

**KARNATAKA STATE MINERALS CORPORATION LIMITED  
(A Government of Karnataka Undertaking)**

Regd. Office: 'A' Block, 5<sup>th</sup> Floor, TTMC Building,  
BMTCL, K.H Road Shanthinagar, Bangalore-560027.  
Phone No.080-22278813/14/15/16,  
FAX: 080-22213172.  
Website: www.ksmcl.org

No: KSMCL/EGQ/RAISING/390-I/TENDER/2018-19/2101

Date. 30-10-2018.

**SHORT TERM e-TENDER INVITATION**

Karnataka State Minerals Corporation Limited (Formerly known as Mysore Minerals Limited) is inviting short terms e-tender for selection of Raising Contractor for production of Granite Blocks from Erubanhalli Granite Quarry.

**CALENDER OF EVENT**

- (a) Pre bid meeting : 05.11.2018 at 11.00 Hours  
at Corporate Office,  
Bengaluru.
- (b) Last date and time for submission  
of e-Tender documents: : 16.11.2018.  
Up to 17-00 Hours
- (c) Date of opening of Technical  
bid. : 19.11.2018 at 11.00 Hours
- (d) Earnest Money Deposit (EMD) : Rs.1,75,000  
(Rs.One lakh seventy five  
thousand only)

The Tender document can be downloaded from e-procurement website:  
<https://eproc.karnataka.gov.in>. Interested tenders are requested to register in  
the e-procurement platform well in advance.

Contact e-procurement help desk: No.080-23010900/23010901 for any  
support in uploading and registration.

Sd/-

**DY.GENERAL MANAGER (P)**

## **INSTRUCTIONS TO TENDERER**

Karnataka State Minerals Corporation Limited (KSMCL) formerly known as Mysore Minerals Limited, a Government of Karnataka Undertaking, having its Corporate Office @ 'A' Block, 5<sup>th</sup> Floor, TTMC Building, BMTC, Shanthinagar, Bengaluru-560 027 represented by its Dy.General Manager (P) is invites short term e-tender for selection of raising contractor for production of Granite blocks from the Erubanhalli Granite Quarry. The details are as follows:

<b>QL Number validity of lease &amp; extent</b>	<b>Location of the quarry</b>	<b>Colour / variety</b>	<b>Maximum annual consent quantity in M<sup>3</sup></b>	<b>Minimum annual quantity to be produced in M<sup>3</sup></b>
QL No.454 02.07.2021 14.20 Acres	Situated near Bellur Cross, Nagamangala Taluk, Mandya Dist. Karnataka State.	River Grey Granite	1875	1200

### **1. SCOPE OF WORK**

- a) The tenderer shall deploy minimum machinery and vehicles along with operating crew as below for development of quarry and production of saleable dimensional stones.
  - i) Excavator: EX-300/350 or equivalent Excavator - 1No. Owned
  - ii) Tipper-2 Nos. (Min.10 tonnes carrying capacity) - 1 shall be owned and other 1 can be owned or hired.
  - iii) Wire saw machine with all accessories -1 No. Owned or hired.
  - iv) XA-175/176 or equivalent compressor - 1 Nos. Owned or hired.
  - v) Tractor Mounted Compressor-1 Nos. owned or hired.
- b) The tenderer shall also deploy any additional machinery required for scientific and systematic quarrying operation to avoid / minimize blasting operation / zero waste management on environmental angle and also to enhance the production up to the consent quantity depending upon the market demand.
- c) Tenderer shall provide Manpower required for Drilling, Manual development and dressing of granite blocks and with minimum one supervisory staff for maintenance of machinery records.
- d) Tenderer also responsible for payment of compensation for adjoining land owners every year during the currency of agreement for the land to be utilized for the formation of road, stocking of blocks, waste material and for

dust compensation due to blasting as per the requirements. Any local issues are also to be settled at their risk and cost. KSMCL will not reimburse such expenditures. All the expenditures shall be loaded into the raising cost.

- e) Loading of granite blocks in to trucks, as and when the sale of granite blocks is made to different buyers.
- f) Laying internal and external roads for working pit, for stock yard and dump yard where ever it is required for quarry operation.
- g) Any other work connected to development and production in the quarry.

## **2. ELIGIBILITY CRITERIA**

- a) The tenderer should be an Indian individual / Firm / Company, being registered firm having PAN Number and GST Registration.
- b) The tenderer shall possess Ownership of machinery / vehicle or leasing or hiring of machinery / Vehicle from the machinery owners as per the minimum requirement stipulated in scope of work.
- c) The tenderer shall have minimum turnover of Rs.1.10 Crores in any one of the financial year during the period 2015-16, 2016-17 & 2017-18.
- d) The tenderer shall have minimum one year past experience in operation of granite quarry / mines either own or thorough in any one of the previous year between 2015-16 to 2017-18.

## **3. INSPECTION OF QUARRY.**

- a) Tenderer can inspect the Quarry and satisfy themselves about quality of the deposit and any other field conditions before participation in e-tender. The bidders can contact Sri. H.D. Raju, Dy. General Manager(P). Mob: 9448303626, Land line-08022278813/14/15 and also can contact Quarry Manager, KSMCL, Erubanhalli Granite Quarry, Bellur Cross Post, Nagamangala Taluk, Mandya District, Phone No.08234-287014, Mob: 9481542469.
- b) KSMCL will not entertain any dispute / claim regarding:
  - i) Extent of the Quarry.
  - ii) Volume/ quantity of the material.
  - iii) Quality / colour / grade of material.
  - iv) Site operating conditions.
  - v) Accessibility / approach roads / logistics.
  - vi) Supporting infrastructure and such other issues in whatsoever manner during the currency of the contract or later.

#### **4. PROCESSING FEE AND EARNEST MONEY DEPOSIT (EMD)**

- a) Processing fee as fixed by the e-Governance Department and EMD should be paid by the tenderer through e-procurement platform, GoK in any of the e-payment modes – Credit / Debit card, NEFT/ RTGS or OTC.
- b) As per the procedure of e-procurement Department, refund of EMD to the unsuccessful bidder will be done after the e-tender process is completed.
- c) No interest shall be paid on the EMD.
- d) EMD of the successful tenderer will be converted as Security Deposit (SD).
- e) Micro and Small Enterprises registered under NSIC are exempted from payment of EMD subjected to uploading of valid registered certificate issued by NSIC.

#### **5. UPLOADING OF DOCUMENTS FOR TECHNICAL BID**

Tenderer shall upload the following documents as part of technical bid.

- a) Tenderer details in **Annexure-1** duly filled and signed.
- b) Status of the firm.
  - i. Individual / proprietary - Firm registration certificate/GST in the name of the firm.
  - ii. Partnership firm - Partnership deed of the firm
  - iii. Private / Public Limited Company - Incorporation certificates/memorandum of articles and association.
- c) Audited balance sheet and profit and loss statement of the firm certified by chartered Accountant for having turnover not less than Rs.1.10 Crores per year for any one of the financial year during the period between 2015-16, 2016-17 & 2017-18.
- d) As proof of experience in production of minerals / dimensional stones in their own quarry / mine or working under contract. In case of own mine, returns of any previous one year submitted to DMG, in case of contract, work completion certificate of previous raising contract of Mine / Quarry to be uploaded in any one of the previous year between 2015 to 2017-18 to be uploaded.
- e) Copy of valid PAN & GST Certificate.

- f) Copy of Income Tax returns filed for any of the two financial / assessment years during 2015-16, 2016-17 & 2017-18.
- g) Tenderer shall upload invoice / registration certificate for the machinery / vehicles as proof of ownership and hired / lease agreement documents along with invoice / registration certificate as per the minimum requirement stipulated in scope of work.
- h) Raising & Sale contractors who have current /previous contract with KSMCL shall provide NOC issued by KSMCL.

The tenderer shall produce original documents regarding ownership / leasing of Machinery and other documents before tender calling authority, in case it is required.

## **6. PRICE BID**

- a) The rate should be quoted through e-Portal only.
- b) Price to be quoted as raising cost per cubic meter of saleable granite blocks to be produced, the price is Inclusive of all applicable taxes except applicable GST.
- c) The rate shall be quoted in Indian Rupee both in figures and words and any overwriting will be treated as cancelled. If any variation among bid amounts specified in the figure and words, lower of the two will be considered.
- d) Raising cost per M<sup>3</sup> shall be quoted on book volume (after reducing 5 cms from the least corner measurement of the blocks) which considered as production quantity

## **7. PRE BID MEETING**

Pre bid meeting will be held on 05.11.2018 at 11.00 hours in the office of KSMCL, 5<sup>th</sup> Floor, 'A' Block, TTMC Building, BMTC, K.H. Road, Shanthinagar, Bengaluru-560 027. Interested tenderers can participate in the pre bid meeting to express their views and queries if any in tender documents and related issues. Any modification is necessary and deem fit, such modification will be issued as addendum / corrigendum in e-Portal. Tenderers are requested to see the e-Portal Website regularly till last day of submission of tender.

## **8. PRICE BID VALUATION**

- a) Bidder quoting lowest rates per M<sup>3</sup> (L1) of production will be considered as successful bidder.

- b) If there are more than one bidder quoting same lowest rate, then such bidder shall be asked to quote through sealed covers. Bidders quoting lowest revised rates (L1R) will be considered as successful bidder.
- c) If for any reasons, rates quoted in the tender seems to be higher than the expectations, KSMCL may refuse to accept the offer.
- d) KSMCL reserves the right to negotiate with bidders regarding price, terms and conditions in the best interest of the Company and its decision is final.

#### **9. REVISION OF RAISING COST**

- a) The revision in raising cost will be considered once in a year from the date of issue of work order, as per KTPP norms.
- b) Weightage of 60% for HSD, 30% for labour component and 10% for spares will be considered for calculation purpose.
- c) The average rate of previous four quarters will be considered to arrive average rate of previous year while calculating revision of prices on yearly basis.

#### **10. KSMCL'S RIGHT TO ACCEPT / REJECT BIDS**

KSMCL reserves the right to accept or reject any tender and to cancel the entire tender process at any time prior to award of tender without intimation.

#### **11. VALIDITY OF BIDS**

- a) The bids shall be valid for a period not less than 180 days from the closing date of e- tender and cannot be withdrawn by the tenderer before that date.
- b) The bid validity can be extended by KSMCL beyond validity period with the mutual consent.
- c) In case of any default in this regard, EMD will be forfeited.

#### **12. LETTER OF INTENT**

- a) Confirmation letter accepting the tender will be issued to successful tenderer (L1) and the same shall be signed for acceptance and sent back to KSMCL within seven working days along with balance security deposit.
- b) If the L1 does not accept the offer, their EMD will be forfeited and L2 will be offered to match the rate of L1 to award the raising contract.

- c) The tenderer shall enter in to an agreement within seven working days from the date of acceptance.

**13. SECURITY DEPOSIT**

- a. 5% (Five) of the work order amount (equivalent raising cost fixed for first year X annual production target X 5%) shall be paid to KSMCL along with the acceptance letter.
- b. After adjusting EMD amount, the balance security deposit shall be paid along with letter of acceptance. Security deposit will not carry any interest.
- c. Security deposit will be refunded 3 months after successful completion of contract period after recovering dues if any payable to the KSMCL.
- d. In case of violations of any Act, breach of contract, violation of law noticed by enforcing agencies or litigation, the expenses incurred for rectifying such irregularities, inter-alia will be deducted from the running bills available with KSMCL including forfeiture of Security deposit.

**14. PERIOD OF CONTRACT**

Raising contract will be for a period of three years from the date of signing of agreement. Depending upon the performance, KSMCL may at its discretion extend the contract for further period of one year including the non working days under force majeure clause. After the total period of four years, no further extension is permitted.

**15. GESTATION PERIOD**

The Raising Contractor will be provided one month gestation period for mobilization of machinery / equipment and required man power from the date of work order issued.

**16. QUANTITY & SPECIFICATION OF BLOCKS TO BE PRODUCED**

- a) The following minimum quantity of granite blocks per month should be produced.

Annual consent quantity (in M <sup>3</sup> )	Minimum Monthly production Target (in M <sup>3</sup> )	Specification
1875	100	The blocks shall be properly shaped / dressed with defect free and marketable. Preference shall be given for production of bigger size of blocks.

- b) The Raising Contractor can produce the granite blocks over and above the monthly target limiting to the annual consent quantity of royalty volume declared to Mines & Geology. The Contractor will be paid raising cost for additional quantity so produced as per the agreed rates per M<sup>3</sup> of saleable blocks.
- c) Measurement of blocks will be taken from least corner by leaving 5cms free allowance from all three measurements i.e. from length, width and height. The quantity so arrived shall be considered as production quantity. Raising cost will be paid for book or buyer measurement whichever is less.
- d) Before taking the blocks into production, a team of KSMCL Officers along with representatives of raising and marketing contractor will inspect the blocks for its quantity and quality. Only after confirming the quality which is suitable for sale will be measured and taken into stock.
- e) The company reserves the right to increase or decrease monthly production depending upon the market conditions. KSMCL can get the permission for enhancement of production from the present consent quantity and revise the production targets during the currency of contract.

## **17. THE SALE OF BLOCKS**

The blocks produced by raising contractor will be sole property of KSMCL and KSMCL (Company) will dispose/sell the blocks through Marketing Agent, e-auction or in any other method.

## **18. General Terms & Conditions**

- a) Raising Contractor shall mobilize Men & Machinery to the Quarry at his own cost.
- b) Raising Contractor shall be solely responsible for any accident to men machinery deployed by them. Any compensation in such cases shall be borne and settled by the contractor only. All the machinery/vehicles deployed by the contractor shall have insurance coverage and shall get fitness certificate from time to time wherever it is necessary.
- c) The Tenderer shall arrange water required for Diamond Wire saw Machine operation and arrange for suppression of dust in the quarry.
- d) Tenderer shall submit the documents in support of ownership / lease of the machineries.
- e) Successful tenderer shall deploy the machineries as per the directions of Quarry Managers or his authorized person. The working time shall be between 6.00AM to 6.00 PM.



- f) The tenderer / Raising Contractor shall deploy experienced crew for operations of machinery and equipment having valid driving license. They shall also engage experienced/ skilled workers for quarry development and stone dressing in the quarries. The payment for all such manpower shall be paid after statutory deductions by the contractor as per minimum wages Act.
- g) The successful contractor shall get the contract labour license from the concerned authorities within three months from the date of work order issued from KSMCL.
- h) Required internal & external roads and development in the quarry shall be done by the Raising Contractor for which no separate payment will be made.
- i) The actual working hours recorded in the digital meter of the equipment and kms for the Tippers will be considered as actual working hours and same shall be intimated to quarry manager in writing every day.
- j) The contractor shall arrange place for stationing and for repair of machinery /vehicle and accommodation for the persons deployed by them away from the lease area and blasting zone at their own cost.
- k) The company reserves the right to increase or decrease monthly production depending upon the market conditions.
- l) The payment for the operating crew and workers deployed shall be paid by the contractor as per the minimum wages Act and payment details are to made available to KSMCL every month.
- m) All the statutory requirements shall be followed by the Contractor as stipulated under Mines Act, Mines Rules and MMR-1961 and other Act & Rules governed for the contract work.
- n) The quarrying operations shall be carried out in accordance with approved quarry plan and as directed by Quarry Manager or by Authorized representatives / statutory persons of the Company. Overall supervision of Quarry operations will be done by Company statutory personnel and their other officials.
- o) Raising Contractor shall dump the waste material generated from the quarry strictly in the place earmarked. If there is no sufficient place for dumping within the lease area, the Contractor shall make available private land for dumping waste material. Such land shall be adjoining to lease area.
- p) On successful awarding of tender, the quarry will be surveyed by the Company Surveyor jointly and plans will be prepared to know the status of ground position and a copy of the map will be handed over the contractor.

- q) No dispute will be entertained on the extent of lease area, the tenderer has to accept and work in the actual area it is in the possession of the KSMCL and no claims if any are acceptable for any backlog development to be undertaken for fresh production. The tenderer shall visit the quarry to understand ground realities before quoting the tender.
- r) The waste material and waste blocks generated in the quarry will always remain property of KSMCL even after the expiry of contract.

## **19. LAND COMPENSATION**

- a) Raising Agency shall sort out any and all local problems by themselves for execution of work under the agreement with intimation to KSMCL.
- b) To ensure smooth working of the quarry raising agency shall make all payments related to compensation payable, if any.
  - i) To the land owners situated within and adjacent to quarry lease area.
  - ii) For land utilized for the purpose of laying road connecting to main road.
  - iii) For loss of crop due to quarrying activity, blasting conducted.
- c) Raising Agency shall make full compensation annually, at the beginning of the agreement year and thereafter, to the land owners by intimating KSMCL. Compensation paid by the Contractor will not be reimbursed by KSMCL. The tenderer shall acquaint himself about the payments before quoting the rates for raising contract by visiting quarry site and collect information from the quarry Manager about last payment made and to be loaded into raising cost.
- d) If the consent of land owners for dumping yard cannot be arranged for the reasons beyond the control of KSMCL, then in such cases, KSMCL reserves the right to close the agreement. In such circumstances, Raising Agency shall not have any claims, in whatsoever nature.

## **20. BLASTING**

- a) There is restriction to use high explosives in the quarry due to presence of public structures nearby quarry. The raising contractor shall use Wire saw machine, cracking powder and other means for production and development purpose to avoid blasting activities in the quarry.
- b) With necessary permission from the authorities, blasting operations if any shall be conducted under supervision of KSMCL statutory personnel. The provisions of explosives rules shall strictly follow while procuring explosives and blasting.

## **21. PENALTY**

- a) On deployment of machinery / vehicle, the contractor shall ensure minimum monthly production.
- b) The production performance will be reviewed in every quarter; any shortfall in the first quarter shall be compensated in the second quarter. If Raising Contractor fails to achieve the target production even in respective second quarter along with monthly production, penalty @ 10% of the raising cost per M<sup>3</sup> for shortfall production will be recovered from the raising bills, unless the shortfall is due to Force Majeure Clause. The same procedure will be followed for the subsequent quarter during the period of agreement. KSMCL reserves rights to decide on waiver off production under Force Majeure Clause.
- c) If Raising Contractor continuously fails to achieve the target in consecutive four quarters, KSMCL holds rights to cancel the contract and to forfeit the security deposit and recover any dues including penalties with applicable taxes if any from the pending bills. No compensation can be claimed by the contractor.
- d) Penalty is not applicable for gestation period; however, the production will be accounted for reviewing performance of First quarter.

## **22. PAYMENT**

- a) Head Office, KSMCL at Bangalore shall be the paying authority.
- b) 75% on agreed raising charges per M<sup>3</sup> will be paid by company for the quantity taken in to production in the respective month on submission of bill subject to certification by the quarry manager for quantity & quality of granite blocks and balance amount will be paid on sale of blocks on actual quantity sold on book or buyer's measurement whichever is less.
- c) Applicable GST will be paid by KSMCL and all other taxes including TDS on GST as applicable will be recovered in contractor's bill.

## **23. TERMINATION OF CONTRACT**

- a) If the contractor shows poor performance, incapable of performing targeted quantity, negligence in work, involving in illegal mining activity, the agreement shall stand terminated with due notice to the contractor.
- b) If Raising Contractor fails to enter into contract agreement within 7 working days from date of acceptance of Lol, payment of security deposit and non deployment of Men & Machinery within 30 days / gestation period from the date of work order issued, KSMCL will have rights to cancel the further process and forfeit the EMD and it will have a option of awarding contract for L2 tenderer, if he agrees to match L1 rates.

- c) If the raising contractor fail to achieve the minimum production target if no any force majeure circumstances prevailed in the given period & if the failure is purely on the account of the Contractor, KSMCL may terminate the contract & the Contractor will have no rights to make claims from KSMCL.
- d) In case the raising contractor wish to terminate the contract during its validity, which does not comes under force majeure conditions, pre matured termination leads to levy of penalty as decided by the KSMCL and also entitled to claim damages.

#### **24. FORCE MAJEURE CLAUSE**

- a) In case, the contract is to be cancelled/ terminated for any reason arising out of the law governing the contract Labour Regulation and Abolition Act, or any other law or for any reasons like war, hostility, military operation of any character, civil commotions, sabotage, quarantine restriction, acts of Government embargo's and local issues, which are beyond the control of either party, then provided notice of the happening of any such eventuality is given by either party to the other within 15 days from the date of occurrence. Neither party shall have any claim for damage against the other in respect of such non – performance or delay in performance.
- b) If the work cannot be executed under the period of contract due to quarantine restrictions, Governmental regulations, law and order and other proclamations etc. or any other happening including judicial, executive or administrative orders of competent Authority or local issues which are beyond the control of either party, after getting relief from such orders the contract can be extended for non working periods subject to maximum contract period of 4 years under the same terms & Conditions of the prevailing agreement . The contract shall not be extended beyond 4 years from the date of initial agreement including the extensions under Force Majeure Clause. However the decision of KSMCL as to whether to resume the work or not shall be final and conclusive.

#### **25. ARBITRATION**

Any dispute or difference or claim arising out of, or in connection with, or relating to the preset contract or the breach, termination or invalidity thereof, shall be referred and settled under the Arbitration Centre – Karnataka (Domestic & International) Rules 2012, by one or more arbitrators appointed in accordance with its rules.

#### **26. ASSIGNMENT**

The contract is not assignable on either side.

**27. DISCRETION**

- a) Managing Director, KSMCL reserves the right of rejection of all or any of the tenders without assigning any reason thereof.
- b) Managing Director, KSMCL reserves the right to cancel the bid even after acceptance without assigning any reasons.

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### **ANNEXURE-1**

1) Name and full address of Firm / Proprietor	
2) Name of the contact person, Address and Phone /Mob. No/ E- mail.	
3) Status of the firm individual / partnership / private or public limited company.	
4) Machinery owned / hired (invoice copies for own machine or agreement copies for hired machine to be uploaded)	Name : Model : year of manufacturing : Nos. : Capacity :
5) PAN No.	
6) GST No.	
7) Experience (own operation or similar work of raising contract in mines or granite quarry)	
8) Annual Turnover (Rs.1.10 Crores per year) in any one year during 2015-16, 2016-17 and 2017-18.	
9) ITR for any two assessment/ financial year during 2015-16, 2016-17 and 2017-18.	
10) whether NoC is submitted in case of previous raising and sale contractor of KSCL.	
11) Any other information.	

### **DECLARATION**

I / We hereby declare that the particulars furnished above are correct and I / We are ready to furnish any other details as may be required by Karnataka State Minerals Corporation Limited. I / We also declare that I / We shall abide by the terms and conditions of the tender. I / We further undertake the work of raising of granite blocks at Erubanhalli black Granite Quarry if the contract is awarded.

**SIGNATURE OF THE TENDERER**

**Place:**

**Date:**

