

KATNI CITY TRANSPORT SERVICE LTD.

**FORM FOR INVITING OFFER BIDS TO OPERATE
CITY BUS SERVICE IN KATNI CITY.**

ISSUING FORM

THIS "OFFER DOCUMENT" TO OPERATE AND MANAGE THE CITY BUS SERVICE IN KATNI CITY" has been issued by the EXECUTIVE DIRECTOR, Katni City Transport Services Ltd, Katni to _____
_____ On date _____ , On receipt of Rs. 500/- (Rs. Five Hundred only) by Cash /DD

(Receipt _____ No. _____)

EXECUTIVE DIRECTOR
Katni City Transport Services Ltd, Katni.

1. Introduction

Katni city is the district headquarters of Katni District, Madhya Pradesh. It is an important railway junction and industrial centre. It currently has a population of approximately two lakh twenty five thousand within the limits of the Municipal Corporation of Katni. The City lacks an organized form of public transport and its citizens face difficulties in commuting within the city.

“Katni City Transport Services Ltd” (KCTSL) is a Special Purpose Vehicle (SPV) constituted with an objective of improving and managing the public transport system in the City with Private Sector participation. The SPV is a Public Limited Company incorporated under the Companies Act, 1956. The Registered Office of the company is currently situated at the office of Collector Katni.

The company has been formed under the chairmanship of Mayor, Katni Municipal Corporation. The management of the company is entrusted with a Board of Directors. There are six members on the Board with the Collector, Katni as its Executive Director.

The Company proposes to operate buses on various routes in the city by granting permission to private operators to ply buses based on a Public Private Partnership (PPP) model as described in the bid document. The other infrastructural facilities like bus stops etc. will be administratively supported by KCTSL. The company has identified and shall obtain permits for operation of passenger vehicles on the routes mentioned in Annexure III.

The Company invites offers from interested operators to operate buses on various routes identified by the company and mentioned in Annexure II. The offer to operate passenger coaches is for a period of five years.

2. General Conditions

2.1 Routes:

Eight routes have been identified by the Company, for which offers are invited. The operators shall ply the buses on the routes as shown in Annexure II. The Company is also in the process of obtaining permission for plying buses to the sub-urban areas of Katni. On such permission being obtained the Routes shall be extended/modified as described in Annexure III.

2.2 Number of buses:

The Company has decided upon the number of buses that shall ply on a given route as mentioned in Annexure III on each route daily as per the prescribed trip schedule. The operator shall operate only the prescribed number of buses allotted to him on a given route and shall strictly comply with the trip schedule. In case of the Company deciding to increase the number of buses on any route the existing operator(s) shall be given the right of first refusal. The company may, upon the refusal of the existing operator, consider other operators.

2.3 Timing of Bus Operation:

The successful bidder shall operate the bus service 365 days a year, from at least 7 A.M. to 10 P.M. The operator is however free to operate buses beyond these mandatory hours.

2.4 Income sharing from revenue received:

2.4.1 Income from Ticket Fare: The whole of the income realized from the fare collected from tickets issued to passengers shall be the income of the operators.

The company prescribes the following fare structure for the tickets to be issued to the passengers:

Distance	Fare	
	Adult	Child (below the age of 12)
Upto 2 K.M.	Rs. 3.00	Rs. 2.00
More than 2 and up to 4 K.M.	Rs. 4.00	Rs. 3.00
More than 4 and up to 6 K.M.	Rs. 5.00	Rs. 4.00
More than 6 and up to 8 K.M.	Rs. 6.00	Rs. 4.00
More than 8 and up to 10 K.M.	Rs. 7.00	Rs. 5.00
More than 10 and up to 12 K.M.	Rs. 9.00	Rs. 7.00
Above 12 KM	Rs. 10.00	Rs. 8.00

The selected operator shall strictly adhere to the prescribed fare. The Company reserves the right to alter the fare at a later date upon the request of an operator or any member of the Board of Directors for a change in tariff structure taking into consideration various factors affecting the operational costs.

The operator shall purchase and issue tickets only by using the ticket vending machine and stationary prescribed by the company.

2.4.2 Income from issuing of Passes: The Company reserves all rights to issue various kinds of passes. Currently the Company proposes to issue passes as detailed in the table below. The revenue generated through passes will be shared between the Company and the bus operators in the ratio of 25:75.

S. No.	Category of pass	Value of pass In Rs	Scope of Use
1	Monthly Route Pass (General/Student)	200/175	Any number of trips but only in the prescribed route
2	Monthly General Pass (General/Student)	425/350	Any number of trips on any route

The operator shall permit the pass holders to travel without collecting any additional charges/fare. The company also reserves the right to change the fare structure of the passes at any point of time. The company reserves the right to change the fare of the pass on similar lines to that of the ticket fare.

2.4.3 Income from Advertisements: Revenue is to be raised by displaying advertisements on the body of the bus. The Company shall hold exclusive right to place advertisement inside and outside the bus and no advertisement without prior permission shall be affixed or displayed on the body of bus or the uniform of staff or otherwise. The revenue so raised shall be shared in the ratio of 40:60 between the Company and bus operators. The Company shall enter into a separate agreement with the operators for sharing the revenue realized from advertisement rights.

2.4.4 Other revenue streams: KCTSL shall try to identify potential revenue streams from time to time. The company may also decide to offer a share to the operators from such revenue streams identified.

2.5 Type of buses:

The operator shall operate buses strictly in accordance to the specifications prescribed by the company.

	Seating Capacity	Specifications
Prescribed Specifications	16 + 1 Seats	"TATA - City Ride 20"

It is mandatory for the operator to ply buses of the prescribed specifications.

The successful bidder shall be permitted to operate buses only after the Company is satisfied after an inspection that the buses are of the prescribed specifications and standards. See annexure IV for more detailed description of the specifications.

2.6 Maintenance:

The operator shall maintain the bus in a proper condition and any repairs shall be attended to immediately. Failure to do so shall result in action against the operator as shall be mentioned in the agreement between the successful bidder and the Company. The Company upon consultation with the operators may engage an agency to provide repair and maintenance services in the form of an AMC. In such a case, the operator shall utilize the services of such agent for repair and maintenance.

2.7 Term of contract

The contract shall be awarded for a term of Five Years from the date of award. However the company shall have the right to curtail such period for unsatisfactory performance and for other reasons as may decided by the Board of Directors.

2.8 General Rules and Regulations

- The driver, conductors and other staff will be employed by the bus operators and such staff will be in proper uniform as decided by the company.
- All the operating and maintenance cost, daily running costs, and other cost required for operating the services will be borne by the bus operators.

- The company officials will supervise the overall day-to-day workings of the company and will ensure that the bus operators follow the rules and procedures decided by the company.
- The successful bidder shall start an office within the limits of Katni Municipal Corporation within one month from the date of award of contract to ply buses.

3. Selection of Operators to operate buses on the routes identified

3.1 Issuing of Offer Bid Forms/Tender document

Application form for offer bid may be purchased from the Room No. 08, Office of CEO,KCTSL , 1st Floor, District Collectorate, Katni between 11:00 A.M. and 3:00 P.M. from 04th May 2010 to 18th May 2010 on working days only by payment of Rs 500 (Rs five hundred only). The tender forms shall be non-transferable.

Applicants may also download the application form for offer bid from the web site <http://www.katni.nic.in>. Applicants downloading the form from the website shall attach a crossed Demand Draft for an amount of Rs.500/-(Rupees Five Hundred Only) drawn in favour of KCTSL, Katni, payable at Katni issued by any scheduled bank (Demand Drafts of non-scheduled bank will not be accepted) or pay the same in cash at the time of submission of the bid.

3.2 Earnest Money

The bidder shall submit an EMD of ***Rs.10,000/- (Rupees Ten Thousand only)*** in the form of a Demand Draft drawn in favor of KCTSL, Katni, payable at Katni issued by any scheduled bank (Demand Drafts of non-schedule bank will not be accepted) along with the offer/bid. Failure to

submit EMD for the prescribed amount and as per directions given shall result in rejection of the bid/offer.

3.3 Pre-Qualification for bidding:

The bidder should have had an annual turnover of at least ***Fifteen Lakh Rupees*** in at least one of the previous three financial years. Balance sheet duly prepared by a chartered accountant or other such documents providing necessary information about the company's annual turnover shall be furnished by the bidder along with the bid offer for this purpose. Bidders who fail to satisfy this condition shall be disqualified from the bidding process and their financial bid shall not be opened.

3.4 Procedure for allotment of Bus slots in a route.

The company has decided the following methodology for allotment of bus slots within a given route.

- (i) The company has decided upon a fixed premium per annum to be paid by an operator for a bus slot in a given route in consideration for plying buses on the route.
- (ii) A Bus slot is defined as the "right to operate a bus in a given route as per the trip schedule and timings specified by the Company".
- (iii) An operator may choose to apply for a single bus slot or for more than one slot in a route or several routes.
- (iv) An operator shall submit as many copies of offers as in Annexure II that shall equal the number of bus slots for which he wishes to apply for. However each offer in Annexure II shall clearly mention the route in which he has applied for a bus slot.
- (v) The maximum number of bus slots that an operator can apply for in a given route shall not be greater than the prescribed number of buses for that route. Applications in

excess of the prescribed number of buses per route (and pertaining to that route) shall not be considered.

- (vi) Irrespective of the number of bus slots applied for an applicant shall submit only one offer bid. In case of submission of more than one bid by an operator only the first bid shall be considered and the subsequent bids shall not be entertained.
- (vii) All those bidders who have qualified in the technical bidding process shall be considered for allotment of bus slots for the route in which they have applied for.
- (viii) If the number of applications received for a given route is equal to or lesser than the minimum number of buses prescribed for a route then all the technically qualified applicants shall be allotted with slots to ply buses for that route.
- (ix) If the number of applications is more than the number of buses prescribed for a route then the bus slots shall be allotted by draw of lots from amongst the technically qualified applications received.
- (x) However, in case of one or more operators submitting more than one application for a single route, and the number of operators is lesser than or equal to the prescribed number of buses in a route then each operator shall be allotted a bus slot first. If slots are available even after this round of allotment, then lots shall be drawn for allotment of slots as described in the previous clause.
- (xi) After allotment of bus slots for all routes is over and if any slot is available for allocation in any route the following procedure shall be taken up to fill up those slots. The eligible applicants who could not be allotted bus slots in the route for which they had applied for shall be considered for allocation of slots from other routes that have not been filled up, provided they express their consent in writing.

- (xii) Permission to ply buses on a route shall however be given only if the company is able to successfully allot the minimum prescribed buses on a given route. This is to ensure that quality of services is not affected by an inadequate trip frequency per route.

3.5 Premium for rights to ply buses on a route.

For the first year, the company has decided a fixed **premium amount to be paid by the bidder per bus on a route as per Annexure III**. The bidder **shall** pay the premium on obtaining permission to ply buses on a given route. For the succeeding years, the premium shall be increased by a simple rate of 10% per year. The premium amount to be paid is exclusive of all other costs incurred by the operator. The premium amount to be paid shall not be subject to variations in labour conditions, fluctuations in taxes etc. Premium amount to be paid by the operator shall exclude all costs incurred by him such as salary for personnel, repair and maintenance of buses, fuel and lubricants, insurance, taxes etc. and all other fixed and operational costs involved in operation of the buses.

An operator may choose to bid for a single bus slot or more than one bus slots in a route or several routes. In case the bidder chooses to bid for more than one bus slot, he shall do so in a single bid document.

The premium amount shall be paid to the company in advance half yearly installments.

3.6 Pre-Bid Meeting

Any clarification regarding the offer bid shall be in writing and addressed to Collector, Katni and have to be received on or before 3.00 pm, 18th May 2010. A pre-bid meeting shall be held at 5.00 pm on 18th May 2010 at the Meeting Hall of Collectorate, Katni. No separate intimation of the pre-bid

meeting shall be given. Conditions agreed upon in the pre-bid meeting shall be circulated to all the bidders present at the time of the meeting and shall become part of the offer document. No separate information of the minutes of the pre-bid meeting shall be dispatched to those who are absent. The minutes of the pre-bid meeting shall also be put up on the Katni District website. However, if a bidder requests for a copy of the minutes of the pre-bid meeting from the office of the Company before the time for submission of bids is over, he shall be provided the necessary information. The bidders are hence advised to be present in the pre-bid meeting.

3.7 Submission of offer bid/tender forms

Dully filled offer bids along with the enclosures shall be submitted in the prescribed format at Room No. 08, CEO, KCTSL Office, 1st Floor, District Collectorate, Katni up to 2:00 P.M. on 20th May, 2010.

The offer bid shall contain the following:

1. Bid Document
2. Documents to establish that the bidder satisfies the conditions set for pre-qualification in the bidding process.
3. Demand Draft for Rs.10,000/- (Rupees Ten thousand only) payable towards EMD.
4. Demand Draft for Rs.500/- as bid document charges (applicable only if the form was downloaded from the website www.katni.nic.in).
5. Application/bids in the format prescribed in Annexure II. The number of bids/ applications in the prescribed format shall be equal to the number of bus slots for which the operator wishes to apply. All the applications shall be placed in a single sealed envelope and subscribed as "*Financial offer*".

All the above documents shall be placed in one sealed envelope subscribed as "***Offer Bid for Operating Buses in Katni City***" and addressed to ***The Executive Director, KCTSL.***

3.8 Evaluation of Bids

The offer bids received shall be opened and evaluated by a Committee authorized by the Board of Directors in the presence of the bidders who are present at the time of opening the bids. The bids shall be opened and evaluated at 3.00 pm on 20th May 2010 at the Meeting Hall of the office of the Collector, Katni.

3.9 Validity of Offer

The offer shall remain open to acceptance for a period of 120 days from the date of opening of the bid.

3.10 Performance Guarantee

The successful bidder shall furnish a Performance Guarantee in the form of bank guarantee a sum equivalent to the premium for each bus slot allotted to him, which will have to be submitted before or at the time of agreement, valid for 60 months from the date of agreement.

3.11 Penalty

In case the operator does enter into an agreement and does not start plying buses within two months of award of contract the Company may cancel the offer and his EMD shall be forfeited.

KCTSL RESERVES THE RIGHT TO REJECT ANY/ ALL OFFERS WITHOUT ASSIGNING ANY REASON. ACCEPTANCE OF THE HIGHEST BID/ OFFER IS NOT BINDING ON KCTSL. IN EVENT OF DISPUTE THE MATTER SHALL BE REFERRED TO THE SOLE ARBITRATOR APPOINTED BY THE BOARD OF DIRECTORS OF THE COMPANY AND HIS DECISION SHALL HOLD BINDING EFFECT.

Executive Director
Katni City Transport services ltd, Katni

GENERAL INFORMATION

All Individual/ Firms/ Companies applying for the Offer Bid are requested to complete the information in this form. Information to be provided for all owners of application who are partnership or individually owned firms.

Incase of Joint Ventures the details of all the firms entering into Joint Venture are to be submitted separately.

1.	Name of firm	
2.	Head office address	
3.	Telephone	Contact
4.	Fax	Telex
5.	Place of incorporation /Registration	Year of incorporation

ANNEXURE-I

STRUCTURE AND ORGANIZATION

- 1. The applicant is _____
 - (a) an individual
 - (b) a proprietor firm
 - (c) a firm partnership
 - (d) a Limited Company or Corporation.

- 2. Attach the organization Chart showing the structure of the Organization, including the Names of the Directors and _____

- 3. Annual Turnover (along with appropriate proof)
 - i. 2009-10 _____
 - ii. 2008-09 _____
 - iii. 2007-08 _____

Name and
Signature of Authorised Agent

ANNEXURE-II

Application for permission to operate Bus

(A separate application should be submitted for every bus slot, but all such applications shall be submitted along with a single Bid Document. Append separate applications in format for Annexure II for each bus slot)

(All applications to be placed in a single and separate sealed envelope)

I, the undersigned _____

On behalf of M/S _____

Of which I am a _____

Hereby submit my offer as under:

I have read all the General Conditions etc. in detail and on the basis of my full study of the above mentioned document/s and the conditions, I undertake to operate and manage the bus service in Katni city, exactly in accordance with the general conditions as provided in the above mentioned document/s.

I am willing to operate a bus on the Route (Route No). I undertake to pay to the Katni City Transport Services Ltd., Katni the prescribed premium amount¹ of Rs per annum in consideration for the right to play the bus as per the conditions prescribed and as per the amortization (payment) schedule fixed by the company.

Signature of the Bidder

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¹ Should equal the premium amount mentioned in Table 1.

Table 1: Bus Routes, the prescribed number of buses to be operated on each Route and the Premium per Passenger coach on a route.

Route No. (A)	Route Name (B)	Prescribed Number of Buses to be Operated on the Route (C)	Bus slots available for allocation on the route (D)	Premium per passenger coach per annum (E)
1	Railway Station Panna Tiraha	2	2	10,000
2	Railway Station to Kuthala Thana	2	2	10,000
3	Railway Station to Madhav Nagar Railway Station	3	3	12,000
4	Bus Stand to Madhav Nagar Railway Station	3	3	12,000
5	Railway Station to Peer Baba	3	3	10,000
6	Bus Stand to Peer Baba	3	3	10,000
7	Railway Station to Chaparwaha	3	3	5000
8	Juhla (Nadi Rapta) to NKJ Colony	3	3	10,000

Important Instructions

1. Fill in details only for that Bus slot and Route for which offer is being submitted.
2. A bidder may apply for one or more than one bus slots in one or more routes. In case application/offer is for more than one bus slot submit separate Forms in Format for Annexure II along with a single offer document.
3. The Bidder shall quote only the amount determined as premium for a bus slot in a route as prescribed by the Company. Any deviation from the prescribed premium rates shall be ignored and it shall be presumed that the bidder has quoted the premium amount as prescribed by the Company.
4. The Premium amount mentioned is applicable for the first year only. The premium payable in the subsequent years shall be increased at a simple rate of 10% per annum.

Signature of the Bidder

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ANNEXURE-III

Bus Routes Identified by the Company

Route No.	Route Name	Route Details	Premium for 1 st year (per passenger Coach)	Premium for 2 nd year (per passenger Coach)	Premium for 3 rd year (per passenger Coach)	Premium for 4 th year (per passenger Coach)	Premium for 5 th year (per passenger Coach)
1	Railway Station to Panna Tiraha	Via: Thana Tiraha, Mission Chowk, Chandak Chowk, Bus Stand, Panna Mod	10,000	11,000	12,000	13,000	14,000
2	Railway Station to Chaka Village	Via: Thana Tiraha, Mission Chowk, Chandak Chowk, Bus Stand, Panna Mod, Kuthala Thana	10,000	11,000	12,000	13,000	14,000
3	Railway Station to Niwar	Via: Thana Tiraha, Mission Chowk, Kataya Ghat Mod, Madhav Nagar Gate, Sub-Office Nagar Nigam, Amirganj Mod, MS Colony, Madhav Nagar Railway Station	12,000	13,200	14,400	15,600	16,800
4	Bus Stand to Niwar	Via: Bus Stand Chandak Chowk Mission Chowk Kataya Ghat Mod, Madhav Nagar Gate, Sub-Office Nagar Nigam, Amirganj Mod, MS Colony, Madhav Nagar Railway Station	12,000	13,200	14,400	15,600	16,800
5	Railway Station to Piprodh	Via: Thana Tirah, Mission Chowk, Kataya Ghat Mod, Madhav Nagar Gate, Collectorate, Bilahari Mod, Jhinhari, Jail Tiraha, Niwar Nadi, Peer Baba	10,000	11,000	12,000	13,000	14,000
6	Bus Stand to Piprodh	Via: Chandak Chowk, Mission Chowk, Kataya Ghat Mod Madhav Nagar Gate, Collectorate, Bilahari Mod, Jhinhari, Jail Tiraha, Niwar Nadi, Peer Baba	10,000	11,000	12,000	13,000	14,000
7	Railway Station to Chaparwaha	Via: Thana Tiraha, Mission Chowk, FoB, Rangnath Mandir	5000	5500	6000	6500	7000
8	Juhla Village to NKJ Colony	Via: Juhla (Nadi Rapta), Durga Chowk, SN Mandir, Plat Form No 5, Gayatri Nagar, SKP	10,000	11,000	12,000	13,000	14,000

ANNEXURE-IV

Specifications of Bus

1. A 4-5 feet wide door with a steel rod in the middle
2. Double rods in the bus for the standee passengers to hold
3. The stairs for alighting the bus shall be as low as possible
4. Bus shall have required lighting and at least 6 fans
5. Windows shall be as wide as possible
6. Bus shall have a 2 X 1 seating arrangement with enough space for standees.
7. It is advised to have the layout of the bus as shown in the figure below

Layout of 16 Seater Bus

