. Sampling apparatus

BANK GUARANTEE (SPECIMEN) FOR SECURITY DEPOSIT

To be executed by Bank on Stamp Paper of appropriate value

1. In consideration of the BHARAT PETROLEUM CORPN. LTD., having its Registered office at 'BHARAT BHAWAN, 4&6, CURRIMBHOY ROAD, BALLARD ESTATE, MUMBAI-400 001.

(hereinafter called "the Corporation") having agreed to exempt

_____ having its office at

_____ (hereinafter called "the said contractor" / "the said suppliers" / "the said sellers" / "the said buyers") from the demand under the terms and conditions of an Agreement/ Purchase Order / Letter of Intent ref. _____ dated _____ made between the Corporation and M/s _____ (hereinafter called "the said agreement" / "the said purchase order" / "the said letter of intent" / "the said contract") of security deposit for the due fulfillment by "the said contractors" / "the said suppliers" / the said sellers" / "the said buyers" of the terms and conditions contained in "the said agreement / purchase order / letter of intent / Contract *on production of a bank guarantee of Rs. _____ (Rupees only.

We, _____ hereinafter (indicate the name of the bank) referred to as the bank (at the request of _____ do hereby

undertake to pay to (name of contractors/supplies/sellers/buyers*) the Corporation an amount not exceeding Rs. _____ against any loss or damages caused to or suffered or would be caused to or suffered by the Corporation by reason of any breach by the said contractors/suppliers/sellers/buyers if any of the terms and conditions contained in the said agreement/purchase order/letter of intent/contract.

2. We, _____ do hereby undertake (indicate the name of the bank) to pay the amounts due and payable under this guarantee without any demur, merely on a demand from the Corporation stating that the amount claimed is due by way of loss or damaged caused to or would be caused to or suffered by the Corporation by reason of breach by the said contractors/suppliers/sellers/agreement/buyers, failure to perform the said agreement/purchase order/letter of intent/contract. Any such demand made on the bank shall be conclusive as regards the amount due and payable by the bank under this guarantee. However, our liability under this guarantee shall be restricted to an amount not exceeding Rs. _____.

3. We undertake to pay to the Corporation any amount so demanded notwithstanding any dispute or disputes raised by the contractors/suppliers/sellers/buyers *in any suit or proceeding pending before any court or tribunal or Arbitrator relating there to our liability under this present being absolute and unequivocal). The payment so made by us under this bond shall be valid discharge of our liability for payment there under and the contractors/suppliers/sellers/buyers shall have no claim against us for making such payment.

4. We, _____ further agree that the (Indicate the name of the bank) guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said agreement/purchase order/letter of intent/contract and it shall contain to be enforceable till all the dues of the Corporation under or by virtue of " the said agreement/purchase order/letter of intent/contract *have been fully paid and its claims satisfied or discharged or till the Corporation certifies that the terms and conditions of the said agreement/purchase order/letter of intent/contract *have been full and properly carried out by the said contractors/suppliers/sellers/buyers * and accordingl discharge this guarantee. Unless a demand or claim under this guarantee is made to

us in writing on or before _____, we shall be discharged for all liabilities under this guarantee thereafter.

5. We, _____ 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 agreement/purchase order/letter of intent/contract * or to extend time of performance by the said contractors/suppliers/sellers/buyers from time to time or to postpone for any time or from time to time any of the powers exercisable by the Corporation against the said contractors/suppliers/sellers/ buyers and forbear or enforce any of the terms and conditions relating to the said agreement/purchase order/letter of intent / contract * and shall not be relieved from our liability by reason of any such variation, or extension being granted to the said contractors/suppliers/sellers/buyers * or for any forbearance act or omission on the part of the Corporation or any indulgence by the Corporation to the said contractors/suppliers/sellers/buyers or by any such matter or thing whatsoever which under the law relating to sureties would but for this provisions have effect of so relieving us.

6. This guarantee will not be discharged due to the change in the constitution of the Bank or the contractors/sellers/buyer *.

7. We, _____ lastly undertake (indicate name of the Bank) not to revoke this guarantee during its currency except with previous consent of the Corporation in writing.

Dated the _____ day of _____ 20__.

For _____.
(Indicate the name and address of the bank)
***Strike out words not applicable.**

ANNEXURE I

ARBITRATION CLAUSE

Any dispute or difference whatsoever arising out of or in connection with this Agreement including any question regarding its existence, validity, construction, interpretation, application, meaning, scope, operation or effect of this contract or termination thereof shall be referred to and finally resolved through arbitration as per the procedure mentioned herein below:

The dispute or difference shall in any event be referred only to a Sole Arbitrator.

The appointment and arbitration proceedings shall be conducted in accordance with the SCOPE Forum of Arbitration Rules for the time being in force or as amended from time to time.

The seat of arbitration shall be at Mumbai.

The proceedings shall be conducted in English language.

The cost of the proceedings shall be equally borne by the parties, unless otherwise directed by the sole arbitrator.

JURISDICTION

- a) The parties hereby agree that the court in city of Mumbai alone shall have jurisdiction to entertain any application or any award/s made by the Sole Arbitrator or other proceedings in respect of anything arising under this Agreement.
- b) This Agreement covers entire understanding between the parties and no alteration / variation of any of the terms of this Agreement shall be valid unless made with the consent of both the parties and evidenced in writing duly signed by authorized representatives of both the parties.
- c) All notices and other communications to be given under this Agreement by either party to the other shall unless otherwise specifically agreed be given in writing by Registered Post or hand delivery against acknowledgement to the following addresses of the respective parties.

CONFIDENTIALITY

The vendor shall maintain the confidentiality of all data and technical information supplied by the Corporation, relating to the manufacture / blending of Finished Products, re-packaging of bulk finished products, etc. The vendor shall not use the data and technical information for any purpose other than that specified by the Corporation and shall not disclose any data or technical information to any third party.

ANNEXURE II

TERMINATION CLAUSE

Notwithstanding anything to the contrary herein contained, BPCL shall also be at liberty at its entire discretion to terminate this agreement forthwith upon or at any time after the happening of any of the following events namely: If you commit a delay, breach or default of any of the terms, conditions, covenants and stipulations contained herein. Upon death or adjudication as insolvent if you are individual (this clause is to be suitably modified if business is carried on by partnership or by limited company or by a co-operative society). If any attachment is levied and continued to be levied for a period of seven days upon your effects. If you are involved in any criminal offence relating to Moral Turpitude. If a receiver is appointed of any of your property or assets. If the License issued to you by the relevant statutory authorities is cancelled or revoked.

If you have made default in payment of any money of the BPCL without formal approval of the BPCL in writing. If you fail to adhere to the instructions issued to you by the BPCL from time to time in respect of the business condition herein. If you contaminate or tamper with the quality of BPCL's product given in you. If the ownership / tenancy of the premises from which you are carrying on the business if transferred / terminated for any reason whatsoever. If you, yourself or to your servant or agents commit or suffer to committed any act which in the opinion of the Executive Director (Lubes) of the BPCL is prejudicial to the interest or good name of BPCL or

its products. Executive Director (Lubes) shall not be bound to give reasons to such decisions. The BPCL's right to terminate the contractual obligations under this clause shall be without prejudice to and without affecting any of its rights and remedies against you. In the event of BPCL terminating this agreement under the provisions of this clause it shall not be liable to pay for any loss or compensation in respect of such termination. Without prejudice to the foregoing provisions or anything to the contrary herein contained BPCL reserves the rights to terminate this agreement on giving 30 days written notice to the other parties without assigning any reasons for such termination.

ANNEXURE III

FORCEMAJEURE CLAUSE

If at any time during the continuance of the Agreement the performance in whole or part by either party of any obligation under the Agreement shall be prevented or delayed by reason of any war, hostility, act of public enmity, civil commotion, sabotage, fires, floods, explosions epidemics, quarantine restrictions, strikes, lockouts or Acts of God (hereinafter referred as event), then provided notice of happening of any such event is given by either party to the other within twenty one days from the date of occurrences thereof, neither party shall by reasons of such event be entitled to terminate this contract nor shall either party have any claim for damage against the other in respect of such non-performance. Deliveries under the agreement shall be resumed as soon as practicable after such event has come to an end or ceased to exist and decision of Executive Director (LUBRICANTS), Bharat Petroleum Corporation Ltd., as to whether the deliveries have been so resumed or not, shall be final and conclusive. Provided further that the performance in whole or part of any obligation under the contract is prevented/delayed by reason of any such event specified above for period exceeding sixty days, either party may at their option terminate the agreement.

ANNEXURE IV

PENALTY CLAUSE FOR DELAYED DELIVERY

The repacked material is to be supplied within the delivery time specified in the monthly call-off. The tenderer will have to pay to the Corporation by way of penalty, an amount equal to 1/2% (one half percent) of the contracted price of the item so delayed for each week of such delay in delivery subject to a maximum of 5% of contracted price of that item.

ANNEXURE V

SUB-LEASING CLAUSE

SUB-LEASING

You shall not be allowed to sublet or assign any part of the order without our prior written consent.

ANNEXURE VI

Declaration

I certify that -

- a. I am not related to any of the Directors of BPCL.
- b. I am not a partner of a firm in which BPCL Director is also a partner.
- c. I am not a partner of a firm in which any other partner is related to BPCL Director.

I also certify that M/s. _____ [name of the firm with which contract is being entered into] does not have a partner, who is a Director of BPCL or his relative.

Organisation	
Name	
Designation	
Signature, Stamp & Seal	
Date and Place	

ANNEXURE VII

INTEGRITY PACT

IP is a pact between BPCL (as a purchaser) on one hand and the bidder on the other hand stating that the two parties are committed to each other in regard to ensuring transparency and fair dealings in this procurement activity. Bidders shall have to essentially sign this pact, for participating in this tender, as per the pro-forma given at (Annexure - L. The salient features of this program are:

Proforma of Integrity Pact shall be returned by the bidder/s along with the bid documents, duly signed by the same signatory who is authorized to sign the bid documents. All the pages of the Integrity Pact shall be duly signed. Bidder's failure to return the IP Document duly signed along with the bid documents shall result in the bid not being considered for further evaluation.

If the bidder has been disqualified from the tender process prior to the award of the contract in accordance with the provisions of the Integrity Pact, BPCL shall be entitled to demand and recover from the bidder Liquidated damages amount by forfeiting the EMD/Bid security as per provisions of the Integrity Pact.

If the contract has been terminated according to the provisions of the Integrity Pact, or if BPCL is entitled to terminate the contract according to the provisions of the Integrity Pact, BPCL shall be entitled to demand and recover from the contractor, Liquidated Damages amount by forfeiting the Security Deposit/ Performance Bank Guarantee/ Supply and Performance Guarantee as per provisions of the Integrity Pact. Bidders may seek tender related clarifications from the following officers -

	Responsible Officer	Alternate Officer
Name	G Vijayalakshmi	Kannan K.S
Designation	Asst. Manager (Ops), Lubes, Tondiarpet	SR Manager Ops(Lubes),Tondiarpet
Adress	BPCL,LOBP,Tondiarpet,chennai 600081	BPCL,LOBP,Tondiarpet,chennai 600081
E-mail ID	gvijayalakshmi@bharatpetroleum.in	kannanks@bharatpetroleum.in
Mobile No.	9790714516	9940477324

ANNEXURE VII

INTEGRITY PACT

INTEGRITY PACT Between Bharat Petroleum Corporation Limited (BPCL) hereinafter referred to as "ThePrincipal", and.....hereinafter referred to as "The Bidder/Contractor/Supplier"
Preamble

The Principal intends to award, under laid down organization procedures, contract/s forThe Principal 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 Bidder/s, Contractor/s and Supplier/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 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
 - a) No employee of the Principal, personally or through family members, will in connection with the tender, or the execution of the contract, demand, take a promise for or accept, for himself/herself or third person, any material or immaterial benefit which he/she is not legally entitled to. b) 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. c) The Principal will exclude from the process all known prejudiced persons.

(2) 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/Supplier (1) The Bidder / Contractor/Supplier 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. a) The Bidder / Contractor/Supplier 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.

- b) The Bidder / Contractor/Supplier 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. c) The Bidder / Contractor/Supplier will not commit any offence under the relevant AntiCorruption Laws of India; further the Bidder / Contractor/Supplier 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. d) The Bidder / Contractor/Supplier 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.
- (2) The Bidder / Contractor/Supplier 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/Supplier has committed a transgression through a violation of Section 2 such as to put his reliability or credibility into question, the Principal is also entitled to exclude the Bidder / Contractor/Supplier 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 evidences, 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/Supplier 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 Principal is entitled to terminate the contract according to Section
- (3) The Principal shall be entitled to demand and recover from the Contractor/Supplier liquidated damages equivalent to Security Deposit / Performance Bank Guarantee.
- (4) The Bidder agrees and undertakes to pay the said amounts without protest or demur subject only to condition that if the Bidder / Contractor/Supplier 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/Supplier 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 3 years 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 /Suppliers/ Subcontractors

- (1) The Bidder/Contractor/Supplier 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/Suppliers 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 - Punitive Action against violating Bidders / Contractors / Suppliers/Subcontractors.

If the Principal obtains knowledge of conduct of a Bidder, Contractor, Supplier or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor, Supplier or Subcontractor which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the Vigilance Office. Section 8 -Independent External Monitors

Shri. S.S.N. Moorthy	Shri. Shantanu Consul	Shri. Vikram Srivastava
ADDRESS	ADDRESS	ADDRESS
GFQ, 1st Floor, B. Block, Summit Apts. Mettupalayam Road, Coimbatore - 641 043	No.9MCHS (IAS Officers Colony), 16th Main, 5th C Cross, BTM 2nd stage, Bangalore - 560 076	E-202, Second Floor , Greater Kailash Part 2, New Delhi - 110048
ssnm1950@yahoo.com	shantanuconsul@gmail.com	vikramsrivastava1973@gmail.com
Mob. 09500998610	Mob. 09740069318	Mob. 09810642323

- (1) The Principal has appointed competent and credible Independent External Monitors 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 Bidder/Contractor/Supplier accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the Bidder/Contractor/Supplier. The Bidder/Contractor/Supplier 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/Supplier/ 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 Bidder/Contractor/Supplier. 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 nonbinding 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/Supplier 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) 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.
- (8) 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/Supplier 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 Bidder/Contractor/Supplier 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/
Supplier

Place Witness 1 :

(Signature/Name/Address)

Date Witness 2 :

(Signature/Name/Address)

Annexure VIII

(Within 15 days of LOI, party shall submit a declaration on non-judicial stamp paper of Rs.100/-. The draft of DECLARATION is enclosed as Annexure VIII)

Declaration

Sub.: Contract / Work Order No.:

Dated

We, _____, [hereinafter referred to as “the repackers”], hereby agree, undertake to faithfully observe and comply with the following during the performance of the contract.

We shall ----

Deploy trained and competent employees who are physically fit and are not suffering from any chronic or contagious disease.

Be responsible for and arrange and bear costs of such equipments, cleaning materials, uniforms and other paraphernalia necessary to render effectively the services required by M/s. Bharat Petroleum Corporation Limited [hereinafter referred to as “the Corporation”].

Be responsible and liable for payment of salaries, wages and other legal dues of our employees for the purpose of rendering the services required by the Corporation under the above contract and shall maintain proper books of accounts, records and documents. We shall, however, as the employer have the exclusive right to terminate the services of any of our employees and to substitute any person instead.

Comply in all respects with the provision of all statutes, , rules & regulations applicable to us and/or to our employees and in particular we shall obtain the requisite license under the Contract Labour (Regulation & Abolition) Act, 1970 and the rules made thereunder.

Ensure that our employees while on the premises of the Corporation or while carrying out their obligations under the contract observe the standards of cleanliness, decorum, safety and general discipline laid down by the Corporation or its authorised agents and the Corporation shall be the sole judge as to whether or not we and/or our employees have observed the same.

Employ sufficient supervisory personnel exclusively to supervise the work of our employees so as to ensure that the services rendered under this contract are carried out to the satisfaction of the Corporation.

Ensure that our employees will not enter or remain on the Corporation's premises unless absolutely necessary for fulfilling our obligations under the contract.

Not do or suffer to be done in or about the premises of the Corporation anything whatsoever which in the opinion of the Corporation may be or become a nuisance or annoyance or danger or which may adversely affect the property, reputation or interest of the Corporation.

Not do or suffer to be done in or about the premises of the Corporation anything whereby any policy of insurance taken out by the Corporation against loss or damage by fire or otherwise may become void or voidable.

Be liable for and make good any damage caused to the Corporation's properties or premises or any part thereof or to any fixtures or fittings thereof or therein by any act, omission, default or negligence on our part or on the part of our employees or our agents.

Indemnify and keep indemnified the Corporation, its officers and employees from and against all claims, demands, actions, suits and proceedings, whatsoever that may be brought or made against the Corporation by or on behalf of any person, body, authority whomsoever and whatsoever and all duties, penalties, levies, taxes, losses, damages, costs, charges and expenses and all other liabilities of whatsoever nature which the Corporation may now or hereafter be liable to pay, incur or sustain by virtue of or as a result of the performance or non-performance or observance or non-observance by us of any of the terms and conditions of the contract.

Without prejudice to the Corporation's other rights, the Corporation will be entitled to deduct from any compensation or other dues payable to us, the amount payable by the Corporation as a consequence of any such claims, demands, costs, charges & expenses. The Corporation shall not be responsible for death, injury or accidents to our employees which may arise out of or in the course of their duties on or about the Corporation's property and premises and in the event that the Corporation is made liable to pay any damage or compensation in respect of such employees, we hereby agree to pay to the Corporation such damages or compensation upon demand. The Corporation shall also not be responsible or liable for theft, loss, damage or destruction of any property that belongs to us or our employees lying in the Corporation's premises from any cause whatsoever.

It is hereby declared that we are, for the purposes of this contract, independent contractors and all persons employed or engaged by us in connection with our obligations under the contract shall be our employees and not of the Corporation. On the expiration of the contract or any earlier determination thereof, we shall forthwith remove our employees who are on the Corporation's premises or any part thereof failing which, our employees, agents, servants, etc. shall be deemed to be trespassers and on their failure to leave the Corporation's premises, the Corporation shall be entitled to remove all persons concerned [if necessary, by use of force] from the Corporation's premises and also to prevent them [if necessary, by use of force] from entering upon the Corporation's premises.

We hereby undertake and declare that, in the event the workmen / employees / persons engaged by us ["the Contractor's employees"] to carry out the purposes hereof, attempt to claim employment with the Corporation or attempt to become so placed, then in all such cases, we shall assist the Corporation in defending all such attempts of the Contractor's employees

AND

we shall bear and pay solely and absolutely all costs, charges and expenses including legal charges incurred or which may be incurred in defending all such attempts and in any appeal or appeals filed by the Corporation therein or relating thereto

AND

We hereby indemnify forever the Corporation against all such costs, charges and expenses including legal charges and against all and any loss, expense or damages, whether recurring or not, financial or otherwise, caused to or incurred by the Corporation, as a result of such attempt by the contractor's employees.

It is hereby agreed that the Corporation shall be entitled to set off any debt or sum payable by us either directly or as a result of vicarious liability to the Corporation against any monies payable or due from the Corporation to us or against any monies lying or remaining with the Corporation and belonging to us or any of our partners or directors.

To be witnessed by
Notary or by an official
of BPCL

Contractor's Signature
or
Authorised Attorney

ANNEXURE IX

MEMORANDUM OF AGREEMENT FOR REPACKING LUBRICATING OIL IN PILLOW POUCH (LAMINATES) AT CHENNAI,

THIS AGREEMENT ("Agreement") is made and entered into as of this day between:
BHARAT PETROLEUM CORPORATION LIMITED, a Company incorporated under the Companies Act, 1956 and having its registered office at BHARAT BHAVAN 4 & 6 CURRIMBHOY ROAD BALLARD ESTATE MUMBAI 400001 Maharashtra India ("BPCL") and

Party Name: M/s. (hereinafter called as VENDOR).

WHEREAS:

- (A) BPCL produces a diverse range of products, from petrochemicals and solvents to aircraft fuel and specialty lubricants and markets them through its wide network of Petrol Stations, Kerosene Dealers, LPG Distributors, Lube Shoppes, besides supplying fuel directly to hundreds of industries, and several international and domestic airlines.
- (B) Vendor operates the Plant (as defined in section 1 of this Agreement) for the repacking of lubricant oil.
- (C) BPCL will provide the Lubricating oil in bulk, Packaging Materials for the repacking of lubricant oil (as defined in Section 1 of this Agreement). The bulk and packaging materials has to be uplifted from our BPCL lube plant at tenderers own transport including loading and unloading arrangements.
- (D) Vendor has the capability and is willing to repack lubricating oil and deliver at the Plant defined in Section I subject to and in accordance with this Agreement

NOW, THEREFORE, the parties hereto agree as follows:

Section 1 - Definitions

For purposes of this Agreement, including the Exhibits hereto, except as otherwise expressly provided or unless the context otherwise requires, the terms defined in this Section - I, shall have the meanings herein assigned to them and any capitalized terms defined elsewhere in this Agreement by inclusion in quotation marks and parentheses, shall have the meanings so ascribed to them.

"Business Day" shall mean any day other than weekly off day, public or national holiday.

"Laboratory Test Specification" shall mean a certificate, specifying the laboratory test results required by Manufacturing Specification on a sample of Raw Materials or Finished Products.

"India" shall mean the Republic of India.

"Finished Products" shall mean lubricant products meeting Manufacturing Specifications described in Exhibit - A attached hereto (but as may be amended or supplemented by BPCL from time to time, to be re-packed by Vendor from time to time in accordance with this Agreement).

"Manufacturing Specification (s)" shall mean the data provided by BPCL from time to time for each Finished Product listed in Exhibit - A. This data shall include laboratory test specifications and test methods.

"Packaging Materials" shall mean the various pouches and/or container components conforming to specifications and designs as provided by BPCL. This will include drums, cans, pails, packs, cartons, labels and/or other forms of packaging for the Finished Products.

"Packaged Products" shall mean those Finished Products filled into the Packaging Materials of BPCL's specifications.

"Person" shall mean any individual, corporation, partnership, joint venture, association, joint stock company, limited liability company, trust, estate, unincorporated organization or governmental body.

"Plant" shall mean

BHARAT PETROLEUM CORPORATION LTD.,
Tondiarpet Lubes Plant,
35 Vaidyanathan Street,
Tondiarpet,
Chennai 600081

"Charges" shall mean the charges payable by BPCL to Vendor for the performance of the services as described in Section 4.1, subject to and in accordance with this Agreement

"Raw Materials" shall mean the Bulk Lubricating Oil, pouches/laminates, Caps Cartons, Bopp tapes, such components to be specified by BPCL and which may be amended from time to time by mutual agreement.

"Term" shall mean the period starting on the 1st February 2019 and ending at midnight on the 31st January 2020 on which this Agreement for whatever reason terminates or expires.

WHEREAS the vendor is desirous of carrying out work as repacker (for filling of finished lubricating oils in 20ml, 40ml, and 60ml pouch) for corporation and WHEREAS the corporation has agreed to appoint the vendor upon the terms and conditions hereinafter record NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED by and the parties hereto as follows:-

The vendor shall be bound by all the terms and conditions laid out in the Tender Enquiry and letter of intent

Section 2 - Duration

2.1 This Agreement shall be for a term of one year commencing on 1st February 2019 to 31st January 2020. This agreement may be terminated as per the Termination Clause mentioned in the Tender Reference Section 20.

2.2 Termination of this Agreement pursuant to any provision hereof shall not prejudice the terminating party's rights against the other party accrued prior to the date of termination.

Section 3 - Repacking of Finished Products and Associated Services

3.1 Repacking and Delivery of Finished Products:

The requirement for repacking shall be intimated to Vendor by BPCL from time to time (presently monthly/weekly call up are advised). Vendor shall be required to adhere to the delivery schedule. It is emphasized here that strict adherence to the delivery schedule is of utmost importance to BPCL. In the event of our inability to accept the re-packed materials to our Plant in line with delivery schedule due to circumstances beyond our control no detention charges will be paid.

SYSTEM FOR OPERATION:

Vendor shall carry out total operation for repacking as per Instructions and Guidelines issued by Plant Manager (Lubes) BPCL, Tondiarpet Lube Plant, Chennai 600 081 from time to time.

BPCL will supply you oils in bulk, which will have to be uplifted by Vendor in Tank Lorry transport at their own risk and cost from our Tondiarpet Lube Plant, Chennai 600 081. The Tank Lorry should be cleaned (internally & externally) before upliftment of bulk oil. Ownership of the product during transit is with M/s. _____

Vendor shall uplift laminates, Stickers, cartons, labels laminates & BOPP tapes from Tondiarpet Lube Plant as per instructions from Officer In-charge of Repacking Materials.

Vendor shall also arrange to keep stock of laminates, Stickers, cartons, labels laminates & BOPP tapes etc. as advised by BPCL which may be 15 days coverage (for each grade / pack) at any point of time.

On receipt, at BPCL, Tondiarpet Lube Plant filling site, Lube oil shall be tested for density, temperature and relevant tests, after drawing random samples to ensure that it matches the specifications given by BPCL, Tondiarpet lube Plant. BPCL shall also maintain proper records of such testing.

Vendor shall arrange for keeping all pipelines and filling systems internally clean.

All necessary equipment, apparatus etc., and Labour required for carrying out the above job shall be arranged by Vendor at own cost.

Filling and weighing machines duly stamped by the Dept. of Legal Metrology only shall be used. Filling accuracy will be monitored for volume specified @ 29.5 deg. C on the packs.

Any inaccuracy in filling shall be viewed seriously and repetition of the same shall be considered as breach of contract, leading to termination of contract.

Vendor shall follow quality control measures as laid down by BPCL from time to time. The above QC guidelines are as per the prevailing requirements. However, they are subject to change from time to time and will be intimated to you accordingly. Vendor shall ensure compliance immediately and if it requires to put up additional facilities within one month period will be given for the compliance from the date of intimation of the same.

Maximum Retail Price (MRP) on filled pouches will / should be printed only by inkjet printing.

Changes to any of the arrangement set out in this Section 3.1 can only be implemented after written confirmation given by BPCL to M/s. _____

3.2 Production target:

BPCL shall supply all raw materials required for repacking lubricating oil from time to time (monthly/weekly call up) and Vendor will be required to adhere to the schedule given by BPCL. Whenever Vendor fails to deliver the quantity as stipulated in the delivery schedule/call offs or whenever there is breach in quality of materials supplied, the corporation reserves the right to procure the same or equivalent from any other sources at the risk, responsibility and costs. All such costs the corporation may incur in this regard shall be recovered from the defaulting supplier. Recurrence of such defaults or deviation shall be viewed seriously and the supplier may not be considered for any forthcoming tenders. Such or deviation may also lead to termination of the contract.

The payment of the same will be according to the payment schedule as described in the Exhibit 'B' below.

(B) REPACKING CHARGES

SL. No.	Grade	Repacking type	No of Cases for the year	Rate / Case Rs. P.	Rate / Case in words	Total AMount in Rs.	Total Amount in words
1	MAK 2T	20 ML Pillow Pouches	60000				
2	MAK 2T	40 ML Pillow Pouches	150000				
3	MAK 2T	60 ML Pillow Pouches	60000				
	Total Value						

3. 3BPCL will coordinate for replenishment of raw material, packing material as per the schedule of various inputs considering the lead time, supply sources and delivery modes.

3. 4 Storage

- (a) Bulk lubricating oils shall be stored in dedicated tank and shall not be co-mingled with any other materials.
- (b) Title of Raw Materials, Packaging Materials & Finished Product: - The ownership of all the Raw Materials, Packaging Materials & the Finished product received and stored at the Plant by Vendor shall remain vested with BPCL. Vendor shall be liable to compensate BPCL for any loss of product or damage of such Raw Materials, Package Materials and due to negligence, willful act or omission of Safety Norms or any of its employees, agents, associate, and representative.
- (c) BPCL will conduct monthly stock check at the premises of M/s. _____, on the 1st working day of the month. Vendor shall assist BPCL in stock checking and sign the joint report. Vendor shall arrange to stack / store the products properly to facilitate stock checking.
- (d) BPCL reserves the right to do surprise checking, sampling of their product at the premises of M/s. .
- (e) Vendor shall forward to Plant Manager, BPCL, a report in a form approved by BPCL by 1st of the following month. The report shall contain details of opening and closing stock balances, receipt

and issue of all materials during the month, losses, if any BPCL shall reconcile all Finished Products (bulk and packaged) deliveries each month by the 2nd day of the following month.

3.5 Quality of Finished Products

Vendor shall perform for BPCL those mutually agreed quality control tests and procedures set forth in Exhibit C.

3.6 Samples

Vendor shall maintain a sample of at least one litre from each batch of Finished Products re-packaged for BPCL. The sample shall be maintained for at least one year and shall be given to BPCL upon written request.

3.7 Raw Materials and Packaging Materials

- (a) Vendor shall use Packaging Materials provided by BPCL & BPCL nominated suppliers only in the repacking of Finished Products under this Agreement. Vendor shall receive such Packaging Materials, from BPCL's nominated suppliers. Vendor shall coordinate with BPCL's nominated suppliers with respect to the delivery of such Packaging Materials.
- (b) Vendor shall ensure all Packaging Materials are inspected on random basis/cube-root method for defects against specifications provided by BPCL and no defective packaging materials are incorporated in the packaged products.
- (c) Vendor shall inform BPCL of any laboratory Test Specifications values that do not comply with the Specifications provided by BPCL, within three days of its receipt of the particular laboratory Test Specifications.
- (d) Any materials supplied by BPCL and/or its suppliers' if not conforming to laid down specifications, after storing at Vendor will not be used in filling of lubricants at plant. BPCL shall inspect such materials within three days from the date of receipt and arrange disposal of the same. The total expense pertaining to loading, storage etc. of such defective materials shall be borne by M/s. .

3.8 Operational Loss of Raw Materials, Packaging Materials and Finished Products.

Losses for Bulk Material and packaging materials during stock checking:

This will be allowed maximum to the extent of 0.1 % for bulk and packaging material. The loss will be calculated based on the actual physical stock check carried out by BPCL representative from time to time and not allowed on notional basis. Repacker cannot account losses flat @ 0.1 %. Any loss beyond 0.1% will be recovered from the repacker. Accounting of loss / gain shall be for product / packaging material wise. Also, loss / gain of a month cannot be carried forward in the next month

and recovery towards losses shall to be made on monthly basis by the 10th of the following month. The rate of recovery shall be as follows:

For Bulk Material: For Losses beyond 0.1 % , recovery will be made as per rate of Dealer Billing Price of barrel (including taxes) of the respective material less landed cost of empty barrel plus penal charges of 15 % of DBP.

For Packaging Material: Losses on account of physical shortage will be calculated on monthly basis as per LPUP (basic) + taxes + other charges if any + transportation charges + penal charges of 15 % of the total value. The recovery towards losses should be done on monthly basis and the re packer shall be advised to pay the amount by Demand Draft / Pay Order by 10th of the following month. Failure to do so, the Corporation reserves it right to invoke BG submitted by the repacker.

Loss towards off spec product:

Losses towards off spec product will be recovered for the full quantity without any allowance irrespective of whether the off-spec is identified at the repacker's premise or at our plant. At the time of receipt of finished packs, in case it is observed to be off spec (declared off spec by Plant QC), the entire batch will be taken under the custody of by the Plant Manager and bulked. Vendor should bear cost of bulking. The repacker will be informed about the off spec and advised to visit the plant within two working days of receiving the information to verify the off spec product and jointly certify the statement confirming the material as off-spec. Failure to do so, recovery shall be initiated from re-packer towards off spec materials as per details below.

Value of oil if the oil after bulking cannot be reprocessed Or Cost of reprocessing, if the bulked oil can be reprocessed

Cost of all packaging material of the rejected lot irrespective of whether the product can be reprocessed or not.

The decision of Plant Manager will be final. The recovery rate will be as per below:

- i. Bulk Lubricants: The recovery rate will be DBP in barrel (including taxes) of the respective material less landed cost of empty barrel plus penal charges of 15 % of DBP.
- ii. Packaging Material: LPUP (basic) + taxes + other charges if any + transportation charges + penal charges of 15 % of the total value.
- iii. Reprocessing cost: As decided by Plant Manager on the basis of existing average blending cost of similar grades. Beside penal action as explained above, in case of QC failure more than 3 times during the tenure of the contract, BPCL will take suitable action including suspension / termination of the contract.

The recovery towards off spec losses should be done on immediate basis and the re- packer is to be advised by respective role holder at plant to pay the amount by Demand Draft/ Pay Order within one week from monthly actual incidence date of such off specs. Failure to do so, the Corporation reserves it right to invoke BG submitted by the repacker.

3.9 Vendor shall arrange to provide for proper training and development of all staff in quality assurance and repacking to meet the norms specified by the BPCL. Adequate supervision by competent person shall be ensured while repacking / filling the oil.

3.10 Vendor shall maintain proper records of receipt of laminates / empty cartons/ BOPP tapes/ lubricating oils in bulk and, filling done, dispatches of filled pouches, opening & closing of stock of lubricating oils/ laminates/empty cartons / BOPP tapes/ filled pouches Vendor shall also advise the same to Plant Manager, BPCL latest by 2nd working day of the following month.

Vendor shall operate in such a manner so as to give clear indication to the third party that all Lube oils/ laminates/ cartons etc. belong to BPCL. Vendor shall not sell, transfer, alienate, mortgage, change, hypothecate, pledge or otherwise create any encumbrances on all or any of the said goods.

Vendor shall maintain business confidentiality and BPCL marketing discipline. Vendor shall comply with statutory requirements as applicable to the repacking activity. The Packaging material/ bulk issued from Plant should be returned to BPCL within 90 days period.

Vendor shall not infringe, copy, initiate or otherwise deal with brand name, trade, merchandise marks or devices of designs/copyright belonging to us.

Vendor shall maintain adequate inventory of filled cases in different packs for 100% fulfillment of monthly call ups

Vendor shall deliver properly packed filled pouches to BPCL lube Plant time to time, as per Purchase Orders/Call-ups

Each consignment should be accompanied with batch test report, as per the format provided by BPCL.

Within 15 days from the date of termination of this contract, Vendor shall arrange to return at own cost all our goods, (i.e. Lube Oil, laminates/ bulk oil, filled pouches, carton, BOPP tapes etc., and any other goods issued to you on returnable basis) to BPCL or any other place as per BPCL instructions. Any shortage detected during subsequent settling of accounts between goods issued and goods received shall be recovered by debiting from Vendor account, the cost of Lube Oils and other goods at our then prevailing list price of such lube oils in bulk and that of other goods at the then prevailing procurement rate

Vendor shall maintain manual documentation for stocks (oil, laminates, cartons, BOPP tapes, etc.) as per instructions of BPCL.

Monthly stock statement & reconciliation shall be done along with BPCL representative.

SECURITY DEPOSIT

On award of contract, successful vendor shall be required to submit security deposit. The security deposit can be submitted in the form of Bank Guarantee (as per BPCL format) or by Demand Draft / Pay Order drawn on any scheduled bank favouring Bharat Petroleum Corporation Ltd, payable at Chennai. Payment in cash / cheque is not acceptable. The Bank Guarantee shall remain valid for the entire contract period plus an additional period of six months. No interest shall be payable on security Deposit. Security Deposit shall be refunded on the completion of the contract to our satisfaction. No exemption is allowed for this deposit, since this is required against product issued to vendor. The Bank guarantee shall be issued in favour of Bharat Petroleum Corporation Limited from a scheduled bank. The Bank guarantee shall be accepted only after verification by us.

3.21 DECLARATION

The vendor shall submit a declaration on non-Judicial stamp paper of value of Rs.100/- as per annexure VIII

3.22 LICENCE

The vendor should ensure that their premises should be covered and reasonably spacious for neat operations of all activities within the contract, with a valid Municipal Licence (copy of the valid Municipal License shall be furnished to us as and when required. The vendor shall arrange to obtain Licence from respective authorities of Govt. of Tamil Nadu under Lub. Control order 1987 as amended from time to time. Copy of the same shall also be provided to us as and when required. Any other Licence if required to be taken as per relevant laws/rules in force shall be obtained by you. Copy of all such documents to be submitted on demand to BPCL.

The contractor shall conform to the provision of Acts of Parliament or State Legislation and that of bye laws, rules orders and Notification of Central/State Government/ Municipal or Local Authority from time to time and will keep the corporation indemnified against all claims, penalties and losses that may be incurred due to any breach of Act .Rules by the vendor

Section 4 -Confidentiality

- 4.1 A party (Recipient) shall maintain the confidentiality of all data and technical information supplied by the other party (Disclosing Party), relating to the manufacture or blending of Finished Products and re-packaging of bulk finished products. The Recipient shall not use the data and technical information for any purpose other than to manufacture, blend and ship the Finished Products or to re-package and ship the finished products and shall not disclose the data or technical information to any third party.
- 4.2 Provisions of Section 5.1 shall not apply to data and technical information which (a) currently or later becomes part of the public domain, (b) was developed by the Recipient prior to its receipt directly or indirectly from the Disclosing Party, or (c) was furnished to the Recipient by a third party without breach by that third party of any obligations of confidentiality concerning that information.
- 4.3 The Recipient's receipt of data and technical information covered under Sections 5.1 and 5.2 shall not grant in any form a license to the Recipient in any patent rights the Disclosing Party may own or Control.

Section 5 - Plant Inspection

- 5.1 Safe operation of its Plant is of great importance to both parties. Accordingly, BPCL may inspect Vendor plant for potential health, safety and quality control problems at any time during the term of this Agreement. BPCL shall advise Vendor of any procedures that it observes during these inspections that pose a health, safety or quality control risk.
- 5.2 BPCL acknowledges that it will be granted access to Vendor premises only for it to fulfill its obligations under this Agreement and BPCL agrees that its personnel will comply with all appropriate directions given by Vendor personnel in the event of an emergency or security breach or any other matter as it may arise.

Section 6 - Product Inspection

6.1 BPCL shall have the right to inspect and test, or appoint a representative to inspect and test, at the Plant each batch of Finished Products manufactured and/or blended, or re-packaged by Vendor to determine if they meet BPCL's Manufacturing Specifications.

Vendor shall from time to time during the Term (but not thereafter) at the request of BPCL, perform such analysis as can be performed in their laboratory to assist in evaluation of customers enquiries relating to the Finished Products.

Section 7 - Orders and Delivery

Upon receipt of BPCL's monthly call up sent to Vendor by fax or email Vendor shall fill and make available for delivery ex-plant Finished Products to BPCL's to meet 100% call up requirement.

Section 8 - Payment and Invoicing

8.1 Invoices.

Vendor shall raise invoice on BPCL for the Charges for manufacturing and/or blending, filling or repacking of Finished Products on fortnightly basis. Vendor shall send all original invoices (in hard copy format) to BPCL at the following address .

Bharat Petroleum Corpn. Ltd.,
BPCL Office Complex, Business Process Excellence Centre.(BPEC)
Plot No 6, Sector 2, Behind CIDCO garden, Khargar. Navi Mumbai - 410210

The Charges shall be inclusive of taxes like service tax etc. and the same shall be reimbursed by BPCL to Vendor after 30 days from the date of receipt of invoice.

Vendor by delivering an invoice, represents and warrants that all documents submitted in support of its invoice are true and correct.

8.4 Payment

Payment of charges for the manufacturing or the re-packing of Finished Products shall be settled through NEFT payment on the 30th day from the date of receipt of invoice. Bills can be submitted once in 15 days

Section 9 -Delivery: Title and Risk

9.1 Vendor shall make the Finished Products available at the Plant, to BPCL Plant on their own risk.

9.2 Risk of loss or damage of the Finished Products shall be with Vendor till the finished Products reach BCPL Plant.

Section 10 - Measurements

10.1 Bulk Loading for Trucks: Vendor shall be responsible for assuring that the quantities specified as contents of a truck filled by BPCL will be in full measure and in compliance with the quantity shown or on the bill of lading to be delivered to BPCL

10.2 All volumes used for measurement shall be temperature corrected to 29.5 degree Celsius in accordance with the latest edition of the joint API/ASTM-IP Petroleum measurement tables. Vendor shall ensure that the packing accuracies are within the statutory norms prescribed, and indemnifies BPCL in this regard with respect to the Standards of Weights and Measures Act and the rules are made there under ("SWAM").

10.3 Vendor shall obtain and maintain licensed certification from Dept. of Legal Metrology for all Filling, weighing machines & measuring devices affecting BPCL billing as per applicable rules. Copies of the licensed certification or evidence of metering device compliance shall be provided to BPCL.

Section 11 - Independent Contractors

Nothing in this Agreement shall be construed to constitute BPCL or Vendor as a partner, joint venture, agent or other representative of the other. Each is an independent company retaining complete control over and complete responsibility for its own operations and employees.

Section 12 - Insurance

12.1 Vendor shall procure and maintain at its sole expense all insurance for assets of the Plant, required by applicable laws.

12.2 Vendor to insure Packed Stock, bulk Oil, and packaging materials or any other material issued by BPCL etc lying with Vendor at any time against all perils like Theft, Fire, Floods civil commotion etc & Transit Risk

Section 13 -Force Majeure

If at any time during the continuance of the agreement , the performance in whole or part by either party of any obligation under the agreement shall be prevented or delayed by reason of any war, hostility, act of public enmity, civil commotion, sabotage, fires, floods, explosions epidemics, quarantine restrictions, strikes, lockouts or acts of god (herein referred as event), then provided notice of happening of any such event is given by either party to the other within twenty one days from the date of occurrences thereof , neither party shall by reasons of such event be entitled to terminate this contract nor shall either party have any claim for damage against the other in respect of such non-performance.

Deliveries under the AGREEMENT shall be resumed as soon as practicable after such events come to an end or ceased to exist and decision of executive director(lubricants), BPCL as to whether the deliveries have been so resumed or not, shall be final and conclusive. Provided further that the performance in whole or part of any obligation under the contract is prevented/delayed by reason of any such event specified above for period exceeding sixty days, either party may at their option terminate the agreement

Section 14 - Assignment

Neither party may assign any of its rights and obligations under this Agreement without the consent of the other party. Any attempted assignment without consent shall be void.

Section 15 - Hazards and Compliance with Environmental, Health and Safety Laws

- 15.1 The Finished Products covered under this Agreement are or may become hazardous. Vendor shall inform and familiarize all employees, agents and contractor who may handle these materials of all hazards pertaining to them, goods made there from, all uses or applications thereof, in which the materials may be shipped or stored, equipment with which it is used and/or handled and any governmental laws and regulations relating thereto. Vendor undertakes to (a) label all applicable pouches as appropriate and as may be legally mandated to give due warning and protection to its employees, agents and contractors from such hazards; and (b) inform, protect and train its agents and employees in the safe and proper uses, handling and labeling of the Finished Product.
- 15.2 Vendor shall assure compliance with all laws, statutes applicable to filling in small pack of the Finished Products including environmental law or regulation with respect to air, water, groundwater or soil, or any pollution control laws in full and shall indemnify BPCL against any losses suffered by BPCL on account of any breach of such laws.
- 15.3 Vendor will be responsible for compliance with all applicable governmental worker safety laws and regulations.
- 15.4. Vendor will immediately notify BPCL, within twenty four (24) hours maximum, of accidents involving BPCL Property.
- 15.5 Vendor represents and warrants that it understands the hazardous nature of the substances which may be involved with the Services and the risks which are presented to persons, property and the environment.

Section 16 - Compliance with Applicable Laws

In the performance of this Agreement, both BPCL and Vendor shall comply with all applicable governmental laws, orders or regulations. Vendor to comply with Laws of Prevention of Child Labour while during the tenure of this agreement.

Section 17 - Trademarks

Labels, packages, technical information or any other materials provided to Vendor shall contain trademarks, brand names, trade names, hallmarks, designs and color schemes which BPCL has the right to use. Vendor shall not infringe copy, imitate or otherwise deal with brand name, trade merchandise marks or devices of designs/copyright belonging to BPCL, except as necessary for Vendor to carry out its obligations under this Agreement.

Section 18 - Notice

Any notices required or permitted to be given or made under this Agreement by one of the parties to the other shall be in writing and shall be deemed to have been sufficiently given for all purposes if delivered in person or if mailed by registered mail addressed to such party as shown below:

Lube Oil Blending Plant,
Bharat Petroleum Corpn. Ltd.
35 Vaidyanathan Street,
Tondiarpet,
Chennai 600081

Section 19 - Arbitration

ARBITRATION CLAUSE

Any dispute or difference whatsoever arising out of or in connection with this Agreement including any question regarding its existence, validity, construction, interpretation, application, meaning, scope, operation or effect of this contract or termination thereof shall be referred to and finally resolved through arbitration as per the procedure mentioned herein below:

The dispute or difference shall in any event be referred only to a Sole Arbitrator.

The appointment and arbitration proceedings shall be conducted in accordance with the SCOPE Forum of Arbitration Rules for the time being in force or as amended from time to time.

The seat of arbitration shall be at Mumbai.

The proceedings shall be conducted in English language.

The cost of the proceedings shall be equally borne by the parties, unless otherwise directed by the sole arbitrator.

JURISDICTION

- d) The parties hereby agree that the court in city of Mumbai alone shall have jurisdiction to entertain any application or any award/s made by the Sole Arbitrator or other proceedings in respect of anything arising under this Agreement.
- e) This Agreement covers entire understanding between the parties and no alteration / variation of any of the terms of this Agreement shall be valid unless made with the consent of both the parties and evidenced in writing duly signed by authorized representatives of both the parties.
- f) All notices and other communications to be given under this Agreement by either party to the other shall unless otherwise specifically agreed be given in writing by Registered Post or hand delivery against acknowledgement to the following addresses of the respective parties.

CONFIDENTIALITY

The vendor shall maintain the confidentiality of all data and technical information supplied by the Corporation, relating to the manufacture / blending of Finished Products, re-packaging of bulk finished products, etc. The vendor shall not use the data and technical information for any purpose other than that specified by the Corporation and shall not disclose any data or technical information to any third party.

Section 20 -Termination

20.1 Notwithstanding anything to the contrary herein contained, BPCL shall also be at liberty at its entire discretion to terminate this agreement forthwith upon or at any time after the happening of any of the following events namely:

If Vendor commit a delay, breach or default of any of the terms, conditions, covenants and stipulations contained herein.

Upon death or adjudication as insolvent.

If any attachment is levied and continued to be levied for a period of seven days upon Vendor effects.

If Vendor is involved in any criminal offence relating to Moral Turpitude.

If a receiver is appointed of any of Vendor property or assets.

If the license issued to Vendor by the relevant statutory authorities is cancelled or revoked.

If Vendor have made default in payment of any money of the BPCL without formal approval of the BPCL in writing.

If Vendor fail to adhere to the instructions issued to you by the BPCL from time to time in respect of the business condition herein.

If Vendor contaminate or tamper with the quality of BPCL's product given in you.

If the ownership / tenancy of the premises from which Vendor is carrying on the business if transferred/terminated for any reason whatsoever.

If Vendor itself or to its servant or agents commit or suffer to committed any act which in the opinion of the Executive Director (Lubes) of the BPCL is prejudicial to the interest or good name of BPCL or its product. Executive Director (Lubes) shall not be bound to give reasons to such decisions.

The BPCL's right to terminate the contractual obligations under this clause shall be without prejudice to and without affecting any of its rights and remedies against M/s.

In the event of BPCL terminating this agreement under the provisions of this clause it shall not be liable to pay for any loss or compensation in respect of such termination.

Without prejudice to the foregoing provisions or anything to the contrary herein contained either or the parties hereto namely you and BPCL shall be entitled to terminate this agreement on giving 30 days written notice to the other parties without assigning any reasons for such termination.

Section 21 - Remaining Stock on Expiry of Contract or Termination

21.1 On the expiry or termination of this Agreement for any reason, Vendor shall return to BPCL all the goods of BPCL like Finished Products, Raw Materials like Bulk Oil, Packaging Materials and any other goods issued to Vendor by BPCL. Vendor shall arrange to deliver the same from the premises of Vendor at its own cost and expenses to BPCL's premises within a period of fifteen days from date of termination of the contract.

21.2 Immediately after the closure of business on the effective termination date (End Date), Vendor must carry out a full physical stock take of Remaining Stock in the presence of at least one representative of BPCL

21.3 Following the stock take, Vendor must:

- (1) Compile a list of Remaining Stock in accordance with the principles in Section 23.1 (the Remaining Stock List); and
- (2) Provide the Remaining Stock List to BPCL by not later than seven (7) Business/working days following the End Date.

21.4 At the sole option of BPCL, Vendor can purchase in whole or in part the items in the Remaining Stock List at a mutually agreed price with BPCL within thirty (30) days of BPCL's receipt of the Remaining Stock List.

Section 22 - Severability

This Agreement is subject to all applicable laws and nothing herein is intended to violate any such law. If any Section or provision of this Agreement is held to be invalid or unenforceable by any court, the invalidity or unenforceability of such Section or provision does not affect the remaining provisions of this Agreement, and this Agreement shall be construed and enforced as if such invalid or unenforceable Sections or provision had not been contained in this Agreement.

Section 23 - Entirety

This Agreement, including any Exhibits attached hereto, embodies the entire agreement between the parties regarding the matter set forth herein and supersedes all prior and contemporaneous agreements or understandings covering the subject of this Agreement, whether oral or written, between the parties.

Section 24 - Waiver

No course of dealing and no delay by either party in exercising any right, power or shall operate as a waiver thereof or otherwise prejudice its rights, powers or remedies. No waiver actually made by either party of any breach of the terms of this Agreement by the other shall be construed as a waiver of any succeeding breach of the same or any other term herein. No right, power or remedy conferred hereby or available at law shall be exclusive of any other right, power or remedy.

The provisions hereof may be waived, supplemented or amended only by an instrument in writing signed by a duly authorized representative of each of the parties hereto.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their duly authorized representatives.

SIGNED for and on behalf of

BHARAT PETROLEUM CORPORATION LIMITED by

Name:

Title: REGIONAL MANAGER (LUBES) SOUTH

WITNESSES:

1.

2.

SIGNED for and on behalf of M/S. Vendor

Name:

Title :

WITNESSES

1.

2.

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Dated the *****

Between

BHARAT PETROLEUM CORPORATION LIMITED

And

_____ ..