

(SUBJECT TO JURISDICTION OF THE COURT OF THE APPROPRIATE STATE)

RATE CONTRACT NO.-----

ISO - 9002



CENTRAL WAREHOUSING CORPORATION

(A GOVT. OF INDIA UNDERTAKING)

☎ 26966295 EPABX 26566107 FAX 26966295



“WAREHOUSING BHAWAN”
4/1, SIRI INSTITUTIONAL AREA,
AUGUST KRANTI MARG,
HAUZ KHAS, NEW DELHI-110 016

INVITATION OF TENDERS AND INSTRUCTIONS TO TENDERERS.

Tender No. CWC/PUR/

- a) Last date of receipt of tender by post and by hand by putting it in the tender box kept in Purchase Division, 1st floor, on the above address at 15.00 hours on _____.
- b) Tender shall be opened at 15.15 hours on _____.

Note: If the date fixed for opening of tenders is subsequently declared a holiday the tenders will be opened on the next working day following the holiday, at 15.15 hours.

- c) Tender shall remain open for acceptance for 120 days from the date of opening of tenders.

Note: If the date upto which the tender is open for acceptance is declared to be a holiday the tender shall be deemed to remain open for acceptance till the next working day following the holiday.

d) **Tender received without Earnest Money and not in proper form shall be summarily rejected.**

Note: i) **Late tenders**, ie. tenders received after the specified time of opening are not accepted.

- ii) **Delayed tenders** ie. tenders received after the due date and time of receipt but before the time of opening may be admitted at the discretion of the competent authority if the authority finds sufficient ground to consider it.

- iii) Post tender offers, ie. modifications made by the tenderers to their original tenders are not considered. On the other hand such cases would be reported to the Registering Authority for disciplinary action against the tenderers.

From:

The General Manager (Purchase)
Central Warehousing Corporation
4/1, Siri Institutional Area
Hauz Khas, New Delhi-110016.

To

Dear Sir/(s),

1. On behalf of the Central Warehousing Corporation (herein after referred to as Corporation), I invite you to tender for the supply of Stores detailed in the schedule attached to the tender form enclosed for one year commencing from the date of acceptance of tender subject to further extension by two months on the same rates, terms & conditions at the option of the Corporation. If you are in a position to quote for supply in accordance with the requirements stated in the attached schedule, please submit your quotations to this office on the prescribed tender form, enclosed in the sealed cover duly superscribed tender for supply of _____ due for opening on _____.
2. **Particulars and specifications:** The Stores shall comply with and conform to the specifications given in the schedule.
3. **Preparation of tender:** The tenderer should submit the tender documents, including invitation to tender intact, without detaching any page or pages, duly filled and completed and signed on each page of Tender Form including the Schedule.
4. **Signing of Tender:** (a) The tender is liable to be ignored if complete information is not given therein or if the particulars and date (if any) asked for in the schedule to tender are not fully filled in. Particular attention must be paid to delivery dates and also to the particulars referred to in the 'conditions of the contract'.

(b) Tender and other documents connected with the contract must furnish the following information/documents.

- i) Whether it is being submitted by an individual or sole proprietary concern, or a partnership firm or a company registered under the Companies Act or a society registered under the Cooperative societies Act or Registration of Societies Act and shall be signed in case of a partnership firm by all partners or their duly appointed attorney, and in case of Companies or Societies by such Directors or members of the Managing Committee of Officers as may be duly authorized for this purposes.
- ii) Certificate of Competency/registration from the State Government/National Small Industries Corporation (where applicable).
- iii) Licenced capacity.
- iv) Items of manufacture/fabrication and
- v) Past experience.

5. Earnest Money:- Each tender must be accompanied by an earnest money @ :-

1. 5% upto the value of Stores of Rs. 5 lakhs subject to maximum of Rs. 20,000/-.
2. 4% for value of Stores exceeding Rs. 5 lakhs but upto Rs. 20 lakhs subject to maximum of Rs. 40,000/-
3. 2% for value of Stores exceeding Rs. 20 lakhs subject to maximum of Rs. 1,00,000/- in the form of Demand Draft in favour of Central Warehousing Corporation, New Delhi-110016.

Such tenders, not accompanied by earnest money will be summarily rejected in consideration of the Tenderer being permitted to tender and his offer being considered to the exclusion of the non-tenderer, the earnest money shall be liable to be forfeited if the tenderer after submitting his tender, resiles from the offer or modifies the rate or terms and conditions thereof in any manner. The earnest money is also liable to be forfeited in the event of the tenderer's failure, after the acceptance of his tender, to furnish the requisite security deposit by the due date without prejudice to other rights or remedies of the Corporation under the contract and law. Earnest money will be returned to all the unsuccessful tenderers after the successful tender has signed the agreement and has deposited the requisite security amount. Earnest money deposited by the successful tenderer shall be treated as part of the security deposit. No interest shall be payable on the earnest money in any case.

6. Security Deposit: The successful tenderer shall be required to deposit security five times of the earnest money within seven days of the receipt of that the order by DD/Bank Guarantee from a Nationalised Bank as given in the form at page 19-20 failing which it shall be lawful for the Corporation to forfeit the earnest money and purchase the goods at the risk and cost of the successful tenderer if the tenderer fails to furnish the security in the above manner. In case the contractor/supplier having been called upon by the Corporation to furnish security fails to do so within the specified period, the Corporation will be within its rights to recover from the contractor the amounts of such security deposit by deducting the amount from the pending bills of the contractor under this contract or any other contract with Corporation.

- a. The security deposit furnished by tenderer shall carry no interest and would be subject to the condition that Corporation is not held responsible for any loss that may result from the failure of the Bank or from depreciation of the security or from any cause.
- b. If the successful tenderer had previously held any contract and furnished security deposit, the same shall not be adjusted against this tender and a fresh security deposit will be required to be furnished.

7. Period of Delivery: The supply ordered will be tendered for inspection within such time as may be specified in the order which shall not be less than one month from the receipt of the order. Time specified herein is the essence of the contract.

Clear RR/GR shall be obtained by the contracting tenderer from the Railway/Transport and sent to the respective consignees by Registered/AD Post under intimation to Corporate Office of the Corporation.

8. **Latest hour for receipt of tenders:** Your tender if sent by post must reach this office not later than 3.00 PM on the date of opening of the tender stated in the notice inviting tender and if sent by hand delivery, should be put in the Tender Box at this office not later than 3.00 PM of the said date,
9. **Validity of offers:** In consideration of the rates or promises, award of the offer (Tender) shall remain open for acceptance without any modification in the rates or terms and conditions of tender for a period of 120 days from the date of the opening of the tender and in the event of any breach of this condition, without prejudice to any other right or remedy of the Corporation, the earnest money shall be liable to be forfeited.
10. The contract rates shall hold good for a period of one year from the date of acceptance of tender if the contract is not terminated earlier and, may be extended by two months if so desired by the Corporation. You shall be bound to make supplies at the contract rate of the contracted items of the stores in such quantities or numbers as the Corporation may place order from time to time upto the period of rate contract or further period of two months in the event of extension of the aforesaid period by the Corporation.
11. **Opening of tender:** You are at liberty to be present or authorize a representative to be present at the opening of the tender at the time and date as specified. If the date fixed for opening of tender is a holiday, the tender will be opened at the same time on the next working day following the holiday or holidays.
12. **Rates:** Rates shall be quoted in unit/quantity F.O.R. destination any where in India, covered adequately by Insurance and must be inclusive of Central and State Sales Tax, if any leviable, excise duty and all other taxes, cost of packing, handling and insurance charges. It is clearly understood that the Corporation shall not be required to submit any form prescribed under any Sales Tax Act for the time being in force for the purpose of claiming any exemption from the payment of the Sales tax leviable. The Corporation shall not submit Form 'C' or 'D'. An Insurance cover to cover the damage, loss, theft etc., of the stores/supplies in the transit shall be taken in the name of the Corporation. In the event of loss, the contractor shall have to pursue the claim with the Insurance Company for the recovery of the compensation unless otherwise desired by the Corporation in writing.
13. **Packing and Marking:** The method of packing shall be as indicated in the relevant ISI specification and in the absence of ISI specification, such specification as provided in our schedule to tender and the General Conditions of contract.
14. The Corporation does not bind itself to purchase any/all the quantity and to accept the lowest tender and reserves to itself the right to increase or decrease the quantity and to accept or reject any or all tenders without assigning any reasons thereof. The quantity/numbers shown in the schedule is only approximate. It can be increased or reduced at the sole discretion of purchaser and / or supply splitted among more than one tenderer
15. The Corporation is not bound to accept tender in respect of all items of stores and reserves the right to accept the tender in respect of one or more items of stores.

16. Acceptance by the Corporation will be communicated by telegram or by express letter or by ordinary letter. In case where acceptance is communicated by telegram or express letter, the formal acceptance of tender will be forwarded to you as soon as possible but the instructions contained in the telegram/express letter should be acted upon immediately. By the issue of communication of acceptance the contract for supply of commodities/articles/equipments referred there in will come into existence. You will, however, be required to enter into a formal agreement on non-judicial stamp paper of the appropriate value in the enclosed form within seven days of the receipt of acceptance.
17. In the event of acceptance of the tender in respect of all or any of the items of tender, the contract will be governed by the general conditions of contract annexed hereto as Appendix-II.
18. Such Small Scale Units registered with the National Small Industries Corporation under revised scheme who can produce certificate of competency for manufacture of the above said stores from above Corporation would be issued tender forms free of cost, and will also not be required to submit the requisite earnest money/security deposit upto the monetary limit fixed by the NSIC. Tenderers should furnish requisite amount of earnest money with the tender beyond monetary limit fixed in the registration certificate by NSIC. This concession will not be available to the parties who do not furnish Registration and Competency Certificate mentioned in the paragraph.
19. However, no price preference etc. would be given to small-scale units. Purchase preference, nevertheless, would be given to Public Sector Undertakings, if applicable.

Yours faithfully,

GENERAL MANAGER (PURCHASE)

GENERAL CONDITIONS OF CONTRACT

(I) DEFINITIONS AND INTERPRETATION

1. In the contract and the General and special conditions governing it, unless the context otherwise requires:
 - a. "Acceptance of tender" means the letter/memorandum communicating to the contractor the acceptance of his tender, and includes an advance acceptance of his tender telegraphically.
 - b. "Corporation" means the Central Warehousing Corporation established under Section 3 of the Warehousing Corporation Act, 1962.
 - c. "Consignee" includes the Officer to whom the stores are required to be dispatched by rail, road, air or steamer.
 - d. "Contract" means the invitation to tender inclusive of instructions to tenders, and subject to such subsequent modifications if any, the rates quoted by the tenderer in the tender, acceptance of tender the general and special conditions, annexed to the Invitation of Tender and such other conditions, if any, as may be mutually agreed upon in writing. No terms and conditions mentioned in the tender of the tenderer which is in consistent with invitation of the tender and general conditions of contract shall be deemed to be the part of the contract unless it is expressly agreed to by communication of the acceptance of the tenders.
 - e. "Contractor" means the person with whom the contract is made and includes his heirs, executors, and administrator's successors and permitted assignees, as the case may be.
 - f. "Inspecting Officer" means officer(s) of Central Warehousing Corporation authorized for the purpose of inspection of the stores or work under the contract.
 - g. "Material" means the goods specified in the schedule, which the contractor has agreed to supply under the contract.
 - h. "Unit and Quantity" means the unit and quantity specified in the Schedule.
2. Terms and expressions not herein defined shall have the meanings assigned to them in the Indian Sale of Goods Act, 1930 or the Indian Contract Act 1872, or the General Clauses Act 1897 as the case may be, including latest amendments.

(II) PARTIES

(a)The parties to the contract are the contractor and the Central Warehousing Corporation having its Corporate Office at 4/1, Siri Institutional Area, Hauz Khas, New Delhi-110016 and the respective Regional Managers.

(b)Address of the contractor and notices and communications on behalf of the purchaser.

For all purposes of the contract including arbitration there under, the address of the contractor mentioned in the tender shall be the address to which all communications and notices addressed to the contractor shall be considered to be duly served if the same shall have been delivered, left, or posted by registered post, unless the contractor notifies a change by a separate letter sent by Registered post acknowledgement addressed to the General Manager (Purchase), Central Warehousing Corporation, 4/1, Siri Institutional Area, Hauz Khas, New Delhi-110016.

(III) AUTHORITY OF THE MANAGING DIRECTOR OR AN OFFICER ACTING ON BEHALF OF HIM

For all purposes of the contract including arbitration proceedings there under, the Managing Director of the Corporation or any other officer authorized to act on his behalf shall be entitled to exercise all the rights and powers of the purchaser.

(IV) RESPONSIBILITY OF THE CONTRACTOR FOR EXECUTING THE CONTRACT

1. **Risk in the Stores:** The Contractor shall perform the contract in all respects in accordance with the terms and conditions thereof. The Stores and every constituent part thereof, whether in the possession or control of the contractor his agents or servants, a carrier, or in the Joint possession of the contractor, his agents or servants and the purchaser, his agents or servants, shall remain in every respect at the risk of the contractor until their actual delivery to the consignee at the stipulated place or destination. The contractor shall be responsible for all loss, destruction damage or deterioration of or to the stores arising from any cause whatsoever while the stores after approval by the Inspecting Officer are awaiting dispatch or delivery or are in the course of transit to the consignee. The contractor shall alone be entitled and responsible to make claim against the Railway administration or other carrier in respect of non-delivery, short delivery misdelivery, loss, destruction, damage or deterioration of goods entrusted to such carrier by the contractor for transmission to the consignee.

2. **Consignee's right of rejection:** Notwithstanding any approval which the Inspecting Officer of the Corporation may have given in respect of the stores or any materials or other particulars or the work or workmanship involved in the performance of the contract (whether with or without any test carried out by the contractor or the Inspecting Officer or under the direction of the Inspecting Officer) it shall be lawful for the consignee on behalf of the purchaser to reject the stores or any part, portions or consignment thereof with in a reasonable time after actual delivery there to him at the place of destination specified in the schedule if such store or part, portion or consignment thereof is not in all respect in conformity with the specifications whether on account of any loss, deterioration or damage before despatch or delivery or during transit or otherwise howsoever.

Provisions contained in the clause relating to the removal of stores rejected by Inspecting Officer shall mutatis mutandis apply to stores rejected by the consignee as herein provided.

3. **Subletting and assignment:** Save with the previous consent in writing of the Corporation the Contractor shall not in any manner sublet, transfer or assign the contract or any part thereof or interest therein whatsoever.

4. **Assistance to the Contractor:** The contractor shall be solely responsible to procure all the material required for the fulfillment of the contract.

(V) QUOTATION OF RATES BY CONTRACTOR:

- (1) The price quoted by the contractor shall be reasonable and not be higher than the price usually charged by the contractor for stores of the same nature, class or description to the other purchasers.
- (2) If it is discovered that the contractor has contravened the above condition then without prejudice to any other action, which might be taken against him, the Corporation shall have the right (1) to revise the price at any stage so as to bring it in conformity with the price charged to other purchasers and to pay for the stores already supplied and finally accepted at the rates so revised (2) to terminate the contract in its entire or in part in case when the part of the stores has already been supplied and accepted and in that event the contractor will not be entitled to claim any compensation from the Corporation for the contract or any part thereof so cancelled.

(VI) SECURITY DEPOSIT

- i) On acceptance of the tender, the contractor shall at the option of the Corporation and within the period specified by it furnish such security deposit for due performance of the contract as the Corporation may specify and the security shall be in the form of Demand Draft in favour of the Corporation or deposited in cash with the Corporation or Bank Guarantee for the required amount of any Nationalised Bank or the State Bank of India and its subsidiaries.
- ii) If the contractor having been called upon by the Corporation to furnish security, fails to do so within the specified period, it shall be open to the Corporation :-
 - a) to recover from the contractor the amount of such security deposit by deducting the amount from the pending bills of the contractor under this contract or any other contract with the Corporation, or
 - b) to cancel the contract and to forfeit the Earnest Money without prejudice to its further rights to purchase or authorize the purchase of the stores at the risk and cost of the contractor.
- iii) The Security Deposit shall carry no interest and no claim shall lie against the Corporation in respect of interest under any circumstances.
- iv) If the contractor fails or neglects to observe or perform any of his obligations under the contract, it shall be open to the Corporation to forfeit either in whole or in part, in its absolute discretion, the security deposit furnished by the contractor or to appropriate the security deposit or any part thereof in or towards the satisfaction of any sum due to be claimed for any damages, losses, charges, expenses, or cost that may be suffered or incurred by the Corporation. Save as aforesaid if the contractor duly performs and completes the contract in all respects and presents an absolute 'No Demand Certificate' in the prescribed form, the Corporation shall refund, the security deposit within the period of **six months** of the receipt of supplies at destinations in conformity with the specifications and other terms and conditions, after deducting all costs and other expenses that the corporation may have incurred.
- v) The decision of the Corporation in respect of damages, losses, charges, costs or expenses shall be final and binding on the contractor.

- vi) In the event of the security deposit being insufficient or if the security has been wholly forfeited the balance or the total sum recoverable as the case may be, shall be deducted from any sum then due, or which at any time thereafter may become due to the contractor under this or any other contract with the Corporation. Should that sum also be not sufficient to cover the full amount recoverable the contractor shall pay to the Corporation on demand the balance due. Extension of time shall be granted only to such suppliers who have executed the agreement and furnished the requisite security deposit.

LAPSE OF SECURITY DEPOSIT

Security Deposits which are not claimed within **three years** from the date of last supply or date of completion of work in all respects or payment of balance amount of final bill, whichever is later, shall be treated as having irrecoverably lapsed/become time barred.

(VII) SPECIFICATIONS ETC.

1. The stores shall be of the best quality and shall conform to relevant ISI specifications, if any, in force at the time of placing of the order, and shall otherwise be in accordance with the particulars specified in the schedule as per Appendix-III unless any deviation has been expressly specified in the acceptance of tender. The stores shall further be in all respects acceptable to the Inspecting Officer and/or the Corporation.

(VIII) SPECIAL CONDITION OF SALE

- (i) **Guarantee:** The contractor hereby guarantees that the stores sold to the buyer under this contract shall be of the best quality (and workmanship) and shall be strictly in accordance with the specification and particulars specified in the schedule enclosed hereto and the contractor hereby further guarantees that notwithstanding any inspection and approval of the purchaser (Inspector) of the said stores, if during the guarantee period specified in appendix-III schedule to tender the said stores be discovered not to conform to the description and quality aforesaid or have deteriorated (and the decision of the purchaser will be final and conclusive), the purchaser will be entitled to reject the said stores or such portion thereof as may be discovered not to conform to the said description and quality and on such rejection of the stores will be at the contractor's risk and all the provision here in contained relating to rejection of goods etc., or such portion thereof as is rejected by the purchaser shall apply and the contractor will pay to the purchaser such damages as may arise by reason of the breach of condition herein contained. Nothing herein contained shall prejudice any other rights of the purchaser in that behalf under this contract or otherwise in law.
- (ii) For a period as specified in clause (i) from the date of delivery of the machine/equipment/chemical, the contractor shall be responsible for any defects that may develop under the conditions provided for by the contract and under proper use, arising from faulty materials, design or workmanship, the machine/equipment/chemical but not otherwise and shall remedy such defects at contractor's own cost, when called upon to do so, by the purchaser, who shall state in writing in what respect the machine/equipment/chemical is faulty. If it becomes necessary for the contractor to replace or review any defective parts, the parts so replaced and renewed will until the expiry of three months from the date of such replacement or renewal or until the end of the period of guarantee which ever may be later, the contractor shall undertake to make good the same within a reasonable time; if any defects be not remedied within a reasonable time, the purchaser may proceed to get the defects remedied at contractor's risk and expense but without prejudice to any other right which the purchaser may have against the contractor in respect of such defects.

If the replacements or renewal are of such a character as may affect the efficiency of the machine/equipment/chemical, the purchaser shall have the right to give to the contractor within one month from such replacement or renewal, notice in writing that tests and completion will be carried out and should such tests show that the machine/equipment/chemical does not infringe the guarantees given in the contract the cost of the test shall be borne by the purchaser, otherwise the cost of the tests shall be borne by contractors.

- (iii) **Service Facilities:** The contractor undertakes to provide free servicing facilities at the centers where such facilities exist or depute duly authorized agents to render the same when called upon to do so in respect of machine/equipments for a period of twelve months from the date of supply.

The contractor also guarantees the availability of spare parts, components of the machine/equipments for a period of one year from the date of the supply and such spare parts/components shall be offered to Central Warehousing Corporation who are the direct demanding party for article to DGS&D.

(IX) PACKING

1. The contractor shall pack at his own cost the stores sufficiently and properly for transit by rail, road, so as to ensure that they're being free from loss or damage physical or chemical on arrival at their destination.
2. Unless otherwise provided in the schedule all containers (including packing cases, boxes, tins, drums, and wrappings) in which the stores are supplied by the contractor shall be considered as non-returnable and their cost as having been included in the contract prices.
3. Without prejudice to other rights under this contract or otherwise, the Inspecting Officer, may reject the Stores if the Stores are not packed and/or marked as aforesaid and in case where the packing materials are separately prescribed if such materials are not in accordance with the terms of the contract. Such rejection of the stores by the Inspecting Officer shall be final and binding on the contractor.
4. Each consignment shall contain a packing note specifying the name and address of the contractor, number and date of the acceptance of tender or supply order and the designation of the purchase office or officer issuing the supply order the description of the stores and the quantity contained in such consignment.

(X) DELIVERY

1. The supply order will be placed by the Corporate Office, New Delhi / respective Regional Managers from time to time against Rate Contract entered into with the supplier by the Corporate Office.

The contractor shall deliver the stores in accordance with the conditions of contract at the time and the place and in the manner specified in the schedule.

2. **Passing of Property:** Property in the stores shall not pass to the purchaser unless and until the stores have been delivered to the consignee as the case may be, in

accordance with the condition of the contract. In case where local delivery or free delivery at the specified destination is stipulated, state the Railway Receipt, consignment notice, or the bill of lading, Warehouse Certificate as the case may be, in accordance with the terms of the contract.

3. The purchaser shall not be liable to assist in securing or to arrange for or provide transport to the contractor.

4. **The time for or the date for delivery is the essence of the Contract:-**

The time for or the date for delivery of the stores stipulated in the schedule is the essence of the contract and delivery must be completed not later than the time or date (s) as specified.

5. **Facilities to the Inspecting Officer.** The contractor shall allow reasonable facilities and free access to his works and records to the Inspecting Officer or such officer as may be nominated by the Corporation for the purpose and assisting the progress of the deliveries under the contract.
6. The purchaser shall not be bound to apply for delivery but the contractor shall where the stores are ready for inspection and test, send a notice in writing, specifying the place where inspection is offered to the concerned officers of the Corporation who shall on receipt of such notices notify to the contractor, the date and time when the stores would be inspected.
7. **Failures and termination:** If the contractor fails to deliver the stores or any instalment thereof within the period fixed for such delivery in the schedule or at any time repudiates the contract before the expiry of such period, the Corporation may without prejudice to the right of the purchaser to recover damages for breach of the contract may exercise either of following options.
 - (i) Recover from the contractor, such percentage not exceeding 10% of the price of any stores which the contractor has failed to deliver within the period fixed for delivery in the schedule for each month or part of a month during which the delivery of such stores may be in arrears where delivery thereof is accepted after expiry of the aforesaid period; or
 - (ii) Purchase or authorize the purchase elsewhere without notice to the contractor, on his account at the risk of the contractor, of the stores not so delivered or others of similar description (where stores exactly comply with particulars are in the opinion of the Corporation which shall be final not readily procurable) without cancelling the contract in respect of the instalments not yet due for delivery; or
 - (iii) Cancel the contract or a portion thereof and (i) purchase stores not delivered or others, of similar description (which stores exactly complying with particulars are not in the opinion of the Corporation, which shall be final, readily procurable) at the risk and cost of the contractor and where action as taken under sub-clause (ii) above and sub clause (iii) the contractor shall be liable for any loss which the purchaser

may sustain on that account provided the purchase, or any agreement to purchase such is made in case of failure to deliver the stores within the period fixed for such delivery in such schedule, within six months from the date of cancellation of the contract. The contractor shall not be entitled to any gain on such purchase and the manner and method of such purchase shall be necessary for the purchaser to serve a notice of such purchase on the contractor and claim difference between the contract price and the price prevailing at the time of breach of the contract.

- (iv) Whenever any claim for the payment of a sum of money arises out of or under the contract against the contractor, the Corporation shall be entitled to recover such sum by appropriating the whole or in a part the security deposited by the contractor.

In the event of security being insufficient the balance shall become immediately recoverable from the contractor and till realization of such amount from the contractor, the Corporation shall have lien on all unpaid bills of the contractor whether relating to this or any other contract of the contractor with the Corporation and also on security deposit and earnest money relating to other contract.

- 8. **Notification of delivery:** Notification of delivery or despatch in regard to each and every instalment shall be made to the purchase officer. The contractor shall further supply to the consignee, packing accounts quoting numbers of the acceptance of tender and or supply order and date of despatch of the stores. The railway receipt of the consignment note shall be sent to the consignee by registered post immediately on the despatch of stores. The contractor shall bear and reimburse to the purchaser, demurrage charges, if any, paid by reason of delay on the part of the contractor in forwarding the Railway receipt or the consignment note as the case may be.

(XI) INSPECTION AND REJECTION

- 1. **Facilities for test and examination:** The contractor shall, at his own expense afford to the inspection officer all reasonable facilities and such accommodation as may be necessary for satisfying himself that the stores are being and/or have been manufactured in accordance with the specifications/sample. The Inspecting Officer shall have full and free access at any time during the execution of the contract to the contractor's work for the purpose aforesaid, and he may require the contractor to make arrangements for inspection of the stores or any part thereof or any material at his premises or at any other place specified by the Inspection Officer.

The Corporation may at its discretion, draw random samples in respect of the supplies made by the contractor and get them tested by any ISI recognized laboratory. The entire cost of such test shall be borne and paid by the contractor to the Corporation. If such analysis reveals that the material supplied is not in conformity with the specifications, the supplier shall pay such compensation as may be decided by the Managing Director whose decision in the matter shall be final and binding.

- 2. **Cost of Test:** The contractor shall provide without any extra charge all materials, tools, labour, and assistance of every kind which the Inspecting Officer may demand from him for any test, and examination, other than special or independent test, which he shall require to be made on the contractor's premises and the contractor shall bear and pay all costs attendant thereto.

3. **Delivery of Stores for Test:** The contractor shall also provide and deliver for test, free of charge, at such place other than his premises as the Inspection Officer may specify, such materials or stores as he may require.
4. **Method of Testing:** The Inspecting Officer shall have right to adopt such manner and method of testing as he may think it proper and the contractor should not be entitled to question such manner or method on any grounds whatsoever.
5. **Stores Expended in Test:** If the test proves satisfactory and the stores or any instalment thereof is accepted, the quantity of the stores or materials expended in test will be deemed to have been taken delivery of by the purchaser and be paid for as such, otherwise it shall be at the cost of the contractor.
6. **Inspecting Officer:** Final authority and to certify performance, the Inspecting Officer shall have the power:-
 - (i) before any stores or part thereof are submitted for inspection to certify that they can not be in accordance with the contract owing to the adopting of any unsatisfactory method of manufacture.
 - (ii) to reject any stores submitted as not being in accordance with the particulars.
 - (iii) to reject the whole of the instalment tendered for inspection, if after inspection of such portion thereof as he may in his discretion think fit, he is satisfied that the same is unsatisfactory.
 - (iv) to mark the rejected stores with a rejection mark so that they may be easily identified if resubmitted.
7. **Consequence of Rejection:** If on rejection of any of stores by Inspecting Officer or consignee at the destination, the contractor fails to make satisfactory supplies within the stipulated period of delivery, the Corporation shall be at liberty to:-
 - (i) Allow the contractor to resubmit the stores in replacement of those rejected, within a specified time, the contractor bearing the cost of freight and other expenses in connection thereof, if any, on such replacement without being entitled to any extra payment on that account: or
 - (ii) Purchase the quantity of the stores rejected either of the same description or of similar description (when stores exactly complying with particulars are not in the opinion of the Corporation which shall be final, readily available) without notice to the contractor at his risk and cost and without affecting the contractor liability as regard the supply of any further instalment due under the contract, or
 - (iii) Cancel the contract and (a) purchase the stores of the same description or of a similar description (when stores exactly complying with particulars are not in the opinion of the Corporation which shall be final, readily available) at the risk and cost of the contractor or (b) claim difference between the contract price or the price prevailing at or about the time of breach

8. **Inspecting Officer's Decision as to Rejection Final:** The Inspecting Officer's decision as regards the rejection shall be final and binding on the contractor.
9. **Notification of Result of Inspection:** Unless otherwise provided in the specifications in the schedule, the examination of the stores will be made as soon as practicable after the same has been submitted for inspection, and the result of the examination will be notified to the contractor.
10. **Marking of Stores:** The contractor shall, if so required, at his own expenses mark or permit the Inspector mark all the approved stores with a recognized purchaser's mark.
11. **Removal of Rejections:** (a) Any stores submitted for inspection at a place other than the premises of the contractor and rejected shall be removed by the contractor subject as herein after provided within fourteen days of the date of receipt of intimation of such rejection.
- (b) Such rejected stores shall under all circumstances lie at the risk of the contractor from the moment of such rejection and if such stores are not removed by the contractor within the period afore mentioned, the Inspecting Officer may either return the same to the contractor at his risk and cost by such mode of transport as the Corporation or inspecting officer may select, or dispose of such stores at the contractor's risk on his account and retain such portion of proceeds as may be necessary to cover any expense incurred in connection with such disposal. The purchaser shall also be entitled to recover handling and storage charges for the period for which the rejected stores are not removed.
12. **Inspection Notes:** On the stores being found acceptable by the Inspecting Officer, he shall furnish the contractor with necessary copies of inspection notes duly completed for being attached to the contractor's bill in support thereof.

(XII) RECOVERY OF SUMS CLAIMED:

Whenever any claim or claims for payment of a sum of money arises out of or under the contract against the contractor, the Corporation shall be entitled to withhold and also have a lien to retain such sum or sums in whole or in part from the Security Deposit for the purpose aforesaid, the Corporation shall be entitled to withhold and have a lien to retain to the extent of such claimed amount or amounts referred to above from any sum or sums found payable to the contractor under the same contract or any other contract with the Corporation pending finalisation or any other contract with the Corporation pending finalisation or adjudication of any such claim.

It is an agreed term of the contract that the sum of money or money so withheld or retained under the lien referred to above, by the Corporation, will be kept withheld or retained as such by the Corporation till the claim arising out of or under the contract is determined by the Arbitrator (if the contract is governed by the arbitration clause) or by the competent court, as the case may be, and that the contractor will have no claim or interest on damages whatsoever on any account in respect of such withholding or retention under the lien referred to above and duly notified as such to the contractor. For the purpose of this clause, where the contractor is a partnership firm, the Corporation shall be entitled to withhold and also have a lien to retain towards such claimed amount or amounts in whole or in part from any sum found

payable to any partner, whether in his individual capacity or otherwise.

EXPLANATION: The provisions of the above said clause will fully apply to the cases where the contractor has furnished the bank guarantee in lieu of Security Deposit, and on any of the above eventualities arising, the Corporation shall be entitled to claim from the bank the full amount of the guarantee and retain and deal it in the manner provided in the above clause.

(XIII) PAYMENTS UNDER THE CONTRACT:

1. Unless otherwise agreed upon between the parties, payments for delivery of the Stores will be made on submission of bills in accordance with the instructions given in the 'Acceptance of Tender' by a cheque or demand draft on any Branch of the State Bank of India or any other Nationalized / Scheduled Bank.
2. Payment for the stores or for each consignment thereof, will be made to the contractor on submission of bills directly and not through any bank or other agency by the Corporate Office, New Delhi / the respective Regional Managers by whom the supply orders have been placed in the following manner:-
 - (i) 90% of the price of the Stores or each consignment thereof shall be paid on proof of despatch to the consignee on production of an inspection note issued by the Inspecting Officer and of insurance cover to cover all risks in transit. The number and date of Railway Receipt on the consignment note under which the goods charged for in the bill are despatched to the consignee shall be quoted in the bill. In such contracts where Central Central Sales Tax or State Sales Tax or any other tax is payable and is claimed separately in the bill following certificate should be furnished in the bill itself.

Certified that the goods on which sales tax has been charged have not been exempted under the Central Sales Tax Act or the State Sales Tax Act or the Rules made there under and the amounts charged on account of Sales Tax on these goods are not more than what is payable under provision of the relevant act or the rule made there under.

Certified further that we are registered as dealers

In the state of under local Registration No. _____ Dated _____
Under Central Registration No. _____
Dated _____
For purpose of Sales Tax/Excise Duty Dated _____

- (ii) The balance 10% shall be paid within 60 days of receipt of stores for each consignment thereof in accordance with the terms of contract, in good condition by the consignee with a certificate to that effect endorsed on the copy of the Inspection Note by the consignee, which shall accompany the bill submitted by the supplier / contractor.
- (iii) In all cases of local delivery full payment shall be made on submission of 'Final 100% Bill' supported by the Inspection Certificate to the Corporation.

(XIV) INDEMNITY:

The contractor shall at all times indemnify the purchaser against all claims which may be made in respect of the stores for infringement of any right protected by patent, registration of design or trade mark. Provided always that in the event of any claim in respect of alleged breach of the patent or registered designs of trade mark being made against the purchaser, the purchaser shall notify to the contractor the same and the contractor shall at his own expenses either settle any such disputes or conduct at his own expense any litigation that may arise there from.

(XV) INSOLVENCY AND BREACH OF CONTRACT:

The Corporation may at any time by notice in writing summarily determine the contract without compensation to the contractor in any of the following events, that is to say:-

- (i) If the contractor, being an individual or if a firm, any partner thereof shall at any time be adjudged insolvent or shall have a receiving order or order for administration of his estate made against him or shall take proceedings for composition under any insolvency act for the time being in force or made any conveyance or assignment of his effects or into any arrangements of composition with his creditor or suspend payment or if the firm be dissolved under the partnership act; or
- (ii) If the contractor being company is wound up voluntarily or by the order of a Court or a Receiver Liquidator or Manager on behalf of the Debenture holders is appointed or circumstances shall have arisen which entitle the Court or Debenture holders to appoint a receiver, liquidator or manager; or
- (iii) If the contractor commits any breach of the contract not herein specifically provided, and that such determination shall not prejudice any right of action or remedy, which shall otherwise be open to the purchaser.

(XVI) ARBITRATION:-

All disputes and differences arising out of or in any way touching or concerning this agreement whatsoever (except as to any matter the decision of which is expressly provided for in the contract) shall be referred to the sole arbitration of any person appointed by the Managing Director, Central Warehousing Corporation, New Delhi. It will be no objection to any such appointment that the person appointed is an employee of the Corporation that he had to deal with the matter to which the contract relates and that in the course of his duties as such employee of the Corporation, he had expressed views on all or any of the matters in dispute or difference. The award of such arbitrator shall be final and binding on the parties to this contract. It is a terms of this contract that in the event of such Arbitrator to whom the matter is originally referred being transferred or vacating his office or being unable to act for any reason, the Central Warehousing Corporation at the time of such transfer, vacation of office or unable to act shall appoint another person to act as arbitrator in accordance with the terms of this contract.

Such person shall be entitled to proceed with the reference from the stage at which it was left by his predecessor. It is also a terms of this contract that no person other than a person appointed by the Managing Director, Central Warehousing Corporation, New Delhi as aforesaid should act as Arbitrator and if for any reason that is not possible the matter is not to be referred to Arbitration at all. The arbitrator shall give reasons for award.

Provided further that any demand for arbitration in respect of any claim (s) of the contractor(s) under the contract shall be in writing and made within one year of the date of termination or completion (expiry of the period) of the contract and where this provision is not complied with, the claim(s) of the contractor shall be deemed to have been waived and absolutely barred and the Corporation shall be discharged and released of liabilities under he contract.

The Venue of arbitration shall be such place as may be fixed by the arbitrator in his sole discretion.

The work under the contract shall if reasonably possible continue during the arbitration proceedings and no payment due or payable to contractor shall be withheld on account of such proceedings.

The costs of arbitration shall be borne by the parties as per the decision of the arbitrator.

The arbitrator shall be deemed to have entered on the reference on the date he issues notice to both the parties fixing of the date of the first hearing.

The arbitrator shall give separate award in respect of each dispute or difference referred to him.

Subject as aforesaid the Arbitration and Conciliation Act, 1996 shall apply to the Arbitration proceedings under this clause.

AGREEMENT

The agreement made on this _____ day of _____, 200 _____ between the Central Warehousing Corporation, 4/1, Siri Institutional Area, New Delhi established under Warehousing Corporations Act, 1962 (herein after called the 'Corporation') and M/s. _____ a* partnership firm, consisting of partner, namely (1) _____ (2) _____ / a company registered under the Indian Companies Act/individual carrying a business in the name and style of M/s. _____ (herein after called the Contractor) which term shall include, unless repugnant to the context, his heirs and legal representatives, executors/administrators and successors.

WHEREAS the Corporation being in requirement of _____ had invited tenders for the supply thereof vide tender No. _____ And

WHEREAS the rate/rates submitted by the Contractor in his/their/its letter dated _____ has/have been accepted by the Corporation, vide communication No. _____ dated _____ .

It is hereby witnessth:

The terms and conditions incorporated in tender No. _____ form an integral part of this agreement and will be the sole repository of the terms and conditions governing the supply of _____ to be made by the contractor to the Corporation at the rates specified in the letter dated _____ of the Corporation, and the said letter of the Contractor is to be referred to only for the purpose of rates.

In witnesses whereof the parties have set their hands on the date herein before mentioned.

Witness (with full Address) Suppliers Address Signature _____

- 1.
- 2.

(Name & address of supplier)
Seal

for and on behalf of CWC

*strike out which ever is not applicable.

MODEL FORM OF BANK GUARANTEE BOND FOR SECURITY GUARANTEE BOND

In consideration of the Central Warehousing Corporation, New Delhi hereinafter called “the Corporation” having agreed to exempt _____ hereinafter called (the said Contractor(s)) from the demand, under the terms and conditions of an Agreement NO. CWC/_____ dated _____ made between Central Warehousing Corporation and _____ for _____ (hereinafter called “the said agreement) of security deposit for the due fulfillment by the said contractor(s) of the terms and conditions contained in the said agreement on production of a bank guarantee for Rs. _____ (Rupees _____) We, _____ (hereinafter referred to “the Bank”) at the request of _____ (contractor (s)) do hereby undertake to pay the Corporation an amount not exceeding Rs. _____ against any loss or damage caused to or suffered or would be caused to or suffered by the Corporation by reason of any breach by the said Contractor(s) of any of the terms and conditions in the said agreement.

We _____ do hereby undertake to pay the amount 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 damage caused to or would be caused to or suffered by the Corporation by reason of breach by the said contractor(s) of any of the terms or conditions contained in the said agreement or by reason of the contractor(s) failure to perform the said Agreement. Any such demand made on the bank shall be conclusive as regard 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. _____.

We undertake to pay to the Corporation any money so demanded not withstanding any dispute or disputes raised by the contractor(s) / suppliers (s) in any suit or proceeding pending before any court or Tribunal relating thereto. Our liability under this present being absolute and unequivocal.

The payment so made by us under this bond shall be a valid discharge of our liability for payment there under and the contractor (s)/supplier(s) shall have no claim against us for making such payment.

We _____ further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said agreement and that it shall continue to be enforceable till all the dues of the Corporation under or by virtue of the said agreement have been fully paid and its claims satisfied or discharged or till _____ or / the Corporation certifies that the terms & conditions of the said agreement have been fully and properly carried out by the said Contractor(s) and accordingly discharge this guarantee. Unless a demand or claim under this guarantee is made on us in writing on or before _____, we shall be discharged from all liability under this guarantee thereafter.

We _____ further agree with the Corporation that the Corporation have the fullest liberty without our consent and without effecting in any manner our obligations hereunder to vary any of the terms and conditions of the said agreement or to extend time of performance by the said contractor (s) 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 contractor (s) and to for bear or enforce any of the terms and conditions relating to the said agreement and shall not be relieved from our liability by reason of any such variation, or extension being granted to the said contractor(s) or for any forbearance act, or omission on the part of the Corporation any indulgency by the Corporation to the said contractor(s) or by any such matter or thing whatsoever which under the law relating to sureties would, but for this provision, have effect of so relieving us.

This guarantee will not be discharged due to the change in the constitution of the Bank or the Contractor(s)/Supplier(s).

We _____ lastly undertake not to revoke this guarantee during its currency except with the previous consent of Corporation in writing.

Dated the _____ day of _____
For _____

(Indicate the name of the Bank)