

**DUNGSAM CEMENT CORPORATION LIMITED**



a dhi Company

**BIDDING DOCUMENT FOR TRANSPORTATION OF CEMENT FROM DCCL TO  
PHUENTSHOLING DEPOT**

**DOMESTIC COMPETITIVE BIDDING**

**November 2023**

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Assistant Manager Procurement  
Dungsam Cement corporation Ltd

## NOTICE INVITING QUOTATION (NIQ)

1. Dungsam Cement Corporation Limited is pleased to invite bids from the eligible bidders for Transportation of cement from DCCL to the Phuentsholing Depot as per the scope of works mentioned here under:
2. Detailed specifications, scope of work, and terms and conditions of services are given in the Bidding Documents, which are available at address given below:

NIQ No.	:	DCCL/COM/PROC/05/2023/2397
Last date for Bid receipt & time	:	29 <sup>th</sup> November 2023 by 1500 Hrs at the DCCL, Corporate Office.
Bid Opening	:	29 <sup>th</sup> November 2023 by 1530 Hrs at the DCCL, Corporate Office

All Bids must be accompanied by Bid Security for an amount of **Nu.50,000.00**(Fifty Thousand) only in the form of Demand Draft /Cash Warrant / Bank Guarantee in the favor of the Chief Executive Officer, DCCL issued by any Financial Institutions acceptable and enforceable by Financial Institutions in Bhutan and shall remain valid until 29<sup>th</sup> January 2024. Bids not accompanied by an acceptable Bid security as specified in Bidding Documents or Bids accompanied with Bid Security of inadequate value and invalid shall be rejected by the Company at the time of opening.

3. You are requested to submit the most competitive offer in line with the instructions given in the Bidding Document in a sealed envelope with the following details:

NIQ No. DCCL/COM/PROC/05/2023/2397

Bid Receipt date \_\_\_\_\_

Brief description of the services: Transportation of cement from DCCL to Phuentsholing Depot

Bidder's Name \_\_\_\_\_

4. Offers must be addressed to:  
The Chief Executive Officer  
Dungsam Cement Corporation Limited  
Nganglam, Pemagatshel

**5. Contact Personnel**

Interested bidders may contact the following person (Nodal officer) for any clarification:

Name: Mr. Yonten Jamtsho

Designation: Assistant Manager, Procurement

Phone No. 17942013

  
Mr. Yonten Jamtsho  
Assistant Manager Procurement  
Bungsam Cement

## SECTION I - INSTRUCTION TO BIDDERS (ITB)

### 1. SITE VISIT

- 1.1 The Bidder, at his/her own responsibility and risk, is encouraged to visit and examine the Sites to obtain all information that may be necessary for preparing the Bid. Costs incurred while paying a Site visit shall be at the Bidder's scope.

### 2. CLARIFICATION ON BIDDING DOCUMENT

- 2.1 The Bidder shall examine the Bidding Documents thoroughly and may request for clarification if needed. Any clarifications on Bidding Documents may be notified to the Company in writing within five days from submission of the bid.

### 3. AMENDMENT OF BIDDING DOCUMENTS

- 3.1 Prior to the deadline for submission of the bids, the Company may for any reasons, whether at its own initiative or in response to a clarification requested by a prospective Bidder, modify the Bid Document through an Addendum.
- 3.2 The Addendum, if any shall be available for download from the Company's website by prospective Bidders. The Company may, at its discretion, extend the deadline for bid submission, if the Bidders are expected to require additional time to take the Addendum into account in preparation of their bid or for any other reasons.

### 4. MODIFICATION AND WITHDRAWAL OF BIDS

- 4.1 No bid can be modified subsequent to the deadline for submission of the Bids.

### 5. PRICE SCHEDULE

- 5.1 Price shall be quoted in accordance with Bidding **Form 2: Price Schedule Form**
- 5.2 Price quoted by the Successful Bidder must remain firm during the entire period of Performance of the Contract and is not subject to variation.

### 6. PERIOD OF VALIDITY OF BIDS

- 6.1 Bids shall remain valid for a period of 60 days. A bid valid for a shorter period shall be rejected by the Company as consider it as non-responsive.

- 6.2 As required, the Company may request the bidders to extend the period of validity of their Bids. However, the bidder may refuse the request to extend the validity of its Bids without forfeiting its Bid Security. The bidder granting request shall not be required or permitted to modify its Bids.

## 7. CURRENCY OF BID

- 7.1 The unit rates and prices quoted by the Bidder should be in Ngultrum (Nu.)

## 8. BID SECURITY

- 8.1 The Bidder shall furnish, as part of its Bid, Bid Security denominated in the currency and in the amount of Nu.50, 000.00 valid up to **29<sup>th</sup> January 2024**. The Bid Security shall be submitted in the form of an irrevocable Bank Guarantee /Cash Warrant/Demand Draft payable to the Company issued by any Financial Institution of Bhutan or any foreign bank acceptable and enforceable by Financial Institution of Bhutan.
- 8.2 The Bid security shall be forfeited if a bidder withdraws its Bid during the period of bid validity or if the selected Service Provider fails to sign the Contract in accordance with ITB 17-Signing of Contract.
- 8.3 Immediately after award of the contract, the Bid Security of all unsuccessful bidders shall be returned within fifteen (15) working days from the award of the Contract/Work Order.
- 8.4 The Bid Security of the successful bidder shall be returned immediately after signing the contract and issuance of the Work Order.

## 9. SIGNING OF BIDS

- 9.1 The Bid shall be typed or written in indelible ink and shall be signed by the Bidder or a person who is duly authorized by the Bidder, holding a Power of Attorney, with an official seal.

## 10. SUBMISSION OF BIDS

- 10.1 The bidder(s) shall submit one original Bid clearly marked ORIGINAL and another marked as COPY. The bid including all documents should be duly filled, signed and sealed in an envelope and delivered at the following address:

The Chief Executive Officer  
Dungsam Cement Corporation Limited  
Nganglam, Pemagatshel.

  
Assistant Manager Procurement  
Dungsam Cement corporation Ltd

The submissions of the Bid(s) by electronic means are not acceptable

## **11. OPENING OF BID**

11.1 The Bid(s) will be opened in presence of the bidders or their representatives who choose to attend it on 29<sup>th</sup> November at 1530 Hours at DCCL, Corporate Office at Nganglam. In case due date for opening of the Bids falls on non-working days, opening of the bid shall be on the next working day at the same time.

## **12. BID EVALUATION**

12.1 The Bids determined to be substantially responsive to the technical specifications and commercial conditions shall be evaluated by comparing their quoted prices. While evaluating the bids, the Company shall determine for each bids the evaluated price by adjusting the priced bid by making any correction for any arithmetical errors as follows:

- i. Where there is a discrepancy between amounts in figures and in words, the amount in words will govern;
- ii. Where there is discrepancy between the unit rate and line-item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted shall govern unless in the opinion of the Company there is an obviously gross misplacement of the decimal point in the unit rate, in which case the line-item total as quoted shall govern, and the unit rate shall be corrected.

12.2 To assist in the evaluation and comparison of the Bids, the Company may, at its discretion, ask any Bidder for a clarification of its Bid. Any clarification submitted by a Bidder that is not in response to a request made by the Company shall not be considered.

## **13. NEGOTIATIONS**

13.1 Negotiations may be carried out with the lowest evaluated bidder. In case of failure during negotiation with the lowest evaluated bidder, the Company shall proceed for negotiation with the next-ranked Bidder.

13.2 Minutes of the negotiations, signed by the company and the Bidder, shall form part of the Contract Agreement.

## **14. AWARD CRITERIA**

14.1 The Company will award the Contract to the successful Bidder, after negotiation, if any, whose bid has been determined to be substantially responsive and has been determined as the lowest evaluated bid.



Mr. Yonten Jamtsho  
Assistant Manager Procurement  
Dungsam Cement corporation Ltd

14.2 However, the Company also reserves the right to accept or reject any bid(s) or all bids and to annul the bidding process and reject all Bids at any time prior to awarding the Contract thereby incurring any liability to Bidders or any obligation to inform the affected Bidders on the grounds for such action of the Company.

## 15. DEVIATION

15.1 Bidders shall not be permitted to take any deviation from the terms and conditions as specified in the Bidding Documents.

## 16. NOTIFICATION OF AWARD

16.1 Prior to expiry of the Bid validity or extended validity, the Company shall issue Notification of Award (NoA) to the successful Bidder(s). Until a formal Contract is prepared and executed, the NoA shall constitute as a Binding Contract.

## 17. SIGNING OF CONTRACT

17.1 Within the time period specified in the NoA, the successful bidder shall sign the contract or a Service Order shall be issued by the Company upon submission of Performance Security as per ITB 18.

## 18. PERFORMANCE SECURITY

18.1 The successful Bidder shall have to submit the lump sum Performance Security amounting to **Nu.1, 000,000.00(One Million)**.

18.2 The Performance Security shall be submitted in any of the following forms:

- a) Irrevocable Bank Guarantee,
- b) Cash Warrant, or
- c) Demand Draft.

18.3 Failure on the part of the successful Bidder to submit the above-mentioned Performance Security or accept the award or sign the Contract shall constitute sufficient grounds for the annulment of the award and forfeiture of the Bid security.

## 19. PERFORMANCE EVALUATION SYSTEM

19.1 The performance of the Service Provider shall be assessed as per the Performance Evaluation System (PES) attached in Section V.

19.2 Where the PES is required, depending on the nature of the work, the bidders are required to sign and submit the PES Acceptance Form attached as **Annexure- II** along with the Bid. In case the bidder does not agree to sign the VPMS Acceptance Form, the bidder shall be liable for rejection.



## SECTION II - BIDDING FORMS

*(Depending on the need of the contract the bidding forms can be customized/modified accordingly.)*

### FORM – 1: STATEMENT OF COMPLIANCE

To  
Dungsam Cement Corporation Limited  
Nganglam, Pemagatshel

Dear Sir/Madam,

With reference to our Bid dated.....for Transportation of Cement from the DCCL to the Phuentsholing Depot against NIQ No....., we hereby confirm that we have read all the terms & conditions and further confirm that these terms & conditions are acceptable to us:

We further confirm that any deviation to the above, found anywhere in our Bid, implicit or explicit, shall stand unconditionally withdrawn without any cost implication whatsoever to the COMPANY failing which the Bid security may be forfeited.

**Sealed and signed**



Mr. Yonten Jamtsho  
Assistant Manager Procurement  
Dungsam Cement corporation Ltd

**FORM – 2: PRICE SCHEDULE FORMS**

Schedule of activities for Services

FROM	TO	Unit	Distance (km)	Rate
DCCL	Phuentsholing Depot	MT	308 KMS	

**Sealed and Signed**

Mr. Yonten Jamsho  
Assistant Manager Procurement  
Dingsam Cement Corporation Ltd

## FORM – 3: PERFORMANCE EVALUATION SYSTEM ACCEPTANCE FORM

To

Dungsam Cement Corporation Limited

Nganglam, Pemagatshel

Dear Sir/Madam,

With reference to our Bid dated.....for Transportation of Cement from DCCL to Phuentsholing Depot against NIT No....., we hereby confirm that we have read the provisions in clause 19 regarding the

VPMS and we hereby agree to abide by the provisions in the VPMS or do affirm as follows:

1. If our bid is accepted, we agree to be assessed as per the VPMS methodology adopted by Company.
2. We accept the rating of VPMS depending on our performance and any action hereof.
3. We shall be liable for any breach of this undertaking and non- compliance to the provisions of VPMS.

**Sealed and signed**

Mr. Yonten Jamtsho  
Assistant Manager Procurement  
Dungsam Cement corporation Ltd

**SECTION III- GENERAL CONDITIONS OF CONTRACT**

**1. DEFINITION**

1.1 The following terms and expressions used herein shall have the meaning as indicated hereunder:

- a) **“Contract Price”** means the aggregate price payable to the Contractor as specified in the Contract at the time of award, subject to such additions and adjustments thereto or deductions there from as may be made pursuant to the provisions of the Contract until the completion of the contract, the price so adjusted shall be termed as Executed Price;
- b) **“Company”** means the DHI and/or its Companies applying this Document;
- c) **“Services”** means Non-Consultancy Services which are not Consultancy Services. Non-Consultancy Services are normally bid and contracted on the basis of performance of measurable outputs, and for which performance standards can be clearly identified and consistently applied. Examples include: drilling, aerial photography, satellite imagery, mapping, catering services, ticketing services, printing services, hiring of training facilities, and similar operations;
- d) **“Completion Date”** means the date of completion of the Services by the Service Provider as certified by Company;
- e) **“Service Provider”** means a legal entity, including the legal successors or permitted assigns of such entity, entering into a Contract with Company to provide Services;

**2. GOVERNING LAW**

2.1 The Contract/Purchase Order shall be governed by and interpreted in accordance with the Laws of Bhutan.

**3. SERVICE PROVIDER’S RESPONSIBILITIES**

3.1 The Service Provider shall provide all the Services in accordance with **Section IV Error! Reference source not found.** and the Delivery and completion requirements.

**4. COMPANY’S RESPONSIBILITIES**

4.1 The company shall provide all the Services in accordance with **Section IV Error! Reference source not found.** and the Delivery and completion requirements.

**5. QUALITY OF WORK**

5.1 The Service Provider shall guarantee for the quality of work. The quality of workmanship shall be of highest standard and to the full satisfaction to the Company.



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Assistant Manager Procurement  
Dungsam Cement Corporation Ltd

5.2 The Service Provider shall perform the Services and carry out its obligations hereunder with all due diligence, efficiency and economy, in accordance with generally accepted professional standards and practices, and shall observe sound management practices.

## 6. INSPECTION AND TESTS

6.1 The Company may depute its employee at Service Provider's work to inspect the on-going works. During the delivery of the services, if it is found that the requirements and the deliverables of the contract, in terms of performance and time, is not delivered as per the Technical Specification/ToR, the Company shall terminate the contract subsequent to clause GCC 15: Termination.

## 7. INSURANCE AND TRANSPORTATION<sup>1</sup>

7.1 The successful service provider shall be responsible for the insurance of trucks and its employees as per the applicable laws of the country. DCCL shall not be liable for any compensation in case of accidents during operation of trucks and its transportation work including loading and unloading.

## 8. CONTRACT PRICE

8.1 The Contract Price shall be as specified in the Contract/Work Order subject to any additions and adjustments thereto or deductions there from as may be made pursuant to the Contract.

## 9. TERMS OF PAYMENT

9.1 The Contract Price, including any advance payments, if applicable (**Not applicable**)

9.2 Payments shall be made promptly by the Company, but no later than thirty (30) days after the receipt of the invoices and documents, provided that the documents are compliant with all the requirements of the Company.

9.3 The currencies in which payments shall be made to the Service Provider under this Contract shall be those in which the Contract Price is expressed.

## 10. TAX DEDUCTED AT SOURCE

10.1 At the time of release of the payment, two (2%) percent TDS on service portion shall be deducted from the Service Providers having Bhutanese trade license, or Three (3%) on the service portion from the Service Providers having other than Bhutanese trade license respectively from the gross amount of bills except from the manufacturers and authorized dealers. The Company shall furnish necessary TDS Certificate to the Bidders, issued by the Department of Revenue & Customs, RGoB.

10.2 If any tax exemptions, reductions, allowances or privileges may be available to the Service Provider in the Kingdom of Bhutan, the Company shall use its best efforts to enable the Service Provider to benefit from any such tax savings to the maximum allowable extent.

## 11. PERFORMANCE SECURITY

11.1 The Performance Security shall be valid until successful completion of the obligations under the Contract, including warranty obligations, if any.

  
Assistant Manager Procurement  
Dungsam Cement Corporation Ltd

- 11.2 The Performance Security shall be discharged by the Company and returned to the Service Provider not later than thirty (30) days following the date of completion of the Service Provider's performance obligations under the Contract, including any warranty obligations.
- 11.3 The Performance Security shall be forfeited if the Service Provider fails to place adequate number of committed dumpers during the time of deployment. In addition, if the service provider fails to repair the breakdown dumpers within 15 days, they should be replaced with the similar dumpers within 25 days from the time of breakdown.

## 12. LIQUIDATED DAMAGES FOR DELAY IN DELIVERY (NOT APPLICABLE)

## 13. LIMITATIONS OF LIABILITY

- 13.1 Except in case of gross negligence or willful misconduct:
- a) Neither party shall be liable to the other party, 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 Service Provider to pay liquidated damages to Company; and
  - b) The aggregate liability of the Service Provider to the Company, whether under the Contract, in tort or otherwise, shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective Services, or to any obligation of the Service Provider to indemnify Company with respect to patent infringement.

## 14. FORCE MAJEURE

- 14.1 The Service Provider shall not be liable for forfeiture of its Performance Security, liquidated damages or termination for default if and to the extent that its delays in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.
- 14.2 For purposes of this Clause, "Force Majeure" means an event or situation beyond the control of the Service Provider that is not foreseeable, is unavoidable, and its origin is not due to negligence or lack of care on the part of the Service Provider. Such events may include, but not be limited to, acts of the RGoB in its sovereign capacity, act of God, wars or revolutions, riot, civil commotion, sabotage, fires, floods, epidemics, quarantine restrictions and freight embargoes or any other cause of similar nature which are not within the control of either party to the contract and which renders the performance of the contract by the said party impossible.
- 14.3 If a Force Majeure situation arises, the Service Provider shall promptly notify the Company in writing of such condition and the cause thereof, along with documentary or pictorial evidence. Unless otherwise directed by the Company in writing, the Service Provider 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.

## 15. TERMINATION

- 15.1 **Termination for Default**
- 15.1.1 The Company, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Service Provider, may terminate the Contract in whole or in part:

- a. If the Service Provider fails to deliver any or all of the Services in accordance to the Contract, within the stipulated delivery schedule or within any extension thereof granted by the Company; or
- b. If the Service Provider fails to perform any other obligation under the Contract; or
- c. If the Service Provider, in the opinion of the Company has engaged in fraud and corruption, in competing for or in executing the Contract, the Company shall be the final authority to decide whether the Service Provider has engaged in any Fraud and Corruption as mentioned above and such decision shall be final and binding on the Service Provider; or
- d. If the Service Provider becomes bankrupt or goes into liquidation or makes general assignment for the benefit of the creditors or any receiver is appointed for property owned by the vendor.

15.1.2 In the event the Company terminates the Contract in whole or in part, the Company may procure, upon such terms and in such manner as it deems appropriate, Services similar to those undelivered, and the Service Provider shall be liable to the Company for any additional costs incurred by the Company in procurement of such undelivered Services. Wherever the Contract is terminated in part, the Service Provider shall continue performance of the Contract to the extent not terminated.

## 15.2 Termination by Service Provider

15.2.1 If,

- a) The Company commits a substantial breach of the Contract; the Service Provider may give a notice to Company that specifies the breach and requires Company to remedy the same. If Company fails to remedy the breach or take steps to remedy the breach within thirty (30) days after receipt of the Service Provider's notice, or,

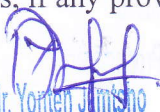
15.2.2 If the Service Provider is unable to carry out any of its obligations under the Contract for any reason attributable to the Company, including but not limited to Company's failure to obtain any governmental permit necessary for the Delivery of Services, which Company is required to obtain as per provision of the Contract or as per relevant applicable laws, the Service Provider may give a notice to Company to carry out such obligation under the Contract and if Company fails to comply within thirty (30) days after receipt of the Service Provider's notice, then the Service Provider may, referring to this sub-clause, forthwith terminate the Contract.

15.2.3 In the event of termination, all payments due to the Service Provider for the Services already delivered, shall be settled by the Company with no further liability on any account whatsoever.

## 15.3 Termination by Force Majeure

15.3.1 Service Provider shall not be considered in default if delay in delivery occurs due to Force Majeure.

15.3.2 Only those causes which have duration of more than seven days shall be considered causes of Force Majeure. In the event of delay due to such causes, the delivery schedule will be extended for a length of time equal to the period of Force Majeure or at the option of the Company, the order may be cancelled. Such cancellation would be without any liability whatsoever on the part of the Company. In the event of such cancellation, the Service Provider shall refund any amount advanced or paid to the Service Provider by the Company and deliver back any materials issued to him by the Service Provider and release facilities, if any provided by the Company.

  
Mr. Yonten Jamshe  
Assistant Manager Procurement  
Dungsam Cement Corporation Ltd

**16. PAYMENT UPON TERMINATION**

- 16.1 Upon termination of this contract pursuant to Clauses GCC 16.1 to GCC 16.3 hereof, the Company shall make the following payments to the Service Provider:
- (a) Remuneration pursuant to GCC.9: Terms of Payment hereof for services satisfactorily performed prior to the effective date of termination, and reimbursable expenditures pursuant to Clause GC 6 hereof for expenditures actually incurred prior to the effective date of termination; and
  - (b) Except in the case of termination pursuant to clauses (a) through (d) of Clause GC 15.1 hereof, reimbursement of any reasonable cost incidental to the prompt and orderly termination of this contract including the cost of the return travel of the personnel and their eligible dependents.

**17. CONTRACT DURATION**

- 17.1 The duration of the Contract shall be for a period of one year from the date of signing the Contract.

**18. SUB- LETTING**

- 18.1 The Service Provider shall not sub-let, transfer or assign any part of this contract, without the prior written consent from the Company.

**19. VARIATIONS**

- 19.1 Depending on the final requirement, at the time of the award of the Contract, the Company may increase or decrease the quantities by twenty five percent (25%) of the indicated quantity against each item without any changes in rates provided in the Contract. **(Not Applicable)**
- 19.2 Any other modification or variation in scope of the Services may only be made by written agreement between the Parties.

**20. DISPUTE RESOLUTIONS**

- 20.1 Amicable Settlement  
In case of any dispute of any kind whatsoever arises between the Employer and the Service Provider in connection with or arising out of the Contract, the parties shall seek to resolve any such dispute or difference by mutual consultation.
- 20.2 However, any dispute which cannot be amicably settled between the parties shall be adjudicated at Royal Court of Justice, Nganglam, Bhutan.

Mr. Yonten Jamtsho  
Assistant Manager Procurement  
Dungsam Cement corporation Ltd



**SECTION-IV: TERMS OF REFERENCE AND TECHNICAL SPECIFICATION**

**A. TERMS OF REFERENCE**

**1. SERVICES AND PERFORMANCE REQUIREMENTS OF THE TRANSPORTER**

- a) **Minimum Vehicle Requirement:** The transporter shall possess minimum fleet as required in the Annexure B.
- b) The Transporter may be required to transport cement to other destinations/routes at the discretion of the Company.
- c) The Transporter shall deploy adequate number of trucks as per the daily vehicle deployment schedule provided by DCCL.
- d) It shall be the responsibility of transporter to ensure that the relevant documents of their vehicles are valid and up to date as required by the laws of Bhutan and India.

**2. FREIGHT RATES, PAYMENTS AND REVISION**

- a) **Freight Rate:** The Company shall pay the Transporter an all-inclusive freight charge per MT as given in Annexure A for cement transported from Plant 1000 Nganglam to Phuentsholing Depot.
- b) The rate is inclusive of all taxes, duties, cost of fuel and incidental expenses from the point of loading at DCCL Plant Site to the designated destination.
- c) The rate is based on the assumption that trucks will be allowed to carry loads as per RSTA rules. Any cost incurred by the Transporter and/or his truckers for carrying loads beyond limits prescribed by RSTA shall be borne by the Transporter.
- d) The rate is fixed for the duration of the Contract, except for amendment due to a change in the price of fuel.
- e) **Change in Price of Fuel:** The freight rates shall be adjusted for any increase or decrease in the price of fuel (diesel) if it changes by  $\pm 5\%$  or more at a time.
- f) The Transporter shall notify the DCCL about any increase or decrease in fuel price by 5% within seven working days.
- g) The Company shall accordingly adjust the freight and the new freight shall be notified.



Procurement Manager Procurement

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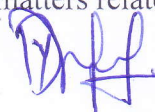
- h) The Company shall retain 0.5% from every bill submitted by the Transporter. The accumulated amount shall serve as additional performance bond and shall be refunded to the Transporter on the expiry of the Contract.
- i) The Company shall not pay any interest on the amount collected as above.
- j) Any expenditure incurred by the Company on behalf of the Transporter shall be deducted from the payments/bills the Company owes to the Transporter.

### 3. OBLIGATIONS AND RIGHTS OF THE COMPANY

- a) **Communication of Monthly Performance Target:** The Company shall inform the Transporter in writing about his monthly target (volume of cement to be transported and number of trucks to be deployed) by the first week of the running month, based on the requirements of its clients.
- b) The quantity of cement to be transported by the Transporter shall be decided by DCCL and shall be conveyed to the Transporter from time to time.
- c) **Loading of Cement:** Loading of cement at the DCCL Plant site shall be done on a 24x7 basis. However, DCCL shall notify the Transporter about any change in the timing of loading or about any interruption/shutdown of the plant.
- d) The Company shall not be liable to pay any compensation to the Transporter, its truckers and workers, whatsoever, in case of the unavailability of cement loads at plant/ depots due to breakdown and shutdown of factory. However, the Company shall inform the Transporter at least one week in advance about the shutdown of the plant due to scheduled maintenance.
- e) In case of shutdown caused by unforeseen circumstances, the Company shall inform the Transporter as soon as possible and within a day of the shutdown.
- f) **Engagement of alternative/additional Transporters:** If the Transporter fails to deliver the targeted cement quantity on time, the Company shall have the discretion to engage alternative/additional transporter.

### 4. OBLIGATIONS AND RIGHTS OF THE TRANSPORTER

- a) **Transporter's Office:** If not already existing, the Transporter shall set up an office at Nganglam Town at his own cost for better co-ordination with the Company's Logistic Division during the deployment of the trucks. The Transporter may be allowed to employ a representative on formal letter of authority submitted to DCCL and on approval of the same by the Company.
- b) **Focal Person:** The Transporter shall have a dedicated staff posted at its office in Nganglam, who will coordinate with DCCL on all matters related to transportation of cement.



Mr. Yonten Jamsno  
Assistant Manager Procurement

Dungsam Cement Corporation Ltd

- c) **Liaisoning:** The Transporter shall maintain a close liaison with DCCL's Logistics Division (under the Sales and Marketing Department) and concerned cement buyers to facilitate timely loading, dispatch and delivery of cement.
- d) **Monthly Performance:** The Transporter shall achieve at least 90% of its monthly performance quota. In case of failure to meet the monthly performance target, the Transporter shall be issued with a warning. However, if the transporter fails to deliver as per the supply schedule for two consecutive months despite warning, the contract may be terminated upon assessing the hindrances and works.

#### 4. Deployment, Loading and Dispatch of Trucks

The Transporter shall abide by the key operating procedure related to the deployment, loading and dispatch of trucks and the delivery of cement as detailed in the Company's SOP. The key features of the procedures are as follows:

**Deployment of Trucks:** The Transporter shall deploy adequate number of trucks on a regular basis, based on the requirement communicated by the Company from time to time as per daily vehicle deployment schedule (DVDS).

- a) The Transporter shall ensure that the condition of trucks deployed under this contract is suitable for loading and transportation of cement.
- b) Trucks shall be placed and formalities related to loading and dispatch completed on a first-come-first served basis.
- c) **Loading Slip:** The Transporter shall deploy trucks with a loading slip duly signed by official representative.
- d) It is the responsibility of the Transporter to ensure that correct information (registration number of truck and other details) is furnished in the loading slip.
- e) DCCL shall not be held responsible for any mistake and misinformation in the loading slip.
- f) **Physical verification of Truck:** Once a truck arrives at the DCCL premise with a Loading Slip, a member of the DCCL Logistics Division shall verify the physical presence of the truck to avoid proxy registration of the vehicle.
- g) **Registration and Loading Challan:** On arrival at the DCCL premise with a seal and signed loading slip by transporter, a truck shall proceed to the Company's Sales Counter, where it shall be registered and issued with a Loading Challan.
- h) **Weighing and Loading of Truck:** The truck shall then move towards the cement loading site, passing through the weigh bridge, where its tare weight is taken.

  
Mr. Yonten Jamtshe  
Assistant Manager Procurement  
Dungsam Cement Corporation Ltd

- i) Individual truckers shall be responsible for all opening and closing of the tailboards of their trucks and for removal of any item in the wagons.
- j) Once loaded, the truck shall return to the weigh bridge, where its gross weight shall be taken.
- k) Trucks shall carry load as per the capacity certified by RSTA in their Registration Certificates.
- l) **Inspection and dispatch of Truck:** A loaded truck shall be inspected for proper sealing and protection of the cement load. Thereafter, it shall be issued with a Sales Invoice and allowed to move to its designated destination.
- m) The Transporter shall not claim any detention charges, whatsoever, for any delay either at the loading or delivery point.
- n) After being registered at the DCCL Sales Counter, no truck shall return without load. A truck failing to show up for loading as per its turn will have to restart the process in order to receive load.
- o) It shall be the Transporter's responsibility to educate its truckers on the operating procedures from the placement of a truck to the delivery of goods. A truck which is found violating and/or not conforming to any of the procedures repeatedly shall be blacklisted.

## 6. DELIVERY OF CEMENT

- a) **Insurance of Goods:** As the Transporter shall be responsible for any loss of goods in transit for any reason whatsoever, it shall be his responsibility to have appropriate insurance coverage for the transit of goods from the loading point to the point of delivery.
- b) **Delivery:** The Transporter shall deliver cement only to the designated consignee as mentioned in the Company's Sales Invoice and other related documents.
- c) The truckers shall produce a seal and signature in the Delivery Challan, Invoice and Transporters Challan to authenticate the delivery of consignment.
- d) **Deflection of Cement:** The Transporter shall ensure that cement is not offloaded or deflected. For any loss of cement due to deflection and offloading, the Transporter shall be levied a penalty equivalent to the landed cost of the consignment plus 30% of the landed cost. Repeated deflection of cement or by considering the gravity of incidence during deflection, it shall lead to the termination of contract, besides having to pay the penalty.
- e) **Trans-shipment of Cement:** Transporters shall not transship cement under normal circumstances. In case trans-shipment is unavoidable due to emergency situations such as breakdowns and accidents the Transporter, shall obtain prior approval from the Company In case of failure, the penalty of 30% of the landed cost of cement shall be imposed.

  
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- f) **Tampering and Adulteration of Cement:** The Transporters shall not indulge in any adulteration or tampering of cement and shall deliver a consignment in good condition and to the satisfaction of the consignee. A Transporter shall be levied a penalty equivalent to the landed cost of the consignment plus 30% of the landed cost for an instance of tampering and adulteration and may result in the termination of the contract.
- g) **Sealing and Protection of Cement:** The Transporter shall ensure that all trucks carrying cement are adequately covered with tarpaulin. For any damage to a consignment because of inadequate covering and protection, the Transporter shall be penalized at the full landed cost of the consignment plus 30% of the landed cost.
- h) **Case of Truck Accident:** If cement is damaged en-route to its destination due to an accident of the truck, the Transporter shall be liable to compensate the Company at the ex-factory price of cement, based on due verification of the Royal Bhutan Police. Likewise, the accident in India shall also be supported with Indian FIR.

## 7. CODE OF CONDUCT OF TRUCKERS AND HANDY BOYS

- a) The Transporter shall ensure that the truckers and their handy boys follow basic level of decency and decorum while dealing with relevant officials of DCCL and within the premises of the Company.
- b) Truckers and their handy boys shall be liable for punishment and penalty as per the laws of the land and the rules and regulations of the Company, for any breach of decorum and behavior.
- c) It shall be the responsibility of the Transporter to educate and create awareness among the truckers and their assistants on all rules and procedures.
- d) No other person of the Transporter, except the Transporter, his truckers and their handy boys shall be allowed into the DCCL premise, without the expressed permission of the Company.
- e) The company shall not be responsible for any untoward incident as a result of non-adherence to this clause by the Transporter and/or his truckers and handy boys.
- f) The transporter shall ensure that the drivers and handy boys comply to all the protocols required by health/DCCL in terms of preventing covid-19/any other outbreaks. The failure to comply may result in forwarding the case to the concerned authority and termination of the contract.

## 8. EMERGENCY DEPLOYMENT OF TRUCKS

The Transporter shall place trucks for loading /handling of cement as and when required based on the need of the Company. During such instances, the Company shall negotiate freight rates with the Transporter based on prevailing market rates.

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## 9. PENALTY

- a) It shall be the responsibility of the Transporter to pay any fine, penalty or levies imposed by RSTA, Motor Vehicle Inspectors or any other law enforcement agencies of India and/or Bhutan for overloading, traffic rules violation or for failing to produce documents related to the consignment or movement of the truck.
- b) DCCL shall not be liable for the same under any circumstances.

## 10. LITTERING IN THE PARKING/LOADING AREA

All Transporters shall brief their individual truck drivers and handy boys not to resort to littering. DCCL shall initiate the cleaning works (*once every month on 2<sup>nd</sup> day of every month to mark zero waste hour*) and as and when required by DCCL. Transporters shall ensure to engage those truckers who are in waiting list shall attend compulsory without fail during above period. In case of non-compliance to the above notification by the individual truckers a penalty of Nu. 300/- shall be deducted from the Transporters bill against the list of violators by the DCCL logistic person/security personnel.

## 14. TERMINATION OF CONTRACT

The Company shall have the right to terminate this contract with forfeiture of the Performance Security, with a notice period of one month, depending upon the gravity of the circumstances under the following situations:

- a) If the Transporter fails to achieve 90% of monthly targets for two consecutive months. DCCL may consider the termination of contract after assessing the hindrance of work at clients site.
- b) If the Transporter resorts to offloading and transshipment of cement without the explicit permission of the Company.
- c) If the Transporter indulges in deflection of cement.
- d) If the Transporter resorts to adulteration and tampering of cement/cement bag, leading to rejection of cement by the consignee.
- e) Depending upon the gravity of incidence, if the Transporter/Truckers contravene or violate any other provision of this contract OR create unwanted nuisance, verbal abuses and social disharmony within the premise of the company.
- f) The Transporter shall have the right to terminate this Contract in his own interest by serving one month notice period to the Company with the forfeiture of Performance Security.

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## 15. INDEMNITY

a)The Transporter shall indemnify and hold DCCL free from any and all claims, demands, liability, loss or damage of any kind (including, but not limited to, the loss of or damage to the consignment) arising in any manner out of and/or attributable to the operations, acts, omissions and violations of the Transporter.

b)The Transporter shall indemnify DCCL for any violation of national and international laws or any act or omission of the Transporter or his or her employees or his or her truckers related to this contract.

c) DCCL shall not be tied to any court of law for any offence or violations committed by the Transporters, by his truckers, employees or his representatives.

d)The Company shall indemnify and hold the Transporter free from any and all claims, demands, liability, loss or damage of any kind arising in any manner out of and/or attributable to the operations, acts or omissions of the Company.

**Annexure A**

Sl. No	Destination			Distance KM		Total
	From	Via	To	Plain	Hill	
1	Nganglam	Indian National Highway	Phuentsholing Depot	308.00	0.00	308.00

**Annexure B**

From	Destination	Minimum Owned Vehicle Required	Minimum Hired Vehicle Required	Total
DCCL	Phuentsholing Depot	15	15	30



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