

e-TENDER DOCUMENT

FOR

TRANSPORTATION OF MILK POWDER FROM
UNIONS/UNITS OF KMF TO
AMBALA/BALLABGARH/ROTHAK/JIND MILK
UNIONS, HARYANA/DELHI MILK SCHEME, NEW
DELHI ON ANNUL RATE CONTRACT BASIS FOR
A PERIOD OF ONE YEAR (ARC)

KARNATAKA COOPERATIVE MILK PRODUCERS' FEDERATION LIMITED**KMF COMPLEX : DR MH MARIGOWDA ROAD : BANGALORE-560029**

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Section I

e-TENDER FOR TRANSPORTATION OF MILK POWDER
FROM UNIONS/UNITS OF KMF TO AMBALA/BALLABGARH/ROTHAK/JIND
MILK UNION'S, HARYANA / DELHI MILK SCHEME, NEW DELHI ON ANNUAL
RATE CONTRACT BASIS FOR A PERIOD OF ONE YEAR (ARC)

IFT NO: NO.KMF/MKT/112-C /2012-13

DATE: **31-01-2013****(A) SCHEDULE OF EVENTS**

1)	Commencement of download of e-tender forms from website https://eproc.karnataka.gov.in	04-02-2013
2)	Last date for queries on or before	12-02-2013 up to 3.00 hrs
3)	Last date for uploading of Tender document on e-procurement platform on or before	12-02-2013 up to 13.00 hrs
4)	Opening of Tenders Technical bid	14-02-2013 at 15.30 hours

(B) VENUE: OFFICE OF THE DIRECTOR (MARKETING)
 KARNATAKA COOPERATIVE MILK PRODUCERS'
 FEDERATION LIMITED, KMF COMPLEX, DR MH
 MARIGOWDA ROAD,
 D.R.COLLEGE POST, BANGALORE-560 029.

(C) Opening of Financial Bid: Financial bid of only those responsive tenderers of technical bid will be opened on a date notified or on any further dates to be notified / informed to the responsive tenderers.

(D) Validity of contract: shall be for ONE year from the date of commencement of Rate Contract, which shall be extendable for another three months. Completed tender document shall be up loaded through e-tendering system using their **user ID** and to be addressed to OFFICE OF THE DIRECTOR (MARKETING), KARNATAKA COOPERATIVE MILK PRODUCERS' FEDERATION LIMITED, KMF COMPLEX, DR

M.H.MARIGOWDA ROAD, D.R.COLLEGE POST, BANGALORE-560 029 in the manner described under instructions in Section-II.

SECTION I : INSTRUCTIONS TO TENDERERS
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SECTION I : INSTRUCTION TO TENDERERS

A. Introduction

1.0 Eligible Tenderers :

- 1.1 Tenderers should not be associated, or have been associated in the past, directly or indirectly, with a firm or any of its affiliates which have been engaged by the KMF to provide services for the hiring of the Transport Contractor under this Invitation of Tenders.
- 1.2 Tenderers shall not be under a declaration of ineligibility for corrupt and fraudulent practices issued by Government of Karnataka.
- 1.3 Tenderers who qualify to the Technical qualification prescribed in Section VI of the tender document are eligible

2.0 Cost of Tendering :

- 2.1 The Tenderer shall bear all costs associated with the preparation and submission of its tender, and MD - KMF hereinafter referred to as "the KMF", will in no case be responsible or liable for these costs, regardless of the conduct or outcome of the tender process.

B. The Tender Documents

3.0 Contents of Tender Documents :

- 3.1 The type of Transport Contractor required, tendering procedures and contract terms are prescribed in the tender documents. In addition to the Invitation for Tenders, the tender documents include:

A. Technical Tender Part - I consists of:

- (a) Instruction to Tenderers (ITT);

- (b) General Conditions of Contract (GCC);
- (c) Special Conditions of Contract (SCC);
- (d) Schedule of Requirements;
- (e) Technical Specifications;
- (f) Tender Form
- (g) Contract Form;
- (h) Performance Security Form;
- (i) Performance Statement Form;

B. Commercial Tender Part - II consists of:

- (a) Commercial Tender Part - II
- (b) Commercial Tender Rate Quote

3.2 The Tenderer is expected to examine all instructions, forms, terms and specifications in the tender documents. Failure to furnish all information required by the tender documents or submission of a tender not substantially responsive to the tender documents in every respect will be at the Tenderer's risk and may result in rejection of its tender.

4.0 Clarification of Tender Documents :

4.1 A prospective Tenderer requiring any clarification of the tender documents may notify the MD KMF in writing or by cable or fax at the KMF's mailing address indicated in the Invitation for Tenders. The KMF will respond in writing to any request for clarification of the tender documents, which it receives no later than 15 days prior to the deadline for submission of tenders prescribed by the KMF. Written copies of the KMF's response (including an explanation of the query by without identifying the source of inquiry) will be sent to all prospective tenderers who have received the tender documents.

5.0 Amendment of Tender Documents :

- 5.1 At any time prior to the deadline for submission of tenders, the KMF may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective tenderer, modify the tender documents by amendment.
- 5.2 All prospective tenderers who have received the tender documents will be notified of the amendment in writing or by cable or by fax, and will be binding on them.
- 5.3 In order to allow prospective tenderers reasonable time in which to take the amendment into account in preparing their tenders, the KMF, at its discretion, may extend the deadline for the submission of tenders.

C. Preparation of Tenders

6.0 Language of Tender:

- 6.1 The tender prepared by the Tenderer, as well as all correspondence and documents relating to the tender exchanged by the Tenderer and the KMF, shall be written in English language. Supporting documents and printed literature furnished by the Tenderer may be in another language provided they are accompanied by an accurate translation of the relevant passages in the English language in which case, for purposes of interpretation of the Tender, the translation shall govern.

7.0 Documents Comprising the Tender:

- 7.1 The tender prepared by the Tenderer shall comprise the following components:
 - (a) A Technical Tender Form Part - I and a Rate Schedule Commercial Tender Part - II completed in accordance with ITT Clauses 8, 9 and 10;
 - (b) Documentary evidence established in accordance with ITT Clause 11 that the Tenderer is eligible to tender and is qualified to perform the contract if its tender is accepted;
 - (c) Documentary evidence established in accordance with ITT Clause 12 that the Transport Contractor and ancillary services to be provided by the Tenderer are eligible for TRANSPORTER and services and conform to the tender documents; and
 - (d) Earnest money deposit furnished in accordance with ITT Clause 13.

8.0 Tender Form:

- 8.1 The Tenderer shall complete the Tender Form and the Rate Schedule furnished in the tender documents, indicating the type of TRANSPORTER, certificate copy of the registration, copy of the insurance coverage certificate, Tax paid details to be provided, a brief description of the Transport Contractor.

9.0 **Tender Rates:**

- 9.1 The Tenderer shall indicate on the Rate Schedule the unit rate and total tender rate of the TRANSPORTER it proposes to provide under the Contract. However, tenderers shall quote for the complete requirement of TRANSPORTER and services specified under each schedule on a single responsibility basis, failing which such tenders will not be taken into account for evaluation and will not be considered for award.
- 9.2 Rates indicated on the Rate Schedule shall be entered separately in the following manner:
- (i) The rate to be quoted on per Metric Ton basis (including all expenses such as fuel, taxes, delivery, services, repairs and maintenance, vehicle insurance, Toll Fee, loading & unloading already paid or payable) in respect of all destinations;
 - (ii) The tenderer shall be responsible for all statutory & other liabilities to be circulated from time to time during the tenure of the contract.
- 9.3 The Tenderer's separation of the rate components in accordance with ITT Clause 9.2 above will be solely for the purpose of facilitating the comparison of tenders by the KMF and will not in any way limit the KMF's right to contract on any of the terms offered.
- 9.4 Rates quoted by the Tenderer shall be fixed during the Tenderer's performance of the Contract and not subject to variation on any account. **A tender submitted with an adjustable rate quotation will be treated as non-responsive and rejected, pursuant to ITT Clause 22.**

10.0 **Tender Currency:**

10.1 Rates shall be quoted in Indian Rupees:

11.0 **Documents Establishing Tenderer's Eligibility and Qualifications:**

11.1 Pursuant to ITT Clause 7, the Tenderer shall furnish, as part of its tender, documents establishing the Tenderer's eligibility to tender and its qualifications to perform the Contract if its tender is accepted

11.2 The documentary evidence of the Tenderer's qualifications to perform the Contract if its tender is accepted, shall establish to the Hirer/KMF's satisfaction:

- (a) That, in the case of a Tenderer offering to provide Transportation under the contract which the Tenderer did not provide, the Tenderer has been duly authorized (as per authorization form in Section XIII) by the vehicle Owner to provide the vehicle in India. (The item or items for which Owner's Authorization is required should be specified)

Note : Tender for any particular item in each schedule of the tender should be from one owner only. Tenders from agents offering tender from different owner's for the same item of the schedule in the tender will be treated as non- responsive).

- (b) That the Tenderer has the financial and technical, capability necessary to perform the Contract and meets the criteria outlined in the Qualification requirements specified in Section VII. To this end, all tenders submitted shall include the following information:

- (i) The legal status, place of registration and principal place of business of the company or firm or partnership, etc ;

- (ii) Details of experience and past performance of the tenderer on services

- offered and on those of similar nature within the past three/five years'

- and details of current contracts in hand and other commitments (suggested proforma given in Section XII) ;

12.0 **Documents Establishing Transport Contractor' Eligibility and Conformity to Tender Documents:**

12.1 Pursuant to ITT Clause 7, the Tenderer shall furnish, as part of its tender, documents establishing the eligibility and conformity to the tender documents

of all vehicles and services, which the tenderer proposes to provide under the contract.

12.2 The documentary evidence of conformity of the Transport Contractor and services to the tender documents may be in the form of literature, and data, and shall consist of:

- (a) A detailed description of the essential technical and performance characteristics of the vehicle;
- (b) An item-by-item commentary on the KMF's Technical Specifications demonstrating substantial responsiveness of the vehicles to those specifications or a statement of deviations and exceptions to the provisions of the Technical Specifications (Not applicable).

12.3 For purposes of the commentary to be furnished pursuant to ITT Clause 12.1(b) above, the Tenderer shall note that Technical Specifications are intended to be descriptive only and not restrictive provided that it demonstrates to the KMF's satisfaction.

12.4 Submission of Sample - **NOT APPLICABLE**

13. Earnest Money Deposit (E M D):

13.1 Pursuant to ITT clause.7, the tenderer shall furnish E.M.D of **Rs.25,000/-** as part of this tender taking into account the following conditions:

- a) EMD will be accepted in the form of electronic cash in any of the designated Axis Bank, branches located across the country (not through Bank Guarantee) and will be maintained in the Government central pooling account Axis Bank until the contract is closed.
- b) The entire EMD amount for a particular tender has to be paid in a single transaction.
- c) The EMD money received for all the tenders floated through e-procurement platform will be collected and maintained in a central pooling account.

The Tender bid will be evaluated only on confirmation of receipt of payment, the payment (E M D) in the GOK's central pooling A/C held at Axis Bank.

13.2 Pursuant to ITT Clause 7, the Tenderer shall furnish, as part of its tender, earnest money deposit in the amount as specified in Section-V-Schedule of Requirements.

13.3 The earnest money deposit is required to protect the KMF against the risk of Tenderer's conduct which would warrant the security's forfeiture, pursuant to ITT Clause 13.7.

13.4 Any tender not secured in accordance with ITT Clause 13.1 and 13.3 above will be rejected by the Hirer as non-responsive, pursuant to ITT Clause 22.

13.5 Refund of E M D

The EMD money will be kept in the central pooling account until the tender is awarded to the successful bidder. Based on the instructions of Tender Accepting Authority (TAA) the EMD amount of the unsuccessful tenderer's will be refunded to the respective Bank A/c's of the Tenderer registered in the e-procurement system.

13.6 The tender Earnest Money Deposit may be forfeited:

(a) If a Tenderer (i) withdraws the tender during the period of tender validity specified by the KMF Ltd on the Tender Form; or (ii) does not accept the correction of errors pursuant to ITT Clause or

(b) In case of a successful Tenderer, if the Tenderer fails:

(i) To execute and sign the Contract agreement in accordance with ITT Clause or

(ii) To upload Performance Security in accordance with ITT Clause

13.7 The EMD will not carry any interest.

13.8 No earlier EMD or Performance guarantee are transferable against present tenders therefore submission of fresh EMD along with the Tender is mandatory. Tender without EMD will be rejected.

14. Period of Validity of Tenders

14.1 Tenders shall remain valid for 90 days after the deadline for submission of tenders

prescribed by the Hirer pursuant to ITT Clause 17. A tender valid for a shorter period shall be rejected by the Hirer as non-responsive.

14.2 In exceptional circumstances, the KMF may solicit the Tenderer's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing (or by cable or fax). The earnest money deposit provided under ITT Clause 13 shall also be suitably extended. A Tenderer may refuse the request without forfeiting its earnest money deposit. A Tenderer granting the request will not be required nor permitted to modify its tender.

15. **Format and Signing of Tender:** not applicable.

D.Submission of Tenders

16. **Sealing and Marking of Tenders.** Not applicable.

17. **Deadline for Submission of Tenders**

17.1 Tenders must be uploaded by the tenderer as per the time and date specified in the Invitation for Tenders (Section I).

17.2 The KMF may, at its discretion, extend this deadline for submission of tenders by amending the tender documents in accordance with ITT Clause 5, in which case all rights and obligations of the Hirer and Tenderers previously subject to the deadline will thereafter be subject to the deadline as extended.

18. **Late Tenders**

18.1 Any tender received by the KMF after the deadline for uploading shall be rejected.

19. **Modification and Withdrawal of Tenders**

19.1 No tender may be modified subsequent to the deadline for submission of tenders.

19.2 No tender may be withdrawn in the interval between the deadline for submission of tenders and the expiration of the period of tender validity specified by KMF Ltd on the Tender Form. Withdrawal of a tender during this interval may result in the Forfeiture of Tenderer's earnest money deposit, pursuant to ITT Clause 13.6.

E. Opening and Evaluation of Tenders

20. Opening of Tenders by the Hirer

- 20.1 The Hirer will open all tenders, Technical Part - I, in the presence of Tenderers representatives who choose to attend, at 15.30 hours on 14.02.2013 and in the following location:

Karnataka Milk Federation Ltd,
KMF Complex, Dr.MH Marigowda Road,
Bangalore-560 029

The Tenderer's representatives who are present shall sign a register evidencing their attendance. In the event of the specified date of Tender opening being declared a holiday for the Hirer, the tenders shall be opened at the appointed time and location on the next working day.

- 20.2 The Tenderer's names, tender modifications or withdrawals, and the presence or absence of requisite tender security and such other details as the Hirer at its discretion, may consider appropriate, will be announced at the opening.
- 20.3 Tenders (and modifications sent pursuant to ITT Clause 19.2) that are not opened and read out at tender opening shall not be considered further for evaluation, irrespective of the circumstances.

21. Clarification of Tenders:

- 21.1 During evaluation of tenders, the KMF may, at its discretion, ask the Tenderer for a clarification of its tender. The request for a clarification and the response shall be in writing and no change in prices or substance of the tender shall be sought, offered or permitted.

22. Preliminary Examination:

- 22.1 The KMF will examine the tenders to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, and whether the tenders are generally in order. Tenders from Agents shall be treated as non-responsive.
- 22.2 Where the Tenderer has quoted for more than one schedule, if the tender security furnished is inadequate for all the schedules, the Hirer shall take the price tender into account only to the extent the tender is secured. For

this purpose, the extent to which the tender is secured shall be determined by evaluating the requirement of tender security to be furnished for the schedule included in the tender (offer) in the serial order of the Schedule of Requirements of the Tender document.

22.3 Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected. If there is a discrepancy between words and figures, the lowest of the two will prevail. If the Tenderer does not accept the correction of errors, its tender will be rejected and its tender security may be forfeited.

22.4 The Hirer may waive any minor informality or non-conformity or irregularity in a tender which does not constitute a material deviation, provided such a waiver does not prejudice or affect the relative ranking of any Tenderer.

22.5 Prior to the detailed evaluation, pursuant to ITT Clause 23, the Hirer will determine the substantial responsiveness of each tender to the tender documents. For purposes of these Clauses, a substantially responsive tender is one which conforms to all the terms and conditions of the tender documents without material deviations. Deviations from or objections or reservations to critical provisions such as those concerning Performance Security (GCC Clause 6), Warranty (GCC Clause 14), Force Majeure (GCC Clause 24), Limitation of liability (GCC Clause 28), Applicable law (GCC Clause 30), and Taxes & Duties (GCC Clause 32) will be deemed to be a material deviation. The Hirer's determination of a tender's responsiveness is to be based on the contents of the tender itself without recourse to extrinsic evidence.

22.6 If a tender is not substantially responsive, it will be rejected by the Hirer and may not subsequently be made responsive by the Tenderer by correction of the non-conformity.

23. Evaluation and Comparison of Tenders:

23.1 The KMF will evaluate and compare the tenders which have been determined to be substantially responsive, pursuant to ITT Clause 22 for each schedule separately. No tender will be considered if the complete requirements covered in the schedule is not included in the tender. However, as stated in ITT Clause 9, Tenderers are allowed the option to tender for any one or more schedules and to offer discounts for combined schedules. These discounts will be taken into account in the evaluation of the tenders so as to determine the tender or

combination of tenders offering the lowest evaluated cost for the Hirer in deciding award(s) for each schedule.

- 23.2 Taking into consideration competence & quoted rate for the services to be provided, the tenders will be evaluated.
- 23.3 Notwithstanding anything contained in the tender schedule , no obligation is cast on KMF to accept the lowest tender and the Federation shall also reserve the right to accept or reject any or all the tenders without assigning any reasons. **(In the commercial tender Part - II , while indicating the price the same to be recorded clearly in figures as well as in words.)**
- 23.4 If there is any discrepancy between words and figures the lowest among the two amount shall be considered and same shall be final.

24. Contacting the Hirer/KMF:

- 24.1 Subject to ITT Clause 21, no Tenderer shall contact the Hirer on any matter relating to tender, from the time of the tender opening to the time the Contract is awarded. If the tenderer wishes to bring additional information to the notice of the Hirer, it should do so in writing.
- 24.2 Any effort by a Tenderer to influence the Hirer in its decisions on tender evaluation, tender comparison or contract award may result in rejection of the Tenderer's tender.

F. Award of Contract

25. Post-qualification:

- 25.1 In the absence of prequalification, the Hirer will determine to its satisfaction whether the Tenderer that is selected as having submitted the lowest evaluated responsive tender, meets the criteria specified in ITT Clause 11.2(b) and is qualified to perform the contract satisfactorily.
- 25.2 The determination will take into account the Tenderer's financial, technical and service capabilities, it will be based upon an examination of the documentary evidence of the tenderer's qualifications submitted by the tenderer, pursuant to ITT Clause 11 as well as such other information as deemed necessary and appropriate by the Hirer.
- 25.3 An affirmative determination will be a prerequisite for award of the Contract to the Tenderer. A negative determination will result in rejection of the Tenderer's tender, in which event the Hirer will proceed to the next lowest

evaluated tender to make a similar determination of that Tenderer's capabilities to perform the contract satisfactorily.

26. Award Criteria

26.1 Subject to ITT Clause 28, the KMF will award the Contract to the successful Tenderer whose tender has been determined to be substantially responsive and has been determined as the lowest evaluated tender, provided further that the Tenderer is determined to be qualified to perform the Contract satisfactorily.

27.0 Hirer's right to vary Quantities - Not applicable

28.0 Hirer's Right to Accept any Tender and to Reject any or all Tenders:

28.1 The KMF reserves the right to accept or reject any tender, and to annul the tendering process and reject all tenders at any time prior to contract award, without thereby incurring any liability to the affected Tenderer or Tenderers.

28.2 KMF reserves the right to recover the direct losses and consequential losses if any, arising out of usages of material provided to the Transport Contractor. The recovery of loss could be from both the present pending/future bills of the Transport Contractor OR from the Security Deposit submitted by the Transport Contractor.

29. Notification of Award

29.1 Prior to the expiration of the period of tender validity, the Hirer will notify the successful tenderer in writing by email, letter or fax, that his tender has been accepted.

29.2 The notification of award will constitute the formation of the Contract.

29.3 Upon the successful Tenderer's furnishing of performance security & execution of agreement pursuant to ITT Clause 31, the KMF shall award the Contract.

29.4 If, after notification of award, a Tenderer wishes to ascertain the grounds on which its tender was not selected, it should address its request to the MD - KMF. The MD - KMF will promptly respond in writing to the unsuccessful Tenderer.

30. Signing of Contract

- 30.1 At the same time as the Hirer notifies the successful tenderer that its tender has been accepted, the Hirer will send the Tenderer the Contract Form provided in the tender documents, incorporating all agreements between the parties.
- 30.2 Within 21 days of receipt of the Contract Form, the successful Tenderer shall sign and date the Contract and return it to the KMF.

31. Performance Security

- 31.1 Within 21 days of the receipt of notification of award from the Hirer, the successful Tenderer shall furnish the performance security of **Rs.1,00,000/-** in accordance with the Conditions of Contract, in the Performance Security Form provided in the tender documents or in another form acceptable to the KMF.
- 31.2 Failure of the successful Tenderer to comply with the requirement of ITT Clause 30.2 or ITT Clause 31.1 shall constitute sufficient grounds for the annulment of the award and forfeiture of the earnest money deposit, in which event the Hirer may make the award to the next lowest evaluated Tenderer or call for new tenders.

32. Corrupt or Fraudulent Practices

- 32.1 The Hirer requires that Tenderers/Contractors observe the highest standard of ethics during the procurement and execution of contracts. In pursuance of this policy, the KMF:
- (a) defines, for the purposes of this provision, the terms set forth as follows:
 - (i) "corrupt practice" means the offering, giving, receiving or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution; and
 - (ii) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the KMF Ltd and includes collusive practice among Tenderers (prior to or after tender submission) designed to establish tender prices at artificial non-competitive levels and to deprive KMF of the benefits of free and open competition;

- (b) will reject a proposal for award if it determines that the Tenderer recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question.
- (c) will declare a firm ineligible, either indefinitely or for a stated period of time, to be awarded a contract if it at any time determines that the firm has engaged in corrupt or fraudulent practices in competing for, or in executing, a contract.

34.0 Furthermore, Tenderers must be aware of the provision stated in sub-clause 4.4 and sub-clause 23.1 of the *General Conditions of Contract*.

SECTION III - GENERAL CONDITIONS OF CONTRACT

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SECTION III - GENERAL CONDITIONS OF CONTRACT

1. Definitions

1.1 In this Contract, the following terms shall be interpreted as indicated:

- a) "The Contract" means the agreement entered into between the Hirer and the Tenderer, as recorded in the Contract Form signed by the parties, including all the attachments and appendices thereto and all documents incorporated by reference therein;
- b) "The Contract Price" means the price payable to the Tenderer under the Contract for full and proper performance of its contractual obligations;
- c) "The Vehicle" means all the vehicles and/or other materials which the Tenderer is required to provide to the Hirer under the Contract;
- d) "Services" means services ancillary to provide vehicles for transportation of products and insurance and other documents of the vehicle/s of the Tenderer covered under the Contract;
- e) "GCC" means the General Conditions of Contract contained in this section.
- f) "SCC" means the Special Conditions of Contract
- g) "The Hirer" means the organization (KMF) hiring the Transport Contractor, as name in SCC.
- h) "The Hirer's country" is the country named in SCC.
- i) "The Tenderer" means 'Transport Contractor' the individual or firm providing TRANSPORTSERVICES under this Contract.
- j) "The Government" means the Government of Karnataka State.
- k) "The Project Site", where applicable, means the place or places named in SCC.
- l) "Day" means calendar day.

2. Application

2.1 These General Conditions shall apply to the extent that they are not superseded by provisions in other parts of the Contract.

3. Standards - Not applicable

4. Use of Contract Documents and Information; Inspection and Audit by the Government Not applicable

4.1 The Transport Contractor shall not, without the Hirer's prior written consent, disclose the Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample or information furnished by or on behalf of the Hirer in connection therewith, to any person other than a person employed by the Tenderer in performance of the Contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

4.2 The Transport Contractor shall not, without the Hirer's prior written consent, make use of any document or information enumerated in GCC Clause 4.1 except for purposes of performing the Contract.

4.3 Any document, other than the Contract itself, enumerated in GCC Clause 4.1 shall remain the property of the Hirer and shall be returned (in all copies) to the Hirer on completion of the Transport Contractor performance under the Contract if so required by the Hirer.

4.4 The Transport Contractor shall permit the Hirer to inspect the Transport Contractor's accounts and records relating to the performance of the Transport Contractor and to have them audited by auditors appointed by the Hirer, if so required by the Hirer.

5. Patent Rights

5.1 The Transport Contractor shall indemnify the KMF against all third-party claims of infringement of patent, trademark or industrial design rights arising from use of the Transporter or any part thereof in India.

6. Performance Security

6.1 Within 21 days of receipt of the notification of contract award, the Transport Contractor shall furnish Performance Security to the KMF for an amount of **Rs.1,00,000/- (Rupees One Lakh Only) in the form of Demand Draft in the name of MD KMF**, valid up to 180 days after the date of completion of performance obligations as a token security for the works entrusted for

carrying out the contract and discharge duties there under . However in case of DD, no bank charges would be reimbursed.

- 6.2 The proceeds of the performance security shall be payable to the KMF as compensation for any loss resulting from the Transport Contractor's failure to complete its obligations under the Contract.
- 6.3 It is however understood that, notwithstanding the amount of Bank guarantee/ security deposit the Transport Contractor shall be responsible for the safe custody & accountable for the entire stock entrusted and their liability on this account shall not be limited to the amount of guarantee /security deposit so provided.
- 6.4 The Performance Security shall be denominated in Indian Rupees and shall be in one of the following forms:

A Bank guarantee / Pay Order or Banker's certified cheque, or crossed demand draft or pay order or BG drawn in favour of the KMF issued by a Nationalized Bank in the form provided in the tender documents or another form acceptable to the KMF;
- 6.5 The Performance Security will be discharged by the Hirer and returned to the Transport Contractor not later than 90 days following the date of completion of the Transport Contractor's performance obligations, including any Warranty obligations, under the Contract.
- 6.6 In the event of any contract amendment, the Tenderer shall, within 20 days of receipt of such amendment, furnish the amendment to the Performance Security, rendering the same valid for the duration of the Contract as amended for 90 days after the completion of performance obligations including Warranty obligations.

7. Inspections and Tests

- 7.1 The Hirer or its representative shall have the right to inspect the Transport Contractor's vehicle records to confirm their conformity to the Contract specifications at no extra cost to the Hirer. SCC and the Technical Specifications shall specify what inspections and tests the Hirer requires and where they are to be conducted. The Hirer shall notify the Transport Contractor in writing in a timely manner of the identity of any representatives retained for these purposes.

- 7.2 The inspections may be conducted on the premises of the Transport Contractor or its sub Transport Contractor(s), at point of delivery and/or at the Transport Contractor final destination. If conducted on the premises of the Transport Contractor or its sub Transport Contractor (s), all reasonable facilities and assistance, including access to stocks, documents shall be furnished to the Hirer's officers at no charge to the KMF.
- 7.3 Should during any inspection Transport Contractor's vehicle/s fail to conform to the specifications, the Hirer may reject the Transport Contractor's vehicle, the Transport Contractor shall either replace or make alternative arrangement to meet the specific requirements at free of cost to the Hirer.
- 7.4 The Hirer's has every right to inspect, where necessary, shall in no way be limited or waived by reason of the Transport Contractor having previously been inspected, and passed by the Hirer or its representative prior to the Transport Contractor shipment.
- 7.5 Nothing in *GCC* Clause 7 shall in any way release the Transport Contractor from any warranty or other obligations under this Contract.

8.0 Insurance:

- 8.1 The Vehicle provided under the contract shall be fully insured in Indian Rupees against the loss or damage incidental to manufacture or acquisition, transportation, storage and delivery.

9.0 Transportation: Please Refer Clause 33.5 under, Other Conditions of Contract.

10.0 Payment:

- 10.1 The method and conditions of payment to be made to the Transport Contractor under this Contract shall be specified in the *SCC*.
- 10.2 The Transport Contractor's request(s) for payment shall be made to the Hirer in writing, accompanied by an invoice describing, as appropriate, the Transport Contractor delivered and the Services performed, and by documents, submitted pursuant to *GCC* Clause 9, and upon fulfillment of other obligations stipulated in the contract.

10.3 Payments shall be made promptly by the KMF but in no case later than sixty (60) days after submission of the invoice or claim by the Transport Contractor.

10.4 Payment shall be made in Indian Rupees.

11.0 **Rates:**

11.1 The contract rate means the finalized rate, payable to the Transport Contractor / Transport Contractor under the contract for tender and also for the full & proper performance of the contractual obligations.

11.2 On any other account increase/decrease in rate will not be allowed during the contract period except as per clause 8.11.

11.3 Under no circumstances the detention/Halting charges shall be paid by KMF.

12. **Change Orders**

12.1 The Hirer may at any time, by written order given to the Tenderer pursuant to *GCC* Clause 31, make changes within the general scope of the Contract in any one or more of the following:

- a) The additional services to be provided by Transport Contractor;
- b) the method of stocking onto the vehicles
- c) the additional places to be covered for stock despatches
- d) the Services to be provided by the Transport Contractor.

13. **Contract Amendments**

13.1 Subject to *GCC* Clause 17, no variation in or modification of the terms of the Contract shall be made except by written amendment signed by the both parties.

14. **Assignment**

14.1 The Tenderer shall not assign, in whole or in part, its obligations to perform under the contract, except with the Hirer's prior written consent.

15 **Subcontracts**

15.1 The Transport Contractor shall notify in writing of all sub contracts awarded under this contract if not specified in the tender. Such notification in his original tender or later, shall not relieve the Transport Contractor from any liability or obligation under the contract.

16.0 **Delays in the Transport Contractor's Performance**

- 16.1 Performance of the Services shall be made by the Transport Contractor in accordance with the time schedule specified by the KMF in the Schedule of Requirements.
- 16.2 If at any time during performance of the Contract, the Transport Contractor or its sub-contract(s) should encounter conditions impeding timely delivery of the goods and performance of Services, the Transport Contractor shall promptly notify the Hirer in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Transport Contractor's notice, the Hirer shall evaluate the situation and may, at its discretion, extend the Transport Contractor's time for performance with or without liquidated damages, in which case the extension shall be ratified by the parties by amendment of the Contract.
- 16.3 Except as provided under GCC Clause 24, a delay by the Transport Contractor in the performance of its delivery obligations shall render the Transport Contractor liable to the imposition of liquidated damages pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of liquidated damages.

17 **Liquidated Damages**

- 17.1 Subject to GCC Clause 24, if the Transport Contractor fails to perform the Services within the period(s) specified in the Contract, the Hirer shall, without prejudice to its other remedies under the Contract, deduct from the Contract Rate, as liquidated damages, a sum equivalent to 0.5% of the rate of the unperformed Services for each week or part thereof of delay until actual performance, up to a maximum deduction of 10% of the Contract Rate. Once the maximum is reached, the Hirer may consider termination of the Contract pursuant to GCC Clause 23.
- 17.2 In the event of Transport Contractor fails to provide sufficient labour and vehicles on time, resulting in delay of unloading, loading at the specified destinations, Hirer will make alternate arrangements and increased cost

incurred over and above the contracted rate, will be recovered from the TRANSPORTER bills/Deposit as the case may be.

18. Termination for Default

18.1 The Hirer may, without prejudice to any other remedy for breach of contract, by written notice of default sent to the Transport Contractor, terminate the Contract in whole or part:

- a) if the Transport Contractor fails to deliver any or all of the Goods within the period(s) specified in the Contract, or within any extension thereof granted by the Hirer pursuant to GCC Clause 21; or
- b) if the Transport Contractor fails to perform any other obligation(s) under the Contract.
- c) If the Transport Contractor, in the judgment of the Hirer has engaged in corrupt or fraudulent practices in competing for an in executing the Contract. For the purpose of this Clause:

"Corrupt practice" means the offering, giving, receiving or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.

"fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Borrower, and includes collusive practice among Bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the Borrower of the benefits of free and open competition.

18.2 In the event the Hirer terminates the Contract in whole or in part, pursuant to GCC Clause 23.1, the Hirer may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the Transport Contractor shall be liable to the Hirer for any excess costs for such similar Transport Contractor's services. However, the Transport Contractor shall continue the performance of the Contract to the extend not terminated.

19. Force Majeure

19.1 Notwithstanding the provisions of GCC Clause 21, 22, 23, the Transport Contractor shall not be liable for forfeiture of its performance security, liquidated damages or termination for default, if and to the extent that, its

delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

19.2 For purposes of this Clause, "Force Majeure" means an event beyond the control of the Transport Contractor's and not involving the Transport Contractor's fault or negligence and not foreseeable. Such events may included, but are not limited to, acts of the Hirer either in its sovereign or contractual capacity, wars or revolutions, fire, floods, epidemics, quarantine restrictions and freight embargoes.

19.3 If a Force Majeure situation arises, the Tenderer shall promptly notify the Hirer in writing of such conditions and the cause thereof. Unless otherwise directed by the Hirer in writing, the Transport Contractor shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.

20. Termination for Insolvency

20.1 The Hirer may at any time terminate the Contract by giving written notice to the Transport Contractor, if the Transport Contractor becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the Transport Contractor, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Hirer.

21 Termination for Convenience

21.1 The Hirer, by written notice sent to the Transport Contractor, may terminate the Contract, in whole or in part, at any time for its convenience. The notice of termination shall specify that termination is for the Hirer's convenience, the extent to which performance of the Transport Contractor under the Contract is terminated, and the date upon which such termination becomes effective.

22.0 Settlement of Disputes:

22.1 The Hirer and the Transport Contractor shall make every effort to resolve amicably by direct informal negotiation, any disagreement or dispute arising between them under or in connection with the Contract.

22.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Hirer or the Transport Contractor may give notice to the other part of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.

22.3 Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause shall be finally settled by arbitration. Arbitration may be commenced prior to or after delivery of the Transport Contractor under the Contract.

22.4 Arbitration proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

22.5 Notwithstanding any reference to arbitration herein,

(a) the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and

(b) The KMF shall pay the Transport Contractor any monies due for the Transport Contractor.

23.0 Limitation of Liability:

23.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 5,

(a) the Transport Contractor shall not be liable to the Hirer, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the Transport Contractor to pay liquidated damages to the Hirer; and

(b) the aggregate liability of the Transport Contractor to the KMF, whether under the Contract, in tort or otherwise, shall not exceed the total Contract Rate, provided that this limitation shall not apply to the losses incurred by KMF for replacing of services

24.0 Governing Language:

24.1 The contract shall be written in English language. Subject to clause 6.1 of Instructions to Tenders, English language version of the Contract shall govern its interpretation. All correspondence and other documents pertaining to the Contract which are exchanged by the parties shall be written in the same language.

25.0 Applicable Law

The Contract shall be interpreted in accordance with the laws of the Union of India.

26.0 Notices

26.1 Any notice given by one party to the other pursuant to this Contract shall be sent to other party in writing or by cable, or facsimile and confirmed in writing to the other Party's address specified in SCC.

26.2 A notice shall be effective when delivered or on the notice's effective date, whichever is later.

27.0 Taxes and Duties

27.1 Transport Contractors shall be entirely responsible for all taxes, duties, license fees, octroi, road permits, insurance etc., during the period of contract

28.0 INSURANCE OF VEHICLES

28.1 For the vehicles engaged by TRANSPORTER in the process of delivering the goods at various points specified in this document or agreement, Transport Contractor should have arranged on its own for adequate insurance cover against any loss or damage to the vehicles on account of the accident or otherwise, either at the time of loading the goods or at loading point or at the time of delivery of the goods at the unloading point or during the course prior to delivery from the go-down point to the point of unloading or in the course of subsequent to such delivery on its way back to go-down and Federation will not be responsible under any circumstances towards any loss sustained by Transport Contractor or by any of his hired transporters on account of this.

29.0 JURISDICTION

29.1 In case of any dispute pertaining to this contract / work order, terms & conditions, the same shall be subject to the jurisdiction of Bangalore Courts.

OTHER CONTRACT CONDITIONS

1.0 VALIDITY OF CONTRACT:

- 1.1 The validity of contract shall be for a period of one year as detailed in the Notification.
- 1.2 The commencement of contract shall be from the day / date of execution of contract/ agreement and submission of prescribed performance guarantee.
- 1.3 KMF reserves the right to extend the contract for a period of 90 days from the date of expiry of contract, for such extension, the RC price, terms and conditions shall remain unaltered throughout the extended period.

2.0 PERFORMANCE GUARANTEE:

- 2.1 The successful tenderer should submit a Demand Draft for Rs1,00,000/- (Rupees One Lakh only) to Karnataka Milk Federation drawn on any nationalized Bank as Performance Guarantee. The deposit is refundable on successful completion of the contract including the extended period, if any, and subject to deductions in respect of dues owed by Contractor to KMF, if any.
- 2.2 Failure by successful tenderer to comply with requirement of clause shall constitute sufficient ground for annulment of contract awarded and forfeiture of EMD.
- 2.3 The performance guarantee shall be liable for forfeiture in case:
 - a) Failure to perform the contract as specified
 - b) Termination of contract by KMF for the non-performance.
 - c) Towards liquidated damages assessed against transporter.

3.0 SIGNING OF AGREEMENT:

- 3.1 Immediately after KMF issues the Letter Of Acceptance (LOA) to successful tenderer that their tender has been accepted, the KMF shall send LOA in duplicate, the Contractor shall return one copy duly signed.

4.0 CONTRACT PRICE

- 4.1 The contract price means the finalized negotiated price payable to the carrier under the contract for the full & proper performance of its contractual obligations.
- 4.2 The contract price shall remain constant for the period of contract unless there is revision in prices of diesel by GOI, The increase/ decrease in the diesel prices would be considered from the date of upward/downward revision. The agreed rate contract may be increased or decreased by 0.3% for every statutory increase/ decrease in the price of diesel by 1%. No other escalation of agreed rate shall be allowed during the contractual period.

5.0 TRANSPORTATION / DELIVERY

- 5.1 The Transporter shall arrange for door delivery of the goods to the Destinations mentioned in the tender document and arrange for loading/unloading.
- 5.2 If on any day the Transport Contractor is offered goods for transportation even if the goods consist of different products, it is expected of the Transport Contractor to collect such goods from Unions / Units / situated at various places in Karnataka, for delivery at the destinations within and outside Karnataka.
- 5.3 In all cases, the Transport Contractor shall lift the goods from KMF Member Milk Unions/Units on the same day but not later than 24 hours from the time of intimation by the Federation/ Milk Unions / Units. In the event of failure to lift the stocks by the transporter within the time limit indicated the transporter is liable for consequential damages, (i.e financial loss for vehicle deployment from alternate sources/market and the differential higher rates/value incurred, if any, by the Hirer/KMF (or for late delivery), shall also be recovered from the transporter by the Hirer at their absolute discretion.

6.0 LOADING / UNLOADING

- 6.1 The Member Milk Union/Units of the Federation will deliver the goods mainly packed in kraft paper bags.
- 6.2 The Transporter shall arrange for loading of the goods in the trucks as and when placed the transport contractor will take delivery of such goods from the godown of Member Milk Unions / Units/ Dairies. The Transporter will arrange door delivery of the goods to Destinations mentioned in the tender document Destinations mentioned in the tender document and arrange unloading.
- 6.3 Clubbing and carrying of other materials along with KMF stocks is not permitted.

7.0 CONSIGNMENT NOTE

- 7.1 The consignment note issued by the Transporter to despatching Unit / Union shall be the printed lorry receipt / consignment note. The Transporter shall prepare consignment note for goods received for transportation by them and shall furnish two copies of the same to the Member Milk Union/Units at the time of accepting the goods for transportation.

8.0 DELIVERY

- 8.1 The Transporter shall deliver the goods at the destination in safe and sound condition in which the goods were handed over by the Member Milk Union/Units etc. Preferably closed body type be provided, in case of non-availability of closed body type vehicles the Transporter must use tarpaulin cover to protect the consignments from sun/rain/water etc. and tie ropes in such a way that cartons/packages are not damaged/torn.
- 8.2 The transport Contractor shall deliver the goods at the destination at the quickest possible time.
- 8.3 The Carrier shall take due care in transportation of our materials as required keeping in mind the products characteristics. The carrier shall exercise proper care to ensure that the products are not contaminated with water/rain. In the event of products deteriorating due to wetting of cartons because of rain and other reasons our decision with regard to condition of the material shall be final and cost of damaged material and any other expenses incurred in this connection, shall be recoverable from the Carrier. This does not absolve the carrier of other responsibilities for the safe and proper carriage of goods.

9.0 RESPONSIBILITY OF TRANSPORT CONTRACTOR

- 9.1 The Transporter shall be responsible to abide by all laws in force from time to time and the Federation shall not be responsible for any act or omission on the part of the Carrier and/or their employees/their Associate, for non-observance of the provisions of the law.
- 9.2 The Transport Contractor shall be responsible for short delivery of the intact cartons/packages/bags and shall make the payment for the same promptly to the consignee.
- 9.3 Notwithstanding the care taken by the Transport Contractor in transporting the consignments, they will be responsible for any shortage or damage to the stocks occurred in transit though the packages are outwardly in sound condition in accordance with the normal practice for the goods carried on owner's risk.
- 9.4 The Transport Contractor should comply with all the requirements that are requested by the consignee for providing short/damage certificate and also comply with other formalities as will be necessary under the transit insurance policy including acknowledgement of claims, providing photographs, police reports etc. as may be required.
- 9.5 KMF has taken a Transit Insurance Policy with insurance company. In case of damage or shortage to the consignment due to accident in transit, the Transport Contractor shall be responsible for complying with the police and insurance formalities as would be required.
- 9.6 The Transporter is responsible to collect and carry all such documents required for the transportation of the consignment outside the state as applicable in the respective state territory and any loss to Federation arising out of their failure to do so will be recoverable from the Transport/Contractor.
- 9.7 In the event of breakdown of the vehicle during transit the carrier shall immediately inform the despatching Union/Unit and KMF. Further, the carrier should make alternate arrangement for vehicle. Any loss occurred in this regard will be recovered from the carrier.

10.0 PAYMENT

- 10.1 The Carrier shall submit Fortnightly bills to the Federation in duplicate along with G.C Note with proper acknowledgement of destination point to the Federation for the consignments delivered to the destinations as per the tender, as per the rates approved by Federation. The Federation shall thereafter make the payment of these bills by account payee's cheque within

15 days after receipt of the bills at KMF subject to proper claims made thereof as per stipulations under the contract. The delay in submitting of bills will not be entertained; KMF shall not be liable for payment of interest on delayed payments.

- 10.2 The rates mentioned are per **Metric Ton** basis including door pick up, hamali charges and door delivery. These rates are final and inclusive of loading and unloading charges and hence, **no** separate or additional charges shall be added in the bill. No detention/ Halting charges will be paid by KMF. In case of increase/decrease in the price of diesel, the same will however be regulated in accordance with Govt. Regulations and KMF calculations made thereof.

11.0 TERMINATION

- 11.1 KMF shall be free to terminate the contract by giving One month written notice, without giving any reason whatsoever. In case of breach of any clause of terms and conditions by the Transport Contractor or in case of unsatisfactory service of the Carrier, the Federation shall be free to terminate the contract immediately without any notice and shall recover any consequential losses arising out of termination of this contract from the Carrier.

12 DISPUTES

- 12.1 The KMF and the transport contractor shall make every effort to resolve amicably by direct informal negotiation any disagreement or dispute arising between them under or in- connection with the contract, however, the decision of MD KMF shall be final and binding on the Transport Contractor.

13 JURISDICTION

- 13.1 For settlement of any dispute, out of the contract against this tender shall be subject to the jurisdiction of law courts in Bangalore only.

14 FORCE MAJEURE

- 14.1 The contract shall be subject to the principles governing "Force Majeure". Neither party shall be considered in default in performance of its obligations, if such performance is prevented or delayed because of War, Hostilities, Revolution, Civil Commotions, Strike, Epidemics, Accidents, Fire, Wind, Flood, Earth Quakes, or because of law and order, proclamation regulation or cause.

15.0 INDEMNITY

15.1 The contractor shall have to indemnify and also keep indemnified the KMF/ unions against any or all damages or losses caused to KMF and / arising from any omission or commission defaults etc., for which, KMF shall not be responsible in any manner whatsoever.

The above terms and conditions are accepted by us.

SIGNATURE :

NAME & DESIGNATION :

NOTE :- Furthermore, Tenderers must be aware of the provision stated in sub-Clause 23.1 of the General Conditions of Contract.

SECTION IV : SPECIAL CONDITIONS OF CONTRACT

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SECTION IV : SPECIAL CONDITIONS OF CONTRACT

The following Special Conditions of Contract shall supplement the General Conditions of Contract. Whenever there is a conflict, the provisions herein shall prevail over those in the General Conditions of Contract. The corresponding clause number of the General Conditions is indicated in parentheses.

1. Definitions (GCC Clause 1)

- (a) The Hirer is The Managing Director, Karnataka Milk Federation,
Bangalore

(b) The Tenderer is.....

2. Inspection and Tests (GCC Clause 7)

The following inspection procedures and tests are required by the Hirer:

3. Delivery and Documents (GCC Clause 9)

3.1 Upon delivery of the Goods, the Tenderer shall notify the Hirer and the insurance company by cable/fax the full details of the shipment including contract number, railway receipt number and date, description of goods, quantity, name of the consignee etc. The Tenderer shall mail the following documents to the Hirer with a copy to the insurance company:

- (i) Four Copies of the Tenderer invoice showing contract number, goods' description, quantity, unit price, total amount;
- (ii) Railway receipt / acknowledgement of receipt of goods from the consignee(s);
- (iii) Insurance certificate;
- (iv) Owner's/Transport Contractor's warranty Certificate;
- (v) Inspection certificate issued by the nominated inspection agency and the Transport Contractors office inspection report; and
- (vi) The above documents shall be received by the Hirer before arrival of the Goods (except where the Goods have been delivered directly to the Consignee with all documents) and, if not received, the Tenderer will be responsible for any consequent expenses.

4. Incidental Services (GCC Clause 8)

4.1 The following services covered under Clause 8 shall be furnished and the cost shall be included in the contract rate:

5. Settlement of Disputes (Clause 27)

5.1 The dispute settlement mechanism to be applied pursuant to *GCC Clause 27.2.2* shall be as follows:

- a) In case of Dispute or difference arising between the Hirer and a domestic tenderer relating to any matter arising out of or connected with this agreement, such disputes or difference shall be settled in accordance with the Arbitration and Conciliation Act, 1996, by a Sole Arbitrator. The Sole Arbitrator shall be appointed by agreement between the parties, failing such agreement, by the appointing authority namely the Indian Council of Arbitration/President of the Institution of Engineers (India)/ The International Centre for Alternative Dispute Resolution (India). A certified copy of the appointment Order shall be supplied to each of the Parties.
- b) Arbitration proceedings shall be held at Bangalore Karnataka, and the language of the arbitration proceedings and that of all documents and communications between the parties shall be English.
- c) The decision of the arbitrators shall be final and binding upon both parties. The cost and expenses of Arbitration proceedings will be paid as determined by the Arbitrator. However, the expenses incurred by each party in connection with the preparation, presentation etc. of its proceedings shall be borne by each party itself.

6. Notices (Clause 31)

6.1 For the purpose of all notices, the following shall be the address of the Hirer and Tenderer:

Hirer: The Managing Director,
Karnataka Cooperative Milk Producers' Federation Limited,
KMF Complex, Dr MH Marigowda Road, Bangalore-560 029

Tenderer: (To be filled in at the time of Contract signature)

.....
.....

7 Transport Contractor Integrity:

7.1 The Transport Contractor is responsible for and obliged to conduct all contracted activities in accordance with the Contract using state-of-the-art methods and economic principles and exercising all means available to achieve the performance specified in the Contract.

8 Transport Contractor's Obligations:

- 8.1 The **Transport Contractor** is obliged to work closely with the Hirer's staff, act within its own authority and abide by directives issued by the Hirer and implementation activities.
- 8.2 The **Transport Contractor** will abide by the job safety measures prevalent in India and will free the Hirer from all demands or responsibilities arising from accidents or loss of life the cause of which is the Tenderer's negligence. The Tenderer will pay all indemnities arising from such incidents and will not hold the Hirer responsible or obligated.
- 8.3 The **Transport Contractor** is responsible for managing the activities of its personnel or sub-contracted personnel and will hold itself responsible for any misdemeanors.
- 8.4 The **Transport Contractor** will treat as confidential all data and information about the Hirer, obtained in the execution of his responsibilities, in strict confidence and will not reveal such information to any other party without the prior written approval of the Hirer.

9.0 Patent Rights:

- 9.1 In the event of any claim asserted by a third party of infringement of copyright, patent, trademark or industrial design rights arising from the use of the Goods or any part thereof in the Hirer's country, the **Transport Contractor** shall act expeditiously to extinguish such claim. If the **Transport Contractor** fails to comply and the Hirer is required to pay compensation to a third party resulting from such infringement, the **Transport Contractor** shall be responsible for the compensation including all expenses, court costs and lawyer fees. The Hirer will give notice to the Tenderer of such claim, if it is made, without delay.

SPECIAL CONDITIONS OF CONTRACT TO MEET SPECIFIC REQUIREMENT OF KMF

1. The rates should be inclusive of loading, unloading and other charges.
 1. The Consignment of SMP should be lifted from Units / Unions of KMF and should be delivered to the destination mentioned in the tender .
 2. In case of your failure to lift the stock within the stipulated time limit after accepting the delivery Order, we reserve the right to entrust work to any other transporter and recover from you the extra expenditure incurred by us over and above the rates mentioned in the contract.
 3. There should not be any off-loading /Trans-shipment of SMP stock enroute.
 4. No other consignment should be loaded along with SMP stock in the trucks.

5. You should deliver the goods at destination at earliest, penalty will be levied for delay in delivery which will be decided by KMF.
6. You shall prepare CN/Goods Receipt/ Challans for the goods received for transportation and shall furnish two copies of the same to destination mentioned in the tender. The dispatch details immediately after dispatch such as DC No. Vehicle No. Quantity, shall be informed to KMF to cover under transit insurance.
7. You shall be held responsible for short deliver of bags and also for any loss /damage of SMP entrusted for transportation. In case of loss damage/ shortage, recovery shall be effected aRs.152/- per kg (Rupees One hundred fifty two only) for AMBALA/BALLABGARH/ROTHAK/JIND MILK UNION'S, HARYANA and Rs. 154/- per kg (Rs. One hundred Fifty Four only) for DELHI MILK SCHEME, NEW DELHI
8. You shall ensure that the trucks placed for transportation of SMP are to be thoroughly cleaned before loading SMP.
9. You should ensure that if there is any breakdown of the vehicle on route, the same should be immediately brought to the notice of the Director(Marketing), M/s.KMF Ltd., KMF Complex, Dr. M.H.Marigowda Road, Bangalore - 560 029 - Phone No. 25536997/9591997662 also to the Mother Dairy, Kolkota Ph. No. 033- 26593182.
10. The payment will be made by KMF on receipt of your transportation bill, duly acknowledged along with the receipted /challen and consignment notes within 15-20 days after completion of job from each destination.
11. In case of any dispute arising in respect of this contract, the decision of the Managing Director, KMF shall be final and binding on you.
12. Your authorized representative shall report to concerned Dairy Union with authority letter for taking delivery of SMP from the said Union.
13. All disputes out of this contract shall be subject to the jurisdiction of the Bangalore Court.
14. You are requested to send cheque for Rs.1.0 lakhs in favour of MD, KMF towards Security Deposit, which will be returned after successful completion of work.
15. You shall deliver the goods to Godowns of destinations mentioned in the tender in the consignment from sun/rain/water. Proper care should be taken to protect the product from rain/water.

16. You should abide by all legal formalities and laws from time to time and KMF shall not be responsible for any act or omission on the part of your Driver/Employees.
17. You shall provide the details for having registered with the Indian Bankers Association.
18. The terms and conditions mentioned above will be operative for the transportation work entrusted to you and that any other clauses printed in your DC notes/Challans which are repugnant to the terms and conditions mentioned above will be null and void and in operative.
19. The carrier is responsible to collect and carry all such documents required for transportation of the consignment & Product Release Order (Delivery Order) will be given indicating the quantity to be lifted from each Dairies, accordingly you have to deploy the vehicles. Transit Insurance for the product will be done by KMF.

2 Validity of contract & extension of contract:

2.1 The validity of contract shall be for a period of one year.

2.2 The commencement of contract shall be after the execution of contract / agreement and furnishing of prescribed security deposit and from the date of issue of annual Rate Contract.

2.3 KMF reserves the right to extend the annual Rate contract for a period of 90 days from the date of expiry of contract, for such extension the Annual Rate Contract price, terms and conditions shall remain unaltered.

2.4 KMF reserves the right for premature termination of all or any of the rate contracts & call for fresh tender without thereby incurring any liability to the affected **Transport Contractor** or any obligation to inform the affected contractor on the grounds of KMF action.

3.0 Forfeiture of Performance Security/Security Deposit:

The Performance Security/Security Deposit shall be liable for forfeiture in case of:

3.1 the **Transport Contractor's** failure to perform contract as specified;

3.2 the termination of contract by KMF for non performance of contract;

3.3 towards recovery of liquidated damages assessed against the **Transport Contractor**;

3.4 after award of contract, during inspection, if the **Transport Contractor** is proved not having the proper vehicle documents as declared / prescribed in the Tender, the same shall be treated as Breach of contract ,the contract shall be liable for cancellation with penalty not less than Performance security/Security Deposit specified for particular material.

4.0 Signing of Agreement/Contract Form:

4.1 After KMF issues the Letter Of Acceptance (LOA) to the successful tenderer that their tender has been accepted, the KMF shall send the prescribed format of agreement, which shall have to be executed within 21 days time. The value of non judicial stamp paper shall be not less than Rs.200/-.

5.0 Transfer of Contract:

5.1 The contract is not transferable on any account whatsoever.

5.2 Any request for transfer of contract shall be treated as non performance or breach of contract and the EMD or SD, as the case may be, shall be liable for forfeiture.

6.0 Taxes and Duties:

6.1 The rate finalized for contract shall be NETT, i.e., all inclusive of all statutory payments at the rate ruling as on the date of finalization/award of contract.

6.2 Any claim of Transport Contractor for revision in respect of Cess, Surcharge on Duty, Taxes & VAT should be supported by relevant Govt notification/s order.

7.0 Guarantee on quality of vehicle :

7.1 The Transport Contractor shall have to guarantee the quality of vehicle provided , strictly as per specification of contract orders.

7.2 If vehicle provided is found not as per contractual requirements, the vehicle so provided shall be liable for rejection. On intimation from the Unit/Unions, the contractor shall have to arrange for replacement of vehicle as per specification. If the Transport Contractor delays / fails to make arrangement to replace such vehicles, KMF/Hirer / Units/Unions may make arrangement to procure the

goods from alternative sources. Any extra expenditure incurred thereof on this alternative arrangement, shall be debited to the account of Transport Contractor.

7.3 If the Transport Contractor fails to make good this loss, the same shall be recoverable from the pending bills or security deposit as the case may be.

8.0 Indemnity:

8.1 The Transport Contractor shall have to indemnify and also keep indemnified the KMF against any or all damages or losses etc., caused to KMF/Unions/Unit, arising from any omission or commission on account of defaults of transport contractor for which, KMF shall not be responsible in any manner whatsoever.

SECTION V : SCHEDULE OF REQUIREMENTS

(To be inserted in the Tender Documents by the KMF, as applicable. The Schedule should cover, at a minimum, the required items, quantities, services, delivery period(s) and earnest money deposit (EMD))

Part - I

Sl. No.	Brief Description	No.	EMD Rs.	Security Deposit
1			Rs.25,000/-	Rs.1,00,000/-

SECTION VII : QUALIFICATION CRITERIA **(Referred to in Clause 11.2(b) of ITT)**

SECTION VII : QUALIFICATION CRITERIA

(Referred to in Clause 11.2(b) of ITT)

1. (a) The tenderer should be owner who must have owned, tested and provided the vehicle(s) similar to the type specified in the 'Schedule of Requirements.

The vehicle offered for provide must be of the most recent series models incorporating the latest improvements in design. The model should have been released on or after 2001 and be in satisfactory operation as on date of tender opening.

(b) The Tenderer should be a registered transport Company or an individual, Owning the prescribed Goods Transport Vehicles ;

(c) Tenders of tenderers quoting as authorized representative of a owner, meeting with the above requirement in full, can also be considered provided:

(i) The owner furnishes authorization in the prescribed format assuring full guarantee and warranty obligations as per GCC and SCC; and

2. The tenderer should furnish the information on all past tender and satisfactory Performance for both (a) and (b) above, in proforma under Section XII.

SECTION XII

(Please see Clause 11.2 (b) of the Instructions to Tenders)

Proforma for performance statement for the last Five years

IFT No..... Date of opening..... Time.....Hours

Name of the Firm.....

Order Placed by (Full Address of Hirer)	Order No. & Date	Description & Quantity of Vehicle Ordered	Value Of Order	Date of Completion Of Delivery As per Contract / Actual	Remarks Indicating Reasons for Late delay If any	Has the vehicle/equip ment been satisfactorily Functioning. (Attach a Certificate from the Hirer)

ANNEXURE - A

DATA ON FIRM

1. Name of the firm

Address of Reg. Office STD code	Phone (O)	Phone ®	Fax No.	E-mail ID

2. Name and Designation of Principal Officer/ :
person to be contacted

3. Status (whether an individual/Partnership :
Firm/Public/Private Limited Company)

4. In case Partnership Firm

- a) Whether it has been registered :
- b) If Registered provide certified, extract
from the Registrar of firm :
- c) Name of all Partners :
- d) Details of Partnership deed :
(please enclose copy of the same)

5. If proprietary concern, name and address :
of the Proprietor

6. If Private/Public Limited Company, Please :
enclose copy of Memorandum/Articles of

Association

7. Year of establishment of firm :

8. Year of commencement of company :

9. DATA OF THE FIRM

Location / Address	Telephone No.	Fax. No.	E-mail ID

10. Regn.No. & copy of Registration :

11. State Sales Tax /VAT Registration No. :

12. Excise classification No .Registration No :
(Chapter/Section/subsection)

13. Insurance certificate no & copy of insurance certificate

14. 1) Income Tax PAN certificate No. & date (Please enclose copy)

2) Any other information you like to furnish :

ANNEXURE 'B'

The Managing Director
KMF Limited,
Dr.MH Marigowda Road,
Dharmaram College Post,
Bangalore-560 029

Sir,

Ref: Technical-cum-Commercial Tender Notification No.KMF/MKT/112C/ 2012-13
dated 31.01.2013

With reference, I/We representing M/s..... participating for Annual Tender for providing 1st Leg Transportation services , having read and understood the Technical & Commercial Conditions of Tender. As per basic requirement of Tender conditions, I am/We are herewith submitting the prescribed EMD (for Rs.25,000 Rupees Twenty five Thousand only) in the manner prescribed in the tender document.

Thanking you,

Signature of the Tenderer
Name & address of the Firm

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SECTION X : CONTRACT FORM

THIS AGREEMENT made theday of.....20.. Between..... (Name of hirer) of.....(Country of Hirer) (hereinafter called "the Hirer") of the one part and(Name of Contractor) of.....(City and Country of Contractor) (hereinafter called "the Contractor") of the other part:

WHEREAS the Hirer is desirous that certain Vehicle and ancillary service viz..... (Brief Description of Vehicle and Services) and has accepted a tender by the Contractor for the provide of those vehicle and services in the sum of..... (Contract Rate in Words and Figures) (hereinafter called "the Contract Rate").

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz.:
 - a) the Tender Form and the Rate Schedule submitted by the Tenderer;
 - b) the Schedule of Requirements;
 - c) the Technical Specifications;
 - d) the General Conditions of Contract;
 - e) the Special Conditions of Contract; and
 - f) the Hirer's Notification of Award
3. In consideration of the payments to be made by the Hirer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Hirer to provide the vehicle and services and to remedy defects therein in conformity in all respects with the provisions of the Contract.

4. The Hirer hereby covenants to pay the Contractor in consideration of the provision of the vehicle and services and the remedying of defects therein, the Contract Rate or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

Brief particulars of the vehicle and services which shall be provided/provided by the Contractor are as under:

SIGNATURE OF TENDERER

SECTION VIII : TENDER FORM

Date:.....

IFT No.....

TO: (Name and address of KMF)

Sir,

Having examined the Tender Documents including Addenda Nos..... (insert numbers), the receipt of which is hereby duly acknowledged, we, the undersigned, offer to provide TRANSPORTER services in conformity with the said tender documents for the sum of..... (Total tender amount in words and figures) or such other sums as may be ascertained in accordance with the Schedule of Rates attached herewith and made part of this tender.

We undertake, if our tender is accepted, to provide the TRANSPORTER services in accordance with the requirements specified in the Schedule of Requirements.

If our tender is accepted, we will obtain the guarantee of a bank for a sum of Rs.50,000/- (Rupees Fifty Thousand only) for the due performance of the Contract, in the form prescribed by the KMF.

We agree to abide by this tender for the Tender validity period specified in Clause 14.1 of the ITT and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Until a formal contract is prepared and executed, this tender, together with written acceptance thereof and KMF notification of award, shall constitute a binding Contract between the parties.

We undertake that, in competing for (and, if the award is made to us, in executing) the above contract, we will strictly observe the laws against fraud and corruption in force in India namely "Prevention of Corruption Act 1988".

We understand that KMF is not bound to accept the lowest or any tender you may receive.

We clarify/confirm that we comply with the eligibility requirements as per ITT Clause 1 of the tender documents.

Dated this.....day of.....20.....

(Signature)
(in the capacity of)

Duly authorized to sign Tender for and on behalf of :

SECTION X : OWNERS' AUTHORIZATION FORM *
(Please see Clause 11.2(a) of Instructions to Tenderers)

IFT No.....dated

To

Dear Sir.

We.....who are established and reputable owners of.....
(name and description of Transport Contractor offered) having office
at..... (address of office do hereby authorize
M/s.....(Name and address of Agent) to submit a tender, and sign the
contract with you for the Transport Contractor provided by us against the above IFT.

No company or firm or individual other than M/s.....are
authorized to tender, and conclude the contract for the above Transport Contractor ,
against this specific IFT. (This para should be deleted in simple items where owners
sell the product through different stockiest.)

We hereby extend our full guarantee and warranty as per Clause 14 of the General Conditions of Contract for the Transport Contractor and services offered for provide by the above firm against this IFT.

Yours faithfully,

(Name)

(Name of owners)

Note: This letter of authority should be on the letter head of the owner and should be signed by a person competent and having the power of attorney to legally bind the owner. It should be included by the Tenderer in its tender.

* Modify this format suitably in case where owner's warranty and guarantee are not applicable for the items for which bids are invited.

CHECK LIST

Tender for Appointment of TRANSPORTER at Bangalore

Kindly ensure compliance of the under mentioned requirements as per tender terms & conditions:

1. Whether the prescribed EMD is submitted as Prescribed : YES/NO

2. Details of DD No. date, Bank on which drawn:

DD No..... date:

Drawn on (Bank).....

Branch in favour of
payable at Bangalore.

CAUTION:

Non-compliance of the EMD clause entail in summary rejection of the tender as per terms & conditions of the Tender.

3. Whether details of Tenderers Bio data are furnished : Yes / No
4. Whether, latest I.T. Clearance, Sales Tax & Service Tax Certificate are enclosed. : Yes / No
5. Whether Bank Solvency Certificate for Rs.25 Lakhs is Enclosed. : Yes/No
6. Copies of audited P & L, Balance Sheet for the last 3 years is enclosed. : Yes / No
7. Whether, the quotation on the commercial quote tender duly filled up with words & figures including rate for I leg Transportation for upcountry despatches. : Yes / No
8. Whether details of tenderer's bio-data/vehicles/ Leading vehicles are furnished
9. Whether rate schedule of Commercial Tender Part II enclosed : Yes/No

BIO DATA OF TENDERER

1. **Full Name of the Transporter** :
2. (a) H.O. Address :
 (b) Telephone Nos :
 (c) Mobile No. :
 (d) Telegraphic Address :
 (e) E - Mail :
3. Registration -
 Sole Proprietor/Partnership/ Company etc. :
4. **(a)** Name/s of Proprietors/Partners/ Directors etc. :
(b) Name and designation of the Principal Officer, his office & Residence Tel No / Mobile No, if any: :
5. Year of establishment :
6. Number of Branches with their addresses, Telephone Nos etc. :

- (If necessary, attach a list) :
7. Bankers name with full address :
 8. Number of vehicles owned, if any, :
with capacity.
 - (a) Open Trucks :
 - (b) Covered Trucks :
 9. No. of years experience as Transport Contractor :
 10. Number of vehicles controlled thro' contract or associates, if any, :
with capacity.
 - (a) Open Trucks :
 - (b) Covered Trucks :
 11. Number of vehicles controlled thro contract or associates,if any,with capacity
 - a. Open Trucks :
 - b. covered Trucks :
 12. Name of companies served and products handled :
 13. Volume of business with the companies :
In line with 9 above and audited P&I A/C,balance sheet accounts for the last 3 years (copies to be enclosed)
 14. Following particulars to be enclosed:
 - a. sales tax clearance certificate
 - b. Bankers solvence certificate for Rs.25 lakhs
 - C. certificate issued under Shops & Establishment Act / Excise Act

DECLARATION

The above information is true in all aspects and we undertake to inform you if any change in the above particulars regarding our business from time to time.

Yours faithfully,

Seal & Signature of Tenderer

NB: Wherever it is not possible to write the particulars in the space provided, kindly attach separate paper under the seal of your Company duly signed.

COMMERCIAL TENDER PART II

QUALIFICATION

The commercial offers of such of those tenderers who qualify themselves for being considered "appointment" of TRANSPORTER by fulfilling the entire terms and conditions as laid in Part-I "Technical Tender" of this tender; will be considered for the finalization of the tender.

The Other commercial offers not qualifying as above will be rejected outright.

SIGNATURE OF THE TENDERER

PART - IICOMMERCIAL QUOTE

IFT No.KMF/MKT/ 112C /E-Tender/-201213

DATED 31.01.2013

The Managing Director,
Karnataka Milk Federation,
Dr.M.H.Marigowda Road,
Bengaluru-560 029

In response to e-tender requirement, I/We herewith submitting my/our tender commercial quote for transportation of milk products by road on contract basis for a period of one year:

Sl No	Destination		Rates in INR quoted per Metric Tonne
	From	To	
1	Bangalore	Ambala/Ballabgarh/Rothak/Jind milk unions, Haryana/Delhi Milk Scheme, New Delhi	
2	Nandini Hi Tech Product Plant, Channarayapatna, Hassan-Dist	Ambala/Ballabgarh/Rothak/Jind milk unions, Haryana/Delhi Milk Scheme, New Delhi	
3	Mandya Milk Union, Gejjalagere, Mandya-Dist.	Ambala/Ballabgarh/Rothak/Jind milk unions, Haryana/Delhi Milk Scheme, New Delhi	
4	Tumkur Milk Union -Mallasandra Tumkur -Dist.	Ambala/Ballabgarh/Rothak/Jind milk unions, Haryana/Delhi Milk Scheme, New Delhi	
5	Hassan Milk Union, Hassan - Dist.	Ambala/Ballabgarh/Rothak/Jind milk unions, Haryana/Delhi Milk Scheme, New Delhi	
6	Dempo Dairy,Asangi	Ambala/Ballabgarh/Rothak/Jind milk unions, Haryana/Delhi Milk Scheme, New Delhi	

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Note: The above said rates are nett which is inclusive of loading, unloading, toll fee, Statistical charges and other incidental expenses. The transportation shall be on F.O.R delivery basis.

Sign and seal of the tenderer

