

KENDRIYA BHANDAR
GROCERY DIVISION
NEW DELHI

Registration of Suppliers for Bulk Sugar
Terms & Conditions

Reference Kendriya Bhandar's advertisement appeared in the Times of India dt. 9th June, 2015 inviting applications from the reputed Sugar Mills including Daurala, Mawana, Dhampur, Uttam, Triveni or equivalent, as well as sugar agents, wholesalers of reputed mills with minimum five years experience willing to supply M-31 refined sugar with minimum 95% retention, directly to Kendriya Bhandar on 15 days credit.

(I) Eligibility:

Reputed Sugar Mills including Daurala, Mawana, Dhampur, Uttam, Triveni or equivalent, as well as sugar agents, wholesalers of reputed mills (hereinafter called 'Suppliers') with minimum five years experience willing to supply M-31 refined sugar with minimum 95% retention, directly to Kendriya Bhandar on 15 days credit.

Following Firms will NOT be eligible for registration with Kendriya Bhandar:

- a) Sister concerns i.e. firms having common proprietor / partner.
- b) Black – listed firms by Kendriya Bhandar or by any other Cooperative organization/ Govt. Organization.

(II) Documents required to be submitted for registration:

- a) Audited Annual Accounts for the last three years.
- b) Valid Licenses/Statutory and other clearances
- c) Valid Packing License
- d) Income Tax Returns and VAT Clearance Certificate, as applicable, for the last five years along with Tax Audit Report incorporating a certificate from their CA firm.
- e) A copy of the Tax Identification Number (TIN), PAN Number etc.
- f) Letter from the Bankers mentioning financial soundness of the firm.
- g) A copy of the registered partnership deed/ registration certificate of the firm/ company as the case may be.
- h) Details regarding godown/ infrastructure, as the case may be.

- i) Bank draft for a sum of Rs.75,000/- (Rs. Seventy Five Thousand only) (applicable in case of agents/wholesalers and not applicable in case of Sugar Mills) drawn in favour of Kendriya Bhandar as security deposit which shall remain with Kendriya Bhandar till the validity of registration. No interest shall be payable on the Security Deposit. Security Deposit amount may be revised for any higher amount on any future date and the same will be payable by vendor.
- j) The sugar mills/sugar agents/wholesalers would be required to submit a recent copy of the Certificate of Analysis alongwith a sample of 500 gm. of the sugar at the time of registration.
- k) Undertaking on Non-Judicial Stamp Paper:
Firms shall be required to submit undertaking stating as under:-
 - i. That their firm does not have any sister concern registered with Kendriya Bhandar for supply of sugar.
 - ii. That their firm has not been blacklisted by Kendriya Bhandar or any other Co-operative Society/ Govt. Organization.
 - iii. That they fulfill all requisite statutory requirements for supply of Sugar as prescribed by Govt. of Delhi/ Govt. of India/FSSAI prevailing from time to time and they shall be solely responsible for any violation on this account and shall indemnify Kendriya Bhandar against any liability arising from violation of any statutory requirement at their end.
 - iv. The firms furnishing wrong information in the affidavit will be blacklisted / de-registered by Kendriya Bhandar and in addition the security amount shall be forfeited by the Management.
- l) Application Form for empanelment as supplier to be duly filled in and signed [cost of Application form : Rs.500/- only].

(III) Procedure for Procurement / Terms & Conditions of Supply:

- a) Limited tenders will be called by Kendriya Bhandar periodically from the duly registered Suppliers of Kendriya Bhandar for making purchases of Sugar depending upon the requirement. Intimation regarding date of tender shall be communicated to all registered firms two days in advance.
- b) The rate quotation should be submitted by registered Suppliers in a sealed cover subscribed "Quotation for Sugar" addressed to the AGM (Grocery), Kendriya Bhandar and should reach his office as per the date and time fixed by Kendriya Bhandar from time to time. Late tenders shall neither be entertained nor be opened.

- Fax/Telex/Telegraphic/E-mail tenders shall not be entertained. Procurement by two bid system is being followed. The commercial bid will be opened only after the Purchase Committee is satisfied with and finalises/selects the sample (from the samples) tendered by the bidders.
- c) Alongwith their Quotation, suppliers are required to submit two packets of samples of not less than 200 gms of each item which they have quoted. Samples must indicate the name of supplier and name of item.
 - d) The tenders submitted by registered Supplier shall be opened by Purchase Committee after following procedure of Two Bid procurement. Although, Kendriya Bhandar's endeavour shall be to place orders on the same day by 8:00 p.m., however, in case of any exigency, same can be deferred to the next day. Therefore, rates quoted shall hold good for a minimum of two days from the date of opening of tender.
 - e) The rates of Sugar should be on net weight basis only.
 - f) Supply of Sugar shall be received on the basis of FOR Kendriya Bhandar premises. Further, Kendriya Bhandar reserves the right to get the samples tested after taking samples from the delivered goods at the laboratories registered with Kendriya Bhandar. The report of Labs registered with Kendriya Bhandar will be final and binding.
 - g) Tolerances in quantity to be supplied shall be +/- 3% of total ordered quantity mentioned in the purchase order.
 - h) Supply of sugar from the registered suppliers will be obtained in bulk quantity as per the samples/quality decided by the Purchase Committee and the packing will be done in Kendriya Bhandar.
 - i) Warranty / Guarantee of Material:
 - (1) The suppliers shall be responsible for 90 days guarantee of quality of the material being supplied to Kendriya Bhandar during which time Kendriya Bhandar reserves the right to reject the material and return to the concerned supplier in case the same fails in post testing.
 - (2) All suppliers of sugar should meet the requirement of Kendriya Bhandar's specifications and suppliers will be responsible for any legal action under FSSAI or any other statutory provision arising due to any non-conforming quality of supplies as per these specifications.
 - (j) Payment:

Payment terms for supply of sugar shall be 15 days from the date of receipt of satisfactory laboratory report about the quality of material/consignment.

(IV) Quality Assurance/Visual Inspection & Lab Testing:

- (1) Kendriya Bhandar reserves the right to upgrade/modify the specifications of the items from time to time to improve the quality of sugar. The modification in the specifications of the item shall be communicated to all the suppliers before tenders.
- (2) Visual Inspection and comparing of actual supplies with the master sample shall be carried out by concerned godown Supdt./ KB official before accepting supplies.
- (3) Kendriya Bhandar reserves the right to send the material for lab testing in an accredited laboratory appointed by Kendriya Bhandar as per Kendriya Bhandar's specifications before or after acceptance by the Godowns. Therefore, in such an eventuality, only after the receipt of satisfactory report from the laboratory, the material shall be taken in the charge by the godowns. The laboratory testing by Kendriya Bhandar is final and binding on all the suppliers.
- (4) In case the sample of the supplier fails in lab testing, the samples may be considered for re-testing (in exceptional cases) in the same laboratory at the cost of the supplier based on the specific request received from the concerned supplier.
- (5) In case sample from any Suppliers fails in lab testing, the consignment will be rejected and the same will have to be removed from concerned godown of Kendriya Bhandar within 2 days by the respective Supplier.
- (6) In case the goods are not removed within the specified period of two days Kendriya Bhandar shall levy a minimum demurrage @ Rs.1000/- per day.

(V) Delivery and Risk Purchase:

- (1) All suppliers are required to supply the material strictly as per the purchase orders and requirement of Kendriya Bhandar. Any requirement/change of schedule will be communicated by respective incharge of godown at least one day in advance.
- (2) In case the supplier on whom the purchase orders have been placed fails to supply the goods within the delivery period, Kendriya Bhandar reserves the right to go in for risk purchases tender or to purchase same item from the market for such items immediately after expiry of delivery period and to impose penalty as prescribed at para (4) hereunder.
- (3) The supplier shall be debarred from quoting rates in next two consecutive tenders for that item.
- (4) In case the supplies are received late, penalty will be imposed @ 3% and if the material is not supplied and Kendriya Bhandar does not go for Risk Purchase a penalty @ 6% or Rs.50,000 whichever is more will be imposed.

(5) Penalties:

(A) Pre-testing:

Action as under shall be taken against the suppliers in case their samples fail in pre testing:-

- i) The supply is rejected and returned to the suppliers.
- ii) Lab testing charges shall be recovered from the supplier. Fresh supply shall be accepted from the supplier strictly within the delivery period failing which risk purchase will be made.
- iii) The supplier will be debarred from participating in tender for supply of specific item failed in the lab testing in next two consecutive tenders.

(B) Post-testing:

Action as under shall be taken against the suppliers in case samples fail in post testing:-

- i) The supply would be rejected and returned to the suppliers.
- ii) The lab testing charges shall be recovered from the supplier.
- iii) Unsold stock lying in the stores will be received back in the godown and the same shall be returned to the supplier. The value of the unsold stock shall be recovered from the suppliers.
- iv) Packing, polythene and transportation charges of unsold stock shall be recovered from the supplier.
- v) The supplier will be debarred from participating in the next two consecutive tenders for the same items.

VI) Review of Registration and renewal:

- i) Registration of suppliers shall be carried out on continuous basis (first come first serve basis) subject to a prescribed limit of firms. Serial numbers will be allotted to the applications in the order in which they are received.
- ii) In case any registered supplier does not participate in atleast 60% of the fortnightly tenders in six months period, he is liable to be de-registered.
- iii) In the event of more than three failures of sample of same item in both pre/post-testing put together in a quarter, Security Deposit of concerned suppliers shall be forfeited and they shall be debarred from participating in the tenders in entire next quarter for that item. The supplier shall deposit security amount afresh for participating in tender for other items.
- iv) Registration of the suppliers shall be renewed on yearly basis keeping in view the record of frequency of participation against Kendriya Bhandar tenders, value of the orders bagged, timely supplies and failure of samples in lab test etc.

VII) Direct procurement from Wholesale market:

In exceptional/emergent situation or in the event of quoting of higher prices by the Supplier or suspected formation of cartel by the registered Suppliers, the Purchase Committee may procure directly from the wholesale market any item or more than one item, if required.

VIII) Other conditions:

- (1) The firms furnishing wrong information in the affidavit and submitting false documents will be blacklisted/de-registered by Kendriya Bhandar and in addition the security amount and bank guarantee (if any) shall be forfeited/encashed.
- (2) The Managing Director, Kendriya Bhandar reserves the right to debar any registered firm from participating in next tender/tenders if in his opinion the conduct and performance of the supplier is not satisfactory. Further, Managing Director, Kendriya Bhandar in his discretion and upon facts and circumstances of each case, may impose penalty/fine as deemed fit.
- (3) (a) Kendriya Bhandar reserves the right to reject/cancel any or all the tenders without assigning any reason thereof.
- (3) (b) Kendriya Bhandar reserves the right to amend commercial terms and conditions, specifications etc. for supply of Sugar, however, intimation to this effect will be communicated to all the empanelled suppliers accordingly and the shall be binding upon them.
- (4) **Kendriya Bhandar technical specifications in respect of sugar**, if any, will be provided by Quality Control deptt. of Kendriya Bhandar after the registration process is completed.

AGM (Grocery)