# **REQUEST FOR PROPOSAL**

**FOR** 

# OPERATION OF BUSES ON OPERATE, MAINTAIN AND TRANSFER BASIS FOR AMRITSAR CITY BUS TRANSPORT (NET COST CONTRACT)

DATE OF ISSUE OF RFP: 14/11/2013

DATE FOR PRE -PROPOSAL MEETING: 26/11/2013, 1500 hrs

LAST DATE OF SUBMISSION OF PROPOSAL: 06/12/2013, 1500 hrs

DATE OF OPENING OF TECHNICAL PROPOSALS: 06/12/2013, 1600 hrs

**VOLUME II: GENERAL CONDITIONS OF CONTRACT** 

#### Disclaimer

This Request for Proposal (the "RFP") is being issued by the Amritsar City Transport Service Ltd (hereunder called "Authority", or ACTSL) to the interested Parties for operation of city buses on the specified routes in the city of Amritsar, on such terms and conditions set forth in this RFP or that may be subsequently provided to Proposer (s) by or on behalf of ACTSL.

The purpose of this RFP is to provide interested Proposer(s) information that may be useful to assist it in the formulation of their proposals. While the RFP has been prepared in good faith with due care and caution, ACTSL does not accept any liability or responsibility for the complete accuracy, reasonableness or completeness of the information, or for any errors, omissions or mis-statements, negligent or otherwise. This RFP may not be appropriate for all persons. It is not possible for ACTSL to consider the investment objectives, financial situation and particular needs of each Proposer who reads or uses this RFP. The assumptions, assessments, statements and information contained in this RFP, may not be complete, accurate, adequate or correct. Each Proposer should, therefore, before placing reliance on aforesaid assumptions, assessments, statements and information [furnished in this RFP or under any of project report/DPR/ feasibility report etc referred to herein, by the Authority and/or any of its consultant] conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments and information contained in this RFP and obtain independent advice from appropriate sources. For avoidance of doubt, in case any Proposer places reliance on any aforesaid assumptions, assessments, statements, data and information [furnished by the Authority and/or its consultant, in this RFP or under any of Project report/DPR/ feasibility report etc referred to herein], then the same shall not in any manner bind/make liable the Authority and/or its consultant, to indemnify the Applicant in respect of any loss/damage/costs whatsoever arising out of or in connection with such reliance placed by the Proposer on the aforesaid assumptions, assessments, statements, data and information.

Proposer should carefully examine and analyze the RFP and bring to the notice of ACTSL any error, omission or inaccuracies therein that are apparent and to carry out its own investigation with respect to all matters related to the purchase of the buses, seek professional advice on technical, financial, legal, regulatory and taxation matters and satisfy himself of consequences of entering into any agreement and / or arrangement relating to the Operation and Maintenance intended by ACTSL through this RFP exercise. ACTSL and its employees make no representation or warranty, express or implied, and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of the information contained in the RFP or in any material on which this RFP is based or with respect to

any written or verbal information made available to any Proposer or its representative(s).

ACTSL may in their absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this RFP as per its requirements.

The issue of this RFP does not imply that the Authority is bound to select a Proposer or to appoint the selected Proposer, as the case may be, as the Operator. Authority/ACTSL reserves the right not to proceed with the appointment of Operator or to change the process or procedure to be applied. It also reserves the right to decline to discuss the process further with any party submitting a Proposal.

The Proposer shall bear all its costs associated with or relating to the preparation and submission of its Proposal including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by the Authority or any other costs incurred in connection with or relating to its Proposal. All such costs and expenses will remain with the Proposer and the Authority shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by a Proposer in preparation of or submission of the Proposal, regardless of the conduct or outcome of the selection process.

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# PART I: GENERAL CONDITION OF CONTRACT

AGREEMENT No
This Contract AGREEMENT (hereinafter called the "Contract") is made on the day
of the month of 2***, between, on the one hand, the
(hereinafter called the "Authority" which expression shall include their respective successors
and assigns, unless the context otherwise requires) and, on the other hand,
, a company incorporated under the Companies Act, 1956
(hereinafter called the "Operator" which expression shall include their respective successors and permitted assigns).
WHEREAS
A. The Authority vide its Request for Proposal for(hereinafter called the "Project") invited proposals;
B. Pursuant to the evaluation of the Proposals received, the Authority accepted the Proposal submitted by M/s(the Successful Proposer/ Operator) and issued a Letter of Award dated, to M/s, requiring inter alia the execution of the Contract;
C. [The Successful Proposer has since, in compliance with the terms of the RFP

- and the LOA, incorporated the Operator as its wholly owned special purpose company under the Companies Act, 1956, which shall implement the Project in terms of the RFP the General Conditions of Contract.]
- D. Subsequently, the Successful Proposer has in terms of the LOA and as per the RFP, made the following payments / fulfilled the following prerequisites to the execution of this Contract, [on behalf of the Operator]:
  - i. furnished to the Authority, an unconditional and irrevocable bank guarantee of Rs. ----- towards the Performance Security from \_\_\_\_\_ Bank, payable and enforceable at Amritsar
     ii.
- E. Pursuant to the fulfillment of the above prerequisites to the execution of the Contract Agreement, the Authority hereby agrees for the implementation of the Project by the Operator on the terms, conditions and covenants hereinafter set forth in this Agreement.

NOW, THEREFORE, the parties hereto hereby agree as follows:

The following documents attached hereto shall be deemed to form an integral part of this Contract:

- a) The General Conditions of Contract;
- b) Annexure to the agreement as mentioned in the General Condition of Contract;
- c) Any addendum and corrigendum to the RFP and Response to Pre-Bid queries
- d) Technical and Price Proposals submitted by the Operator dated\_\_\_\_\_
- e) Letter of Award (LOA) no.\_\_\_\_\_ dated\_\_\_\_\_ issued by ACTSL to the Operator
- f) Bank Guarantee no towards Performance Security
- g) Any relevant correspondence between the two parties that the signatories have agreed to include as part of the Agreement for validating and clarifying any points in the Agreement or by way of revised or improved understanding of any terms of the Agreement as appended herein.

# 1. DEFINITIONS AND INTERPRETATION

- 1.1. In the Contract, unless the context otherwise requires, the following terms & expressions, whenever used, shall have the following meanings hereinafter respectively ascribed to them:
- a. "Applicable Law" means all the laws, acts, ordinances, rules, regulations, notifications, guidelines or bye-laws, in force and effect, as of the date hereof and which may be promulgated or brought into force and effect hereinafter in India, including judgments, decrees, injunctions, writs or orders of any court of

- record, as may be in force and effect during the subsistence of this Contract and applicable to the Project;
- b. "Applicable Clearances" means all clearances, permits, no-objection certifications, exemptions, authorisations, consents and approvals required to be obtained or maintained under Applicable Law, in connection with the Project during the subsistence of the Bus Operators Agreement;
- **c.** "Assured Fleet Availability" shall have the meaning as ascribed thereto in the clause 3.9 of the GCC
- d. "Authority" means Amritsar City Bus Services Limited or its authorized representatives;
- e. "Buses" means number and type of buses (as provided in Invitation for RFP of this RFP) generally meeting the technical specifications enumerated in Annexure 2, which are procured by ACTSL and are required to be maintained and operated by the Operator in accordance with the terms of the RFP document and the General Condition of Contract;
- f. "Bus Depot/ Maintenance Depot" means the developed space/area equipped with facilities, equipments, gadgets etc for general management, repair and maintenance, fuelling, washing and cleaning, besides parking etc of the Buses and for preparing them for Bus Service;
- g. "Bus Permit" means the permit for operating buses for public carriage/ stage carriage as may be required under the Motor Vehicle Act, 1986 or any other Applicable Law;
- h. **"Bus Service Area"** means area of operation and the Routes, which is described in greater detail in Annexure 3;
- i. **"Bus Stop"** means pick up points [as determined by ACTSL, from time to time and notified to the Operator in writing], where the Buses stop for a short duration for Passengers to embark into the Bus or disembark from the Bus;
- j. "Bus Service" means operating said number of Buses on the Routes specified by the Authority and maintain Buses and infrastructure as specified in the RFP document and the General Condition of Contract;
- k. **"Bus Terminal"** means the interchange terminals/stops (under the control of ACTSL) from where the Bus(es) start or end their trip(s), and/or are parked for short duration, besides which it may provide other Passenger related amenities/facilities and facilitate transfers of Passengers amongst

modes/services etc;

- l. **"Bus Transfer Cost"** shall have the meaning as ascribed thereto in Clause 23.2 of the GCC.
- m. "Central Control Centre" means computerised central monitoring unit setup by the Operator and audited and supervised by the Authority to assist in the supervision, monitoring and control of the city bus operations in the city;
- n. "Commercial Operations Date (COD)" shall for each lot of buses (to be handed over by the Authority to the Operator) be the date of deployment for operations on roads of each such lot of buses by the Operator.
- o. "Contract" means this Contract between the Authority and the Operator together with its Annexure and the 'General Conditions of Contract', and any further correspondence, notices and conditions in the RFP or otherwise that the parties signatory to the Agreement have expressly agreed to include as part of this Agreement laying down the Contract;
- p. "Contract Period" shall unless terminated earlier in accordance with the provisions hereof, mean a period of nine years of 5 Lakh Km whichever is later commencing from the Commercial Operations Date. In the event of different CODs for different lot of Buses, the Contract Period for each such lot of buses shall mean and refer to a period of nine years of 5 Lakh Km whichever is later commencing from their respective COD.
- q. **"Execution Date"** shall mean and refer to the date of execution of this Agreement
- r. **"Global Positioning System (GPS)"** means equipment installed on the bus to monitor its movement on the specified route during the Contract Period;
- s. "Government" means the 'Government of Punjab (GoP) or "Government of India (GOI)" as is relevant in the context;
- t. "Letter of Award" means the letter issued by the Authority to the Successful Proposer, conveying the acceptance of its Proposal;
- u. "Material Change" means a material adverse effect of any act or event on the ability of either Party to perform any of its obligations under and in accordance with the provisions of this Agreement and which act or event causes a material financial burden or loss to either Party.
- v. "Operator" shall have the meaning as ascribed thereto in the Array of parties in

the Recitals above;

- w. **"Project"** means the project of operating, maintaining and managing the city Bus Service in the city of Amritsar, in accordance with the terms and conditions of RFP and the General Conditions of the Contract.
- x. "Project Facilities" means the facilities that are required for the implementation of the Project and shall include the Buses, Bus Stops, Bus Depots, Bus Terminals and other permanent or temporary facilities developed by or made available to the Operator under any suitable arrangement, for implementation of the Project including all civil works, plants, technology, software, equipment, materials and spaces provided/procured, constructed and/or installed at the site or sites where the Bus Stops, Bus Terminals or Bus Depots are located;
- y. "RFP" means this RFP document along with annexure attached to it for the purpose of selecting an Operator for the Project;
- z. "Routes" means the routes as specified in the Contract and as determined by ACTSL from time to time, on which Buses shall operate as part of the Amritsar city transport system;
- aa. "RTA" means Regional Transport Authority, Punjab.
- bb. **"LED display"** means Light Emitting Diode display installed on the bus which would show the name and number of the designated Route of the respective Buses;
- cc. **"Value Added Services"** means provision of additional passenger comfort in the buses such as limited stoppages, only sitting facility Wi-Fi internet connection etc.
- 1.2. Terms and expression not herein defined shall have the meanings assigned to them in the Indian Sale of Goods Act, 1930 (as amended) or the Indian Contract Act, 1872 (as amended) or the General Clauses Act, 1897 (as amended) as the case may be.
- 1.3. The Authority shall incorporate Pre-bid Clarifications/addendums issued by Authority before signing of Contract Agreement with the Successful Proposer

#### 2. APPOINTMENT OF OPERATOR

# 2.1. Appointment of Operator

Subject to the Operator making the payment of an amount of Performance Security as per the terms of this Contract and undertaking to operate and maintain the Bus Service in accordance with the terms and conditions of this Contract, AUTHORITY hereby appoints on non-exclusive and non transferable basis, the Operator and the Operator hereby accepts (on non-exclusive and non transferable basis) its appointment to operate and maintain the Bus Service on CITY BUS SYSTEM routes in Amritsar in accordance with the terms of this Contract and subject to Applicable Laws.

# 2.2. Undertaking

In consideration of the rights, privileges and benefits conferred upon the Operator, and other good and valuable consideration expressed herein, the Operator hereby accepts the Operator Contract and agrees and undertakes to perform/discharge all of its obligations in accordance with the provisions hereof.

#### 3. SCOPE OF WORK

The following shall be the scope of work for the Operator:

- 3.1. Operator shall operate the Contracted Buses in compliance with Routes, frequency and schedules specified by the Authority from time to time. Indicative bus deployment and bus Routes shall be as shown in Annexure 3.
- 3.2. Procure within 30 (thirty) days of handover of each lot of Buses, necessary registration certificate (in the name of the Authority) and insurance cover requisite to commence operations of the same.
- 3.3. Any licences or clearances, applicable permits etc. required under the Applicable laws for undertaking the Project including the operation of Buses, shall have to be procured by the Operator, at its own cost and expense. The Authority will only render assistance, wherever necessary and shall have no responsibility whatsoever in this regard.
- 3.4. The Operator shall ensure that all such applicable clearance/licenses have been procured prior to the COD of each lot of Buses and are kept in full force and effect throughout the Contract Period.
- 3.5. Maintain the buses in the best operable conditions using the highest standards of workmanship, safety and Best Industry Practices and as per the Maintenance

requirements set forth in the Annexure 6.

- 3.6. Bear all applicable National, State and local taxes on operations and maintenance of buses.
- 3.7. Observe the highest standards of safety for the buses, the passengers and of third parties encountered during the operations and maintenance including the Operator's own staff.
- 3.8. Establish a maintenance facility in the maintenance depot provided by the Authority, staff it with trained professionals to maintain the Bus Fleet and ensure due maintenance of the Buses and bear all expenses towards maintenance of the Buses throughout the entire Contract Period.
- 3.9. The Operator shall be required to maintain an assured fleet availability for service on roads of 93%, 92%, 91% of the each type of Contracted Buses on a daily basis in the 1st, 2nd and 3rd year of the Contract Period respectively and 90% thereafter upto the end of the Contract Period., for service on roads in good operable condition ("Assured Fleet Availability1"). The Assured Fleet Availability thus shall apply separately for each type of Bus. Each type of bus shall mean 1) Low Floor (400 mm) Non AC buses 2) Low Floor (400 mm) AC buses 3) Semi Low Floor (650 mm) Non AC buses 4) Standard Midi/Mini Non AC buses. The fleet required for each route is provided in the Annexure 3.
- 3.10. The Operator, after meeting the Assured Fleet Availability, shall be entitled to operate remaining Buses with Value Added Service. The Operator shall have flexibility in Fare fixation for such remaining buses subject to compliance with RTA and Motor Vehicle Act rules.
- 3.11. Operator shall collect and retain fares from the users as per fare initially stipulated/ notified by the Department of Transport, Government of Punjab or by the Authority (as specified in Annexure 5 hereof) and as revised from time to time in accordance with Clause 12 of GCC.
- 3.12. Operator shall have the right to display non motion advertisements on the Buses and collect and appropriate revenue from the same. The allowed size of advertisement space is provided in the Error! Reference source not found. The perator shall ensure that such advertisements are aesthetically placed with proper considerations with regard to passenger signage, cleanliness, lack of clutter, and design consistent with bus design. The Operator shall get the design reviewed from the Authority before displaying on the buses. Authority reserves the right to

Fleet availability= fleet on road for operation\*/total fleet

<sup>&</sup>lt;sup>1</sup> Calculation of feet availability is provided as follows for further clarity:

<sup>\*</sup> Fleet to be considered for operation should have completed minimum 90% of the planned schedules

ask the Operator to re-organize / re design the advertisement displays or to remove them altogether in case these conditions are not met.

- 3.13. The Operator shall ensure that the number of Buses for which it has been granted the O&M Contract are in operation, in compliance with the standards and technical specifications and as per the manufacturer's instruction/manual for the Buses, at all times during the Contract Period.
- 3.14. Operator shall provide sufficient number of skilled and experienced drivers and ticket collectors to ensure the smooth functioning of bus operations. The Contractor shall ensure that each driver and ticket collector is provided proper license and training for bus operations.

#### 4. OWNERSHIP OF BUSES:

- 4.1. The ownership of the Buses shall remain fully with the Authority during the entire term of the Contract.
- 4.2. Intentionally Delete
- 4.3. All Buses that are procured shall be registered in the name of ACTSL and at no time during the term of the Agreement shall any right, title, or interest over these Buses pass over to the Operator. The Operator shall merely get the right to use such Buses for the sole purpose of implementation of this Project and the Operator will have no other right whatsoever, unless otherwise agreed in writing in advance by ACTSL.
- 4.4. During the term of the Agreement, the Operator shall not use the Buses for any purpose other than the Bus Service without the prior written permission of ACTSL.

# 5. CONTRACT AND CONTRACT PERIOD

- 5.1. The Contract Period shall, unless terminated earlier, be for 9 (Nine) or 5 lakh KM whichever is later from COD as per provisions of GCC.
- 5.2. The whole contract is to be executed in the approved, substantial and workmanlike manner, to the entire satisfaction of the Authority, who both personally and by his deputies, shall have full power, at every stage of progress, to inspect the buses at such times as he may deem fit which he may disapprove.
- 5.3. The Operator shall not be allowed to sub contract any part of the awarded routes.

#### 6. PERFORMANCE SECURITY

- 6.1. For securing the performance of the obligations of the Operator under the LOA, and during the Contract Period, the Operator [/Selected Bidder for and on behalf of the Operator], has prior to the execution of this Agreement, delivered to the Authority an un-conditional and irrevocable bank guarantee for an amount equivalent to Rs 6 Lakh per bus for Low Floor (AC) buses and Rs 5 Lakhs for Semi Low Floor (Non AC) Buses and Rs. 2 Lakh per bus for Midi/mini Buses (AC and Non AC) in favor of the Amritsar City Transport Service Ltd, from a nationalised bank, or a Scheduled Bank in India Bank in form of bank guarantee as per format provided in Volume 1 of the RFP which shall be payable and enforceable in Amritsar (the "Performance Security"), the receipt & veracity of which, shall be acknowledged by the Authority.
- 6.2. The Authority shall be entitled to forfeit and appropriate the amount of the Performance security in whole or in part;
  - In the event of any default, failure or neglect on the part of the Operator in the fulfilment or performance in all respects of the Contract.
  - If the Operator refuses to accept buses at the end of the Contract Period in accordance with clause 23 of the GCC.
- 6.3. Upon such encashment and appropriation from the Performance Security, the Operator shall, within 15 (fifteen) days replenish, in case of partial appropriation, to its original level the Performance Security and in case of appropriation of entire Performance Security to provide a fresh Performance Security and the Operator shall, within the time so granted replenish or furnish to the Authority a fresh Performance Security as aforesaid, failing which the Authority shall be entitled to terminate this Contract.
- 6.4. The Selected Bidder/ Operator shall keep the Performance Security valid and in full force and effect at all times during the Contract Period and for a period of three months thereafter ("the Validity Period"). This is an essential condition of the Agreement and the failure to maintain the Performance Security in accordance with the provisions hereof shall constitute an Operator Event of Default and shall entitle the Authority to terminate this Agreement in accordance with the provisions hereof.
- 6.5. On the performance and completion of the contract in all respects the Performance Security shall be returned to the Operator without any interest, provided there are no outstanding dues of the Authority with the Operator.

Note: ACTSL shall not release the EMD of Rs. 15, 00,000 till the entire amount of Performance Security is not submitted by the Successful Proposer as provided in the RFP.

#### 7. FLEET DEPLOYMENT PLAN

- 7.1. Upon the notification of award by the Authority to the Successful Proposer, and the submission of Performance Security by the Operator, the Authority and the Operator shall jointly develop a Fleet Deployment Plan which is to be annexed hereto as Appendix broadly indicating the following:
  - 7.1.1. The Operator shall assist the Authority in the procurement process of new buses in terms of taking part of the inspection process for the buses being manufactured / delivered and be available for inspection of prototype, factory acceptance testing and site acceptance testing or any such tests as may be carried out. Any suggestions that the operator may provide in these meetings are non binding and cannot be used to refute or object to the eventual acceptance of these Buses by the Operator for O&M under the provisions of this Contract. The Operations for these new buses, upon being handed over to the Operator, shall not be later than the 30 days from the date of handover of the respective lot of Buses by the Authority to the Operator, and the date of deployment of these new buses, lot wise, shall be considered the COD for the respective lot of buses ("Scheduled COD")

# 7.1.2. Deleted

- 7.1.3. Plans and arrangements for setting up the Maintenance Depots and Parking spots
- 7.1.4. Fleet Deployment Routes and Schedules, based on the indicative routes as specified in Annexure 3. The approximate number of buses required for each route is also specified. Under no circumstances shall the frequencies (headways) of buses exceed the following during the planning for the Fleet Deployment Plan or later ("Policy Frequency"):

Off Peak Hours - 25 minutes headway

Peak Hours - 15 min headway

7.1.5. Any other matter incidental to the bus operations may be included in the Fleet Deployment Plan.

The Fleet Deployment Plan is an important document that will become the basis for handover and deployment of buses and fixation of final routes and schedules and would be included in the Agreement as an Appendix.

# 8. HANDOVER AND DEPLOYMENT OF BUSES AND LIQUIDATED DAMAGES

- 8.1. The Operator shall make arrangements for receiving the buses as per the time table in the Fleet Deployment Plan and for payment of the Quoted Fee as quoted by him in accordance with the conditions set forth in the Clause of the ITP of the RFP document. The buses shall be handed over to the Operator upon receipt of the Quoted Fee, examining the parking and maintenance facilities as per the Fleet Deployment Plan. The buses shall not be handed over to the Operator later than 30 days from date of payment of Quoted fees.
- 8.2. The non compliance of any bus specifications and design shall not be permitted as a reason for delayed or non- deployment of the buses by the Operator.
- 8.3. If the Operator is not able to start operations of buses on the Scheduled COD(s) as agreed upon under the Fleet Deployment Plan of buses, for reasons not attributable to the Authority or to a Force Majeure Event, and which in the opinion of the Authority can be attributable to the Operator, Liquidated damages of Rs. 500/bus/day shall be charged on the Operator for every day of delay in COD.
- 8.4. If the Operator fails to Operate 90% of the Assured Fleet as provided in the Assured Fleet Availability of buses within 30 days or 100% of buses beyond 60 days, it shall be considered as an Operator's Event of Default.

#### 9. ROUTES

- 9.1. The indicative schedule of Bus Delivery for the buses being procured is placed as Annexure 4. The final Routes and schedule shall be fixed as part of the Fleet Deployment Plan post the award of the Contract in consultation with the Bus Operator.
- 9.2. The Operator shall ensure that the buses are operated on the said routes and at the stipulated frequency in accordance with the specified service standards and Fleet Deployment Plan.
- 9.3. During the Contract Period, the Operator may submit a proposal for redetermination of Routes and frequency of Buses on particular Routes to ACTSL based on data such as passenger load, traffic congestion etc at the end of each year of operation during the annual review meeting to be conducted quarterly from the COD(s) (the "Quarterly Review Meeting").
- 9.4. Based on the proposal, ACTSL may in consultation with the Operator agree to

- changes in the Routes and frequency of Buses on particular Routes. In the event ACTSL changes the Routes and frequency of Buses on particular Routes, ACTSL shall inform the Operator 15 (Fifteen) days in advance before the implementation of such changes in the Routes and frequency of Buses on particular Routes.
- 9.5. Similarly, the Authority may request the Operator for a change in Route or Schedule, at the end of each year of operation, along with justification and the Operator will have to generally abide by this requested change, unless it leads to a Material Change in the status of the Operators viability, which will have to be proved by the Operator with detailed justifications. The Authority may not request such a change at times other than the Annual Review Meeting, unless the Operator agrees to voluntarily consider such a request.

# 10. SCHEDULES AND BUS FREQUENCIES (HEADWAYS)

- 10.1. Operator shall run the buses as per pre-decided schedule at fixed frequencies as fixed in the Fleet Deployment Plan during the operation hours. Schedule of operations for each route shall be prepared by the Authority in consultation with the Operator. The schedule may be revised as per season based on such request by the Operator as per the mechanism given above. The frequencies during any of these changes shall not exceed the Policy Frequency at any point of time.
- 10.2. The Operator shall remain free to operate the buses at frequencies better than that stipulated in the Fleet Deployment Plan.
- 10.3. Unscheduled unauthorised trip outside operation hours and outside the awarded Routes are not permitted and shall be liable for the penalty set forth in Annexure 7 of this Contract.
- 10.4. The Operator shall be charged with fines/damages as per performance monitoring system set forth in Annexure 7, in case of non availability of adequate fleet during operation hours.
- 10.5. Indicative operation period shall be between 5:00 am and 12:00 midnight. However this is indicative and actual hours shall be decided under the Fleet Deployment Plan. This will be segregated in to peak hours and off peak hours.
- 10.6. If the Operator fails to operate the requisite number of Buses, or somehow fails to achieve the headway between Buses as approved to maintain the desired frequency repeatedly, then the Authority shall have right to, after provision of suitable remedy period, consider this as an Operator Event of Default, which shall entitle the Authority to terminate the Contract in accordance with the provisions hereof.

#### 11. SPEED

- 11.1. The bus speed should be as per rules and regulations of RTA at any point of time during operation hours.
- 11.2. The driver should maintain lower speed while approaching bus stops to avoid sudden breaking. The driver should maintain speed based on traffic and road condition, to provide smoother ride to the passengers.

# 12. FARES

- 12.1. The Operator shall collect and retain fares from the bus users/commuters against the issue of a receipt/ ticket. The fares collected shall be separate for AC and non AC buses but remain the same irrespective of the design/ model of bus. The fares as existing presently as per notification of Transport Department, Government of Punjab is annexed hereto at Annexure 5. Authority proposes to revise these fares and shall endeavour to get approval for upward revision of such fares from the Competent Authority in this regard. Such revised fare shall be considered the base fare and if such fares are not revised, the existing fares as per Annexure 5 shall be considered as "Base Fare" for revisions.
- 12.2. The Operator can issue concession passes to students, senior citizens and frequent travellers with prior approval from ACTSL.
- 12.3. The Operator shall have the discretion to revise the Fare as per the mechanism given in clause 12.4 with prior approval of the Authority only and the Authority shall provide such approval within 7 working days and shall not unreasonably hold back such approval. The prevailing fares are given in Annexure 5
- 12.4. Revision in Fare can be triggered by a change in Fuel Rates as applicable to the Operator as also by an Annual Change in Wholesale Price Index (WPI) as per a predetermined formula described below with the Approval of Authority.

Revision in Fares for each kilometre slab shall be revised as follows:

 $RF = [R-base] + [R-base \times 50\% \times (F - F-base)/F-base] + [R-base \times 50\% \times (W - W-base)/W-base]$ 

Where

RF is Applicable Revised fare for the particular Km Slab

R-base is the Base Rate for the particular Km slab

F is present Price of Fuel/unit as represented by the Price of Diesel Fuel at

retail pumps available in the city of Amritsar.

**F-base** is Base Year Price of Fuel/unit (i.e. Retail Price of Diesel on the due date of Proposal submission prevailing in Amritsar city)

**W** is Wholesale Price Index as published by the Ministry of Commerce, Government of India from time to time as prevailing at the time of revision.

**W-base** is Base Year Wholesale Price Index. (I.e. WPI prevailing on the due date of Proposal submission)

The fare revisions on account of change in fuel prices shall be made at the end of the week in which the fuel change occurs and shall be effective from the beginning of the next week. The fare revisions on account of variations in WPI shall be affected on annual basis on every anniversary of the COD. In case of multiple CODs for different lot of Buses, the fare revision shall be effected on the anniversary of the latest of such CODs.

#### 13. FARE COLLECTION SYSTEM

13.1. The Operator shall collect fare through electronic ticket vending machine (ETVM). It shall be clarified that ETVM will be procured by the Operator at its own cost and would be responsible for its maintenance and repair of ETVM.

#### 14.ADVERTISEMENT ON THE BUSES

- 14.1. The Operator shall have right to display advertisement at the designated places on buses and paper tickets issued by the Operator.
- 14.2. The content of advertisement, dimensions and material used for advertisement posters and the places on/in buses where advertisements are to be done has to be part of the proposal made by the Operator and should be in accordance with the Outdoor Advertisement Policy, 2012 vide notification no. 11/2/2012-5lg3/3233 dated 7<sup>th</sup> December 2012 of Government of Punjab and with the Approval of Authroity. Copy of Advertisement policy is provided in the GCC.
- 14.3. No Advertisement or display that is on the negative content hereunder shall be allowed to be displayed irrespective of the time of the day and scale of the advertisement. Such negative list is mentioned below:
  - Advertisement banned by the Advertisement Council of India or by law.
  - Advertisements of goods or services which are prohibited by any law or whose advertisements are prohibited by any law.
  - Advertisement of Political Parties.
  - Advertisements of any kind of prohibited drugs, hard drinks (Alcohol) and all kind of tobacco products for smoking.
  - Advertisements containing pornographic contents and/ or an "indecent

- representation of women" within the meaning of the Indecent Representation of Women (Prohibition) Act, 1986.
- Advertisements containing sexual overtone and/ or nudity.
- Advertisements glorifying exploitation of women or child.
- Advertisements showing violence and cruelty to either human being or any kind of plant or animal.
- Advertisements showing racial abuse to any caste or community or propagating ethnic differences.
- Advertisements related with lottery tickets, sweepstakes entries and slot machines.
- Any animated, laser, moving or blinking displays.
- Advertisements accompanied by sound.
- Any other advertisement not found appropriate by The Authority.
- 14.4. The Operator shall assure that external and internal colour as well as body of the buses shall not be damaged due to advertisement stickers and billboards.
- 14.5. The Operator shall not display advertisement on the Bus Windows.
- 14.6. Visibility from inside and outside from the buses should not be hindered by Advertisement Display.
- 14.7. The Operator shall be entitled to appropriate 100% revenue that arises from advertisement on Buses.

# 15. PASSENGER INFORMATION SYSTEM (PIS)

- 15.1. The Operator shall take utmost care of the IT installations installed on buses by the Authority or its representative. PIS on buses shall be functional at all times during the operation of Buses and if it does not function then it shall be reported immediately to the Authority.
- 15.2. The Authority will examine that operator shall display the Route Time Table at every bus station and terminals on the awarded routes on proper boards. The time table should be made of durable material. It should be written in Punjabi, Hindi and English languages with use of light reflective material.
- 15.2.1. The Operator shall maintain Passenger Complaint/Suggestion book on every bus and at every Information booth. The Operator shall redress the complaints/suggestions from the passengers in reasonable time. The Authority shall be right to inspect the complaint/suggestions books and responses given to the passengers.

#### 16.INSURANCE

# 16.1. Insurance during the Contract Period:

The Operator shall, with effect from the date of signing of Agreement, at its cost and expense, effect, purchase and maintain all/any insurances on behalf of and in the name of the Authority in respect of the Buses and particularly the operation and management of the Project, as per Motor Vehicle Act and other applicable laws of India. The Operator shall also procure and maintain such additional insurances as Operator may reasonably considered necessary and prudent in accordance with good industry practices, during the Contract Period, including but not limited to the following coverage:

- 16.1.1. Replacement cost as per Standard Fire and Perils Policies as per market practices for any loss and damages to the extent possible to depot and parking space handed over to the Operator.
- 16.1.2. A Comprehensive and third party insurance cover as per the Motor Vehicle Act 1988 and any amendments thereof for any incident of death to the users of the buses or to any third party due to accident occurring in the system for unlimited occurrences. Liability of passenger insurance shall be limited to the approved passenger capacity of the vehicle by RTA.
- 16.1.3. Insurance of employee compensation and other liability as per Workmen's Compensation Act 1923.
- 16.1.4. Any other insurance that may be necessary to protect the Operator, its employees and the Project Asset against loss, damage or destruction at replacement value including all Force Majeure Events that are insurable and not otherwise covered in above clauses with the AUTHORITY as beneficiary/co-beneficiary.
- 16.1.5. The Operator shall be responsible to pay the premium regularly and maintain the insurance policies specified above at all time during the Contract Period. Operator shall be solely responsible in case of failure of its renewal. Copy of the same shall be submitted to the Authority when the same is due without and delays.
- 16.1.6. The applicable insurances will have to be drawn by the Operator as follows:

For the new lot of buses under the process of procurement - The Authority shall pay the first full insurance premium as applicable at

the time of registration of buses and the Operator would be required to pay premium for renewal of insurance during the balance contract period. The first year insurance premium including *registration fee* and *Application fee* paid by the Authority shall be reimbursed by the Proposer to the Authority before commencement of bus operations.

#### 16.2. Evidence of Insurance Cover

- 16.2.1. The Operator shall, from time to time, and in no case later than 15 days from receiving any insurance policy certificate provide to AUTHORITY/ Authority copies of all insurance policies (or appropriate endorsements, certifications or other satisfactory evidence of insurance) obtained by it in accordance with the conditions of the RFP.
- 16.2.2. If Operator shall fail to effect and keep in force the insurance for which it is responsible pursuant hereto, AUTHORITY shall have the option to take or keep in force any such insurance, and pay such premium and recover all costs thereof from Operator.

# 16.3. Application of Insurance Proceeds

- 16.3.1. Subject to the provisions of this Contract, all moneys received under insurance policies shall be promptly applied by the Operator towards repair or renovation or restoration or substitution of the Project Asset or any equipment/part thereof which may have been damaged or required repair/modification.
- 16.3.2. The Operator shall carry out such repair or renovation or restoration or substitution to the extent possible in such manner that Project Asset, or any part thereof, shall, after such repair or renovation or restoration or substitution is as far as possible in the same condition as they were before such damage or destruction, normal wear and tear excepted.
- 16.3.3. For insurance policies where the AUTHORITY is the beneficiary and where it received the insurance proceeds, only such sums as are required from the insurance proceeds for restoration, repair and renovation of the Project Asset.
- 16.3.4. In the event of breakdown/accident of a Contracted Bus leading to complete destruction such that the Bus cannot be repaired and operated in normal circumstances, and is rendered inoperable, the Operator will be required to replace the damaged bus with another new bus of make and model acceptable to the Authority at his own cost. The Authority

will pass on any insurance proceeds received by it towards damage of the Bus in question to the operator for contributing to the purchase of the bus, subject to such proceeds not exceeding the cost of the new Bus. The Operator will bear all the remaining cost of replacement of the Bus to the extent not covered by the insurance proceeds. Such replaced Bus will be owned by the Authority and shall form part of the Contracted Buses and shall be operated under similar contract conditions as the other Contracted buses during the remaining Contract Period. The Operator will cause the scrap of the damaged/destructed bus to be delivered to the location specified by the Authority at his own cost, wherefrom the Authority will take its complete possession and control and dispose as it pleases without any compensation / payment to the Operator.

# 16.4. Validity of Insurance Cover

The Operator shall pay the premium payable on such insurance Policy/Policies so as to keep the insurance in force and valid throughout the Contract Period and furnish copies of the same to AUTHORITY for each year/policy period. If at any time the Operator fails to purchase, renew and maintain in full force and effect, any and all of the Insurances required under this Contract, AUTHORITY may at its option purchase and maintain such insurance and all sums incurred by the AUTHORITY therefore shall be reimbursed by the Operator forthwith on demand, failing which the same shall be recovered by the Authority by encashment of Performance Security.

# 17. PAYMENT OF QUOTED FEES TO THE AUTHORITY

- 17.1. The Operator shall pay the Quoted / Approved Fees fixed as per its Price Proposal on monthly basis (i.e. last date of the months in case the last day is a Holiday than the proposer shall pay the fee one day before) and negotiation held thereafter before the handover of the Buses.
- 17.2. On the date of execution of the Contract Agreement, the Successful Proposer/ Operator has paid an amount equivalent to (\_\_\_\_\_\_/-(\_\_\_\_\_), by way of a demand draft, #\_\_\_\_, dated \_\_\_\_, drawn in favour of "Amritsar City Transport Service Ltd" payable at Amritsar towards the Quoted Fees in respect of the existing lot of operational Buses, which shall be handed over to the Operator within thirty days of the Execution Date. The Authority acknowledges the receipt thereof.
- 17.3. The Quoted Fee in respect of the remaining Buses shall be paid in accordance with the Fleet Deployment Plan annexed hereto as Appendix (to be added later

on).

- 17.4. The Quoted Fees shall be paid through Demand Draft in favour of "Amritsar City Transport Service Ltd" payable at Amritsar. The DD should be drawn from any Nationalised or Scheduled Bank. No deductions on account of any taxes or any other levies, cesses or discounts, shall be permitted, whether statutory or otherwise from the Quoted Fees fixed.
- 17.5. In case of delay in the payment of quoted Fees within the time limit prescribed above/ and or in the Fleet Deployment Plan, Authority shall levy interest on delayed amount at the rate of 18 % p.a., for the period of delay (subject to a maximum delay of 15 days).
- 17.6. If the Operator fails to furnish quoted Fees within remedy period explained in above clause, it shall be considered as an Operator's Event of Default, which shall entitle the Authority to terminate the Contract in accordance with the provisions hereof.

#### 18. TAXES AND STATUTORY LEVIES

18.1. The responsibility to pay taxes and statutory charges related to buses and bus operations would be divided between AUTHORITY and the Operator as mentioned in the Responsibility Matrix placed in following table.

Sr.No.	Taxes and Charges	Parties responsible for payment	
1	Vehicle Registration Charge and Application Fees	ACTSL ( to be Reimbursed by Proposer / Operator as explained in 16.1.6)	
2	Insurance premium as per provision of the RFP	Operator	
3	Motor Vehicle tax within Municipal Limit of Amritsar	Exempted as per Notification no. 10/68/2010-1T2/981 Dated 14 May, 2011.	
4	Motor Vehicle tax out side Municipal Limit of Amritsar	<ul> <li>MV Tax to be paid by the Operator as applicable from time to time</li> <li>In addition Proposer for operating the routes outside MC limit shall pay to the Authority</li> <li>Low Floor AC Buses Rs. 5.00 per km per bus per day</li> <li>Semi Low Floor Non AC Bus Rs. 2.00 per km per bus per day</li> <li>Mini/Midi AC bus Rs. 3.00 per km per</li> </ul>	

		bus per day	
		Mini/Midi bus Rs. 1.00 per km per bus per day	
5	Passenger Tax	Not applicable in Punjab	
6	Stage Carriage Permit	Stage Carriage Permit Fee paid by ACTSL  a. Permit Application Fee = authority shall seek reimbursement or get it exempted from State Authority.  b. Permit Fee for Five Year: = authority shall seek reimbursement or get it waived off from State Authority.  One Time Tax: authority shall get it exempted from state transport Authority.	
7	Service Tax	Payable by the operator	

# 19. PARKING SPACE AND MAINTENANCE DEPOT

- 19.1. The authority shall provide maintenance depot and parking space/s in Mall Mandi City Bus Depot in Amritsar. Area of the depot is 2.5 Acre..
- 19.2. It is hereby clarified that the ownership of aforesaid parking space and the infrastructure provided by the authority for parking space and maintenance depot shall solely remain with the Authority during and after the Contract Period. The Operator shall only have a right of way in respect of the parking space provided to it. The Operator has to vacate the space given for operation and maintenance of Buses to it by the Authority after the completion of the contract or in the event of early termination of the Contract.
- 19.3. Operator shall be responsible for maintaining the parking space and maintenance of depot in good working condition and shall bear all the expenses that incur during the contract period including the bill of electricity, water supply & sewer or any other charges necessary for maintenance of Depot including the cost incurred towards the maintenance of Depot
- 19.4. The Operator shall not do nor cause any damage or waste in the parking space and maintenance depots or do any act which will in any way be prejudicial to the rights of ACTSL or other users/occupants of the same.
- 19.5. The Operator shall be entitled to find other parking areas / space for maintenance depots as required beyond the above depot at its own cost and set up his parking/maintaining facilities there at his own cost. The Operator will

- bear the cost of supporting infrastructure for maintenance and parking.
- 19.6. The Authority shall endeavour to find additional spaces for depot / parking for the Operator and facilitate the operator in finding such spaces.

#### **20. MAINTENANCE**

- 20.1. The Operator shall observe the minimum service standards for operations and maintenance of buses as mentioned in Annexure 6.
- 20.2. The Operator shall maintain vehicles during night, without reducing the bus frequencies as per clause 7. Following activities shall be carried out by the Operator during night at the designated parking place.
  - Fuelling
  - Water topping of radiators
  - Checking and topping of engine oils
  - Checking of tyres
  - Cleaning, sweeping and washing of buses including soap washing every week.
  - Attending to defects reported by drivers during operation hours.
- 20.3. The Operator shall procure from time to time certificate of fitness and pollution under control certificate from RTO Amritsar for all buses. Such certificates shall be renewed on time to time basis.
- 20.4. The Operator shall also monitor pollutants like Butadiene, Benzene, Particulate matter, NOx, Hydro Carbons, Carbon Monoxide, SOx emitting from the bus operations. Authority shall also monitor all major pollutant emissions mentioned above from time to time.
- 20.5. Any laxity on the part of the Operator in maintaining the security of the Buses including theft or replacement of parts thereof with inferior quality material shall be viewed very seriously by the Authority and the complete responsibility for such security shall be the responsibility of the Service Provider. Upon occurrence of theft or such replacement of any Bus Component/ spare parts/ instrument/hardware /software installed by the Authority, the Operator shall reinstall/re instate such Bus Component/ spare parts/hardware/software/instrument and provide Buses that of original specification and functionality of that hardware/software/instrument and Buses immediately under prior information to the Authority. In the event of such breach in security, the Authority shall be fully permitted to take action, including filing complains to the police and the Operator shall have to co-

operate with any such investigations that may result from such action thereof.

#### 21. PERFORMANCE MONITORING AND DAMAGES PAYABLE

21.1. The authority shall review the performance of the Operator based on three sets of parameters indicated broadly as follows;

Sr.	Performance	Appraisal Time	Mode of appraisal	
No.	Parameter	Period		
1	Bus Maintenance	Monthly and	Physical checking	
Dus Maintenance		Random Checking	Filysical checking	
2	Bus Operations	Daily basis	Through GPS system	
			connected with Central	
		Daily Dasis	Control Centre/	
			Operations Registers	
3	Staff Behaviour		Physical checking during	
		Through random	operation hours,	
		checking	complaint call and	
			letters from passengers.	

- 21.2. The Operator shall be liable to pay damages to the Authority for non performance. The damages for non compliance to service standards and poor performance are placed as part of Annexure 7.
- 21.3. The Authority's representative shall submit the report on inspection and monitoring in the prescribed format to the Authority and the Operator on time to time basis.
- 21.4. The Operator shall have to pay the damages amount within first seven days of month following the month in which the damages have been levied.

# 22. SHAREHOLDING REQUIREMENTS

- 22.1. The Successful Proposer along with its Associates, shall hold 100 % of the issued, subscribed and paid up equity share capital of the Operator, unless otherwise approved in writing by the Authority, as on the Execution Date and during the entire Contract Period.
- 22.2. In case of Successful Proposer being a Consortium, the aggregate equity share capital of the Lead Member, in the issued, subscribed and paid-up equity share capital of the Operator shall not be less than 51% (fifty one per cent) during the entire Contract Period. The other member of the Consortium, whose financial capacity was considered for qualification of Successful Proposer in terms of the

RFP, shall hold equity share capital representing not less than 10% (ten per cent) of the subscribed and paid-up equity of the Operator throughout the Contract Period.

- 22.3. Any non-compliance with the provision hereof by the Successful Proposer /Lead Member/ Consortium Members/ the Operator and failure to remedy such non compliance within 30 days from the date of Authority's notice in this regard shall constitute an Operator(s) Event of Default, which shall entitle the Authority to terminate this Agreement in accordance with the provisions hereof.
- 22.4. The Successful Proposer shall further ensure, that in the event it has been selected for the Project on the strength of the technical and or financial capabilities of its/ any of the consortium member's Associates, the said Associate shall remain an Associate of the Successful Proposer / member of the consortium, throughout the Contract Period.

# 23. OWNERSHIP, PROTECTION AND TRANSFER OF BUSES AND OTHER PROPERTY DURING CONTRACT PERIOD

- 23.1. Authority shall retain the title and ownership of Buses allotted /contracted by Authority to Operator for purposes of carrying out Operators 's obligations in relation to the Project including city bus service operations and Scope of Work during the Contract Period.
- 23.2. Such title and ownership of Buses shall be passed /transferred to the Operator upon expiry of Contract Period by efflux of time in normal course only and as against payment of an amount equivalent to 5% of the bus purchase cost for each category of bus or scrape value at the end of the contract period, as decided by a committee comprising representative of the Authority, Operator and Independent Expert in such valuation, whichever is higher ("Bus Transfer Cost"). The Bus Transfer cost shall be paid in form of Demand Draft from any Nationalised or Scheduled Bank within 20 days of the expiry of the Contract in Normal Course. Performance Security of the Proposer shall be returned to the Operator only after Bus Transfer Cost is paid.
- 23.3. The Operator shall not have the right to refuse such transfer at the end of the term by efflux of time. In case the Operator refuses to accept the title and ownership of the Buses or refuses to pay the stipulated Bus Transfer Cost in respect of any or all Buses, the **Authority shall be l**iable to forfeit the full amount of performance security.

- 23.4. Upon expiry of the Contract, the Operator shall handover over free from Encumbrances the peaceful possession of the all awarded/allotted Buses, Bus Depot, any other assets or equipment installed or developed by Authority including without limitation any and all software, or licenses purchased by the Authority in sound condition.
- 23.5. In case of any early Termination of the Contract before its normal expiry with the efflux of time, for whatever reason, the Operator shall handover over free from Encumbrances the peaceful possession of all awarded/allotted Contracted Buses or besides the vacant and encumbrance free possession of the Bus maintenance depots, parking space and any other assets installed or developed by Authority or Operator including without limitation any and all hardware, software, firmware, deliverables on board in sound condition.
- 23.6. In case of early termination of contract/and expiry of contract in normal course through efflux of time the Operator shall retain ownership of Hardware, software and furniture and fixtures and other equipments installed at Central Control Centre.

# 24. ROLES, RESPONSIBILITIES AND OBLIGATIONS OF THE OPERATOR AND ACTSL

# 24.1. Operator's role, responsibilities and obligations

- 24.1.1. The Operator shall take possession of the Buses for the purposes of operating and maintaining the Bus Service/ Bus Operation and adhere to requirements for the implementation of the Contract as provided in this RFP and the Bus Operators Agreement be signed between ACTSL and Operator.
- 24.1.2. The Operator agrees and confirms to cooperate with the third party contractors appointed by ACTSL for the purposes of establishing or operating any equipment, instruments or systems in the Buses or Project Facilities.
- 24.1.3. The Operator undertakes to comply with Applicable Laws in relation to the implementation of the Contract and rendering of Bus Service, at all times during the Contract period.
- 24.1.4. The Operator shall not tamper or interfere with any equipment, instrument or system including the GPS tracking facilities and CCTV surveillance and any other IT and Bus monitoring devices provided in the Buses and the Project Facilities to enable provision of safer Bus Services to the Passengers.

- 24.1.5. The Operator shall ensure that an accurate and complete record of the tickets issued and amount of Fare collected is maintained on a daily basis.
- 24.1.6. The Operator shall share information with Authority related to revenue/fare collected per bus/per route, as requested by the Authority at any point of time.
- 24.1.7. The Operator shall ensure that all Taxes and Duties are paid in a timely manner and there are no arrears with regard to the Contract.
- 24.1.8. The Operator shall ensure that it promptly pays any fines or damages that may be imposed for any defaults in compliance with traffic rules or other Applicable Laws in relation to the operation of the Bus Service.
- 24.1.9. The Operator shall ensure that the Buses and Project Facilities are maintained in clean, safe and reliable condition during the Contract Period.
- 24.1.10. The Operator shall appoint/ nominate one or more of its officers of suitable seniority in rank and tenure to act as the point of contact for ACTSL (Officer in-Charge) within the Operator's organization and who would assist in the implementation of the Contract and for enabling the resolution of any issues that may arise in the implementation of the Contract. It is clarified that information regarding such Officer(s) in-Charge, shall be communicated in writing by the Operator to ACTSL within 15 (fifteen) working days from the first COD.
- 24.1.11. The Operator shall be entitled to provide advertisement space on buses in accordance with the provisions set forth elsewhere in this Contract and shall be entitled to appropriate the revenue that it earns out of advertisement on Buses.
- 24.1.12. The Operator undertakes to provide any and all equipment, fuel, consumable, machine or material that is required for the uninterrupted and continuous operation, management and maintenance of the Bus Service and the implementation of the Contract. For this purpose, ACTSL will permit designated space to be used within the Bus Depot/ Maintenance Depot as a garage and for carrying out other maintenance facilities by the Operator to ensure maintenance and repair of the Buses. It is clarified that all the costs including costs relating to the equipment, material and consumables shall be solely borne by the Operator and the said facility will exclusively be used for the maintenance of the Buses being operated by the Operator under this Contract.
- 24.1.13. The Operator shall ensure that the Bus Service is operated and maintained

so as to comply with the Service Standards. The Operator will be required to ensure that the Buses are maintained in a road worthy condition that would ensure safe operation of the Buses on the roads at all times. Also the Operator shall ensure that the operation and running of Buses is uninterrupted, continuous and is not suspended or stopped in any manner.

- 24.1.14. The Operator shall ensure that the employees, workmen, personnel and staff who are employed for the purposes of the implementation of the Contract have the necessary skills, qualifications and credentials. The Operator shall be solely and exclusively responsible for all such employees, workmen, personnel and staff employed (including sub-contractors) for the purposes of implementing the Contract. The Operator shall ensure that all personnel and staff are under constant supervision so as to provide the Bus Service in a safe manner to the public. It is clarified, that the Operator shall only be able to appoint sub-contractor provided the Operator has obtained prior written approval of ACTSL, in this regard.
- 24.1.15. The Operator shall at its own cost provide operational and maintenance training at regular intervals to all employees, workmen, personnel and staff in relation to implementation of the bus operations and maintenance efficiently.
- 24.1.16. The Operator shall enforce a dress and appearance code approved by ACTSL in writing. The Operator shall provide at its own cost and expense uniforms and shall ensure that clean uniforms shall be worn by drivers, conductors and any other personnel and staff employed (including sub-contractors) at all times when they are on duty and doing any act in relation to providing the Bus Service under this Contract.
- 24.1.17. The Operator shall provide a summary of all the complaints and the disposal on a monthly basis to ACTSL. ACTSL shall review the complaints received and the disposal status including action taken by the Operator. In the event that course of action that has been taken by the Operator is not appropriate, ACTSL shall direct the Operator to take suitable action.
- 24.1.18. Compliance with Applicable Laws: The Operator agrees to comply with all Applicable Laws that are now or may in the future become applicable to Operator's management, operation and maintenance of the Project and personnel/ drivers, engaged in such operations covered by this Contract or accruing out of the performance of Bus Services and operations contemplated hereunder.
- 24.1.19. The Operator and all its employees and other staff & personnel shall secure and maintain in full force such permits and license as are required by the Applicable Laws in connection with the performing and rendering Services

under this Contract.

- 24.1.20. **Employees, Personnel and Labour:** The Operator shall employ adequate number of appropriately qualified, skilled and experienced persons, including but not limited to skilled and experienced drivers, to execute the Project. The Authority may require the Operator, to remove any person employed for the Bus Services, who in the opinion of the Authority:
  - i. persists in any misconduct,
  - ii. is incompetent or negligent in the performance of his duties,
  - iii. fails to conform with any provisions of this Contract, or
  - iv. persists in any conduct which is prejudicial to safety, health, or the protection of the general public / environment.
- 24.1.21. The Operator shall be solely and exclusively responsible for the recruitment, payment of the salaries, wages and other payments and costs incidental thereto, health, hygiene, safety etc. and all taxes, charges, levies, duties payable under Applicable Laws arising from the respective terms and conditions of employment of all personnel and labour employed by the Operator in connection with the Project under or through whatever legal relationship. The Authority shall not be liable in any manner whatsoever in respect of such employees/ personnel and labour engaged by the Operator.
- 24.1.22. The Operator shall be solely responsible and liable for compliance with all Applicable Laws, including labour and local laws, pertaining to the employment of labour, staff and personnel engaged by it for implementing the Project. Under no circumstances shall the Authority be liable for any payment or claim or compensation (including but not limited to compensation on account of death/injury/termination) of any nature to such foregoing persons at any point of time during tenure of this Contract or thereafter and the Operator shall keep the Authority indemnified in this regard.
- 24.1.23. The Operator shall enforce a dress and appearance code approved by ACTSL in writing. The Operator shall provide at its own cost and expense uniforms and shall ensure that clean uniforms shall be worn by drivers and any other personnel and staff employed at all times when they are on duty and doing any act in relation to providing the Bus Service under this Contract.
- 24.1.24. All drivers shall hold commercial heavy duty vehicle license as per the Motor Vehicle Act valid since the last three years. Licenses of drivers shall be submitted to ACTSL for verification before deployment

- 24.1.25. The Operator shall be responsible for all the expenses including but not limited to travel, training of its employees, personnel's engaged by the Operator in connection with the Project.
- 24.1.26. The Operator shall make efforts to maintain harmony and good industrial relations among the labour and personnel employed in connection with the performance of the Operator's obligations under this Contract and shall at all times be the principal employer in respect of such labour and personnel.
- 24.2. ACTSL/ Authority agrees to observe, comply and perform the following:
- 24.2.1. ACTSL shall procure Buses for the purposes of the implementation of the Bus Services and hand over the possession of the same to the Operator for the limited purpose of enabling it to operate and maintain the Bus Services as per this Contract;
- 24.2.2. ACTSL shall appoint one or more officers of suitable seniority in rank and tenure to act as the point of contact for the Operator within ACTSL 's organization and who would assist in the implementation of the Contract and for enabling the resolution of any issues that may arise in the implementation of the Contract;
- 24.2.3. ACTSL shall apply for and obtain, at its own cost, Route Licenses (Stage Carriage Permits) from the RTA, Punjab and allow the Operator to operate the buses on its behalf under these Licenses.
- 24.2.4. ACTSL shall facilitate, on a best effort basis, the provision of necessary Applicable Clearances and Permits (including any renewals), as may be required in terms of the Applicable Laws, to the Operator during the Contract period, provided the Operator has made the applications for such permits/ clearances to the concerned government authorities and is otherwise in compliance with the terms applicable for grant of the same.
- 24.2.5. ACTSL shall conduct regular inspections of Buses and the Project Facilities at any time during the Contract Period.
- 24.2.6. Provide the right of way to the Operator, in respect of the space for parking of Buses/ maintenance depot, together with the right to use such space only for the purposes set forth in this Contract.
- 24.2.7. ACTSL shall endeavour to restrict illegal operation of Para Transit (Shared Auto, Other buses etc.) on the allocated Routes of city bus operations.
- 24.2.8. Perform any other obligations mentioned in the various conditions in this

#### 25. RIGHTS OF THE OPERATOR

- 25.1. Operator shall have right to
- 25.1.1. Operate specified number of buses on the awarded routes as per conditions set forth in the contract.
- 25.1.2. Collect and retain fares from the Bus users as per rates prescribed in this document and revised from time to time in accordance with the provisions hereof
- 25.1.3. ACTSL shall delegate right to the Operator to penalise traveller commuting without ticket in cash as determined by the Authority. The rate of such Penalty shall be determined by the Operator in consultation with the Authority.
- 25.1.4. Retain fleet of buses after completion of contract as per the terms specified in clause 23 of GCC.
- 25.1.5. Execute other rights mentioned in various conditions under this RFP.
- 25.1.6. Operate Buses with Value Added Service as per clause 3.10 of GCC

# 26. INTRODUCTION OF ADDITIONAL MODES OF TRANSIT

- 26.1. ACTSL is presently considering the idea of the introduction of other modes of public transit such as Personal Rapid Transit System, Bus Rapid Transit in Amritsar City and other Mass Rapid Transit System. If approved, the process of introduction of such transit would be phased after evolving proper plan, design, alignment, institutional structure and financing of the system. It is possible that certain routes under which City Bus Operations are conducted can be selected for additional mode of transport services. Under such circumstances, Operator, selected pursuant to this RFP, shall surrender rights to operate on such routes selected for other modes of transit.
- 26.2. ACTSL may attempt to provide alternative routes in lieu of such routes surrendered by the Operator. However if the same is not possible, ACTSL shall compensate the operator in the following manner:
  - a) Return of Performance Guarantee for the buses operating on the routes surrendered.

- b) Return/refund of Quoted Fee paid only for the buses operating on the routes as per termination payment mentioned in clause 30.1.1 of the GCC.
- 26.3. In case of return of buses the surrendered routes shall stand terminated and the Operator shall have no right to operate and run buses on the terminated/surrendered routes. In addition, Operator shall have to return of the buses operating on the routes surrendered to the Authority in sound operating condition.

# 27. INTRODUCTION OF ADDITIONAL OF BUSES

- 27.1. The Authority may ask the operator to operate and maintain, as part of the its responsibility under the Contract, additional buses, not exceeding 25% of the initial lot of contracted buses.
- 27.2. The terms under which the operator shall operate and maintain these additional buses would be similar to the initial lot of Contracted Buses. The additional Quoted fees payable by the Operator for the additional buses would be determined as follows;
  - 27.2.1. Quoted Fees payable per every additional approx 12 m long standard bus (irrespective of floor height) shall be the same Percentage of Quoted Fees for the total bus cost (excluding taxes) in pursuant to this RFP. For calculating the percentage of quoted fee payable for additional buses, percentage of quoted fees payable/paid per every Low Floor Bus (400 m floor height) or Semi Low Floor Bus (650 mm) standard bus (whichever is higher) of the initial lot of Contracted Buses will be taken into account .
  - 27.2.2. Quoted Fees payable per every additional mini/midi bus shall be calculated in pursuant to the clause 27.2.1 above.

# 28. OPERATOR'S EVENT OF DEFAULT

Any of the following events shall constitute an Event of Default by Operator (Operator's Event of Default) unless such event has occurred as a result of a Force Majeure Event:

- 28.1. Operator is in breach of any of its obligations under this Contract and the same has not been remedied for more than sixty (60) days
- 28.2. A resolution for voluntary winding up has been passed by the shareholders of the Operator

- 28.3. Any petition for winding up of Operator has been admitted and liquidator or provisional liquidator has been appointed or Operator has been ordered to be wound up by Court of competent jurisdiction, except for the purpose of amalgamation or reconstruction, provided that, as part of such amalgamation or reconstruction and the amalgamated or reconstructed entity has unconditionally assumed all surviving obligations of the Service Provider under this Agreement.
- 28.4. Operator fails to comply with the Applicable laws, rules and regulations.
- 28.5. Any representation made or warranties given by the Operator under this contract or under the RFP document is found to be false or misleading.
- 28.6. The Operator fails to maintain/ refurbish/ replenish the Performance security during the Contract Period as per terms of this contract.
- 28.7. The Operator has failed to ensure minimum shareholding requirements as specified in Clause 22 hereof
- 28.8. The Operator fails to Pay Quoted Fee/ Premium after end of remedy period provided in the GCC of the RFP document.
- 28.9. Operator suspends or abandons the operations of Buses without the prior consent of ACTSL/ Authority, provided that the Operator shall be deemed not to have suspended/ abandoned operation if such suspension/ abandonment was (i) as a result of Force Majeure Event and is only for the period such Force Majeure is continuing, or (ii) is on account of a breach of its obligations under this Agreement by ACTSL.
- 28.10. Operator repudiates this contract or otherwise evidences an intention not to be bound by this contract.
- 28.11. The Operator failed to make any payments/damages/damages due to Authority within period specified in Operator Agreement or indicated by ACTSL without any valid reason.
- 28.12. Operator fails to surrender the terminated routes in case of introduction of other public transport system as mentioned clause 26
- 28.13. Operator failed to perform any of the Operator's obligations, which has a Material Adverse Effect on the contract.

- 28.14. Operator creates and Encumbrance over the Project Asset without prior approval of ACTSL.
- 28.15. Operator fails to adhere to the timelines set forth in the Agreement for performance of Operator's obligations there under; and reason thereof Liquidated Damages exceeds value of Performance Security;
- 28.16. Repeated occurrence of breach of Operator's obligations specified in this Agreement and which shall not be remedied in Remedial Period specified by ACTSL;
- 28.17. Levy of an execution or restraint on the Operator's assets which has or is likely to have Material Adverse Effect and such execution or restraint remaining in force for a period exceeding 60 (sixty) days.
- 28.18. Any other default / breach of its obligation by the Operator, for which default/ breach termination has been prescribed in terms of this Contract.
- 28.19. In the Operator's event of default, the authority within 7 days shall issue a notice for remedy of such default.
- 28.20. The Authority may, without prejudice to any other remedy for breach of contract, by written notice of default sent to the Operator, and after giving reasonable opportunity for setting right such default, terminate the contract in accordance with the provision hereof:

# 29. AUTHORITY'S EVENT OF DEFAULT

- 29.1. The authority is in Material breach of any of its obligations under this Agreement and has failed to cure such breach within sixty (60) days of occurrence thereof
- 29.2. The authority has unlawfully repudiated this Agreement or otherwise expressed its intention not to be bound by this Agreement such as Authority fails to renew stage carriage license/permit, demands withdrawal of the contracted buses etc.

### 30. TERMINATION DUE TO EVENT OF DEFAULT

- 30.1. Termination for Operator's Event of Default
  - 30.1.1. Without prejudice to any other right or remedies which the Authority may have under this Agreement, upon occurrence of an Operator Event of Default, the Authority shall be entitled to terminate this Agreement by issuing

- a Termination Notice to the Operator; provided that before issuing the Termination Notice, the Authority shall by a notice inform the Operator of its intention to issue such Termination Notice and grant 15 (fifteen) days or reasonable period at sole discretion of Authority to the Operator to remedy the default ("Remedial Period") and/or make representations, and may after the expiry of such Remedial Period on non remedy of breach/default at the satisfaction of the Authority , whether or not it is in receipt of such representation, issue Termination Notice and then terminate the Agreement.
- 30.1.1. In the event of termination for an Operator Event of Default, Authority shall
  - a. Have the right to invoke and retain the Performance Guarantee amount in full.
    - a. The Authority has collected any payment due from the Operator on account of Damages, Liquidated Damages and as specified anywhere else in the RFP
- 30.1.2.In the event of termination of this Contract, the Operator shall have to handover all the contracted buses free of any encumbrances.
- 30.1.3. Intentionally Deleted
- 30.1.4. Except the provision of Clause 30.1.1 above, Authority shall not be liable to pay any other termination payment to the Operator.
- 30.2. Termination for Authority's Event of Default
- 30.2.1. Without prejudice to any other right or remedies which the Operator may have under this Agreement, upon occurrence of Authority's Event of Default, the Operator shall be entitled to terminate this Agreement by issuing a Termination Notice to the Authority; provided that before issuing the Termination Notice, the Operator shall by a notice inform the Authority of its intention to issue such Termination Notice and grant 15 (fifteen) days or reasonable period to the Authority to remedy the default ("Remedial Period") and/or make representations, and may after the expiry of such Remedial Period on non remedy of breach/default, issue Termination Notice.
- 30.2.2. Upon Termination of this Agreement on account of Authority's Event of Default, the Operator shall be entitled to receive;
  - a) The refund/ release of performance guarantee in full provided there are no outstanding dues off the Authority on the Operator.

30.2.3. Except the provision of Clause 30.2.2 above, Authority shall not be liable to pay any other termination payment to the Operator.

### 31.FORCE MAJEURE AND CHANGE OF LAW

- 31.1. For purposes of this contract, Force Majeure means an event beyond the control of the parties to the contract and not involving either party's fault or negligence and not foreseeable.
- 31.2. If, at any time during the existence of the contract, either party is unable to perform in whole or in part any obligation under this contract rendering performance of obligations impossible because of any Force Majeure event which include acts of God, war, revolutions, hostility, civil commotions, strikes, fires, floods, earthquake, epidemics, quarantine restrictions, freight embargoes or explosions, then the date of fulfilment of contract shall be postponed during the period when such circumstances are operative.
- 31.3. For purpose of this contract, Change of Law means the coming into effect after the date of signing of the Contract of Applicable Law, or any applicable judgement of relevant court of law which changes the interpretation of the Applicable Law and is binding precedent which directly and adversely affects the Contractor's performance under the Contract in a material way.
- 31.4. If, at any time during the existence of the contract, either party is unable to perform in whole or in part any obligation under this contract rendering performance of obligations impossible because of any Change of Law event, then the contract shall be terminated.
- 31.5. The party which is unable to perform its obligations under the present contract shall, within seven (07) days of occurrence of the Force Majeure event, inform the other party with suitable documentary evidence. Non-availability of any component etc or any price escalation or change in any duty, tax, levy, charge etc shall not be an excuse for the Operator for not performing his obligations under this clause/contract.
- 31.6. If such inability on account of force majeure to perform continues for a period of more than three (3) months, each party shall have the right to be released from further performance of the contract, in which case, neither party shall have the right to claim damages from the other. All prior performance shall be subject to contract terms.
- 31.6.1. Upon Termination of this Agreement on account of a Force Majeure Event, the Operator shall be entitled to receive;

a) The refund/ release of Performance Security in full provided there are no outstanding dues off the Authority on the Operator.

#### 32. DISPUTE RESOLUTION

#### 32.1. Amicable Resolution

- 32.1.1. Save where expressly stated otherwise in this Agreement, any dispute, difference or controversy of whatever nature howsoever arising under, out of or in relation to this Agreement including non completion of the Contract between the Parties and so notified in writing by either party to the other (the "Dispute") in the first instance shall be attempted to be resolved amicably by the Parties and failing such resolution of the same, in accordance with the procedure set forth in clause 32.1.2 below.
- 32.1.2. Either Party may require the Dispute to be referred to the Chief Executive Officer (CEO), ACTSL for amicable settlement. Upon such reference, both the parties and the CEO or his nominee (who can be an employee of ACTSL dealing the ACTSL functions or otherwise) shall meet at the earliest mutual convenience and in any event within 15(fifteen) days of such reference to discuss and attempt to amicably resolve the dispute. If the Dispute is not amicably resolved within 15(fifteen) days of such meeting, either Party may refer the Dispute to arbitration in accordance with the provisions of clause 32.2 below.

#### 32.2. Arbitration

### 32.2.1. Arbitrator

In the event of any dispute arising between the Parties in relation to or under this Agreement, the same shall be settled by arbitration conducted by an arbitration tribunal consisting of three arbitrators, one to be appointed by each party and the third arbitrator being appointed by the two arbitrators so appointed. The decision of the arbitration tribunal shall be final and binding.

#### 32.2.2. Place of Arbitration

The place of arbitration shall be Amritsar.

## 32.2.3. Language

The request for arbitration, the answer to the request, the terms of reference, any written submissions, any orders and rulings shall be in English and, if oral hearings take place, English shall be the language to be used in the hearings.

### 32.2.4. Procedure

The procedure to be followed within the arbitration, / arbitral tribunal and the rules of evidence which are to apply shall be in accordance with the Arbitration and Conciliation Act. 1996.

### 32.2.5. Enforcement of Award

Any decision or award resulting from arbitration shall be final and binding upon the Parties. The Parties hereto agree that the arbitral award may be enforced against the Parties to the arbitration proceedings or their assets wherever they may be found and that a judgment upon the arbitral award may be entered in any Court having jurisdiction thereof.

## 32.2.6. Fees and Expenses

The fees and expenses of the arbitrators and all other expenses of the arbitration shall be initially borne and paid by respective Parties equally subject to determination by the arbitrators. The arbitrators may provide in the arbitral award for the reimbursement to the prevailing party of its costs and expenses in bringing or defending the arbitration claim, including legal fees and expenses incurred by the said Party.

## 32.2.7. Performance during Arbitration

Pending the submission of and/or decision on a Dispute, difference or claim or until the arbitral award is published; the Parties shall continue to perform all of their obligations under this Agreement without prejudice to a final adjustment in accordance with such award.

### 33.LAWS GOVERNING THE CONTRACT

- 33.1. This contract shall be governed and interpreted in accordance with the laws of India.
- 33.2. **Jurisdiction of Courts** The Courts of Amritsar, the place from where the 'Letter of Award' of Proposal has been issued and where the contract is to be performed alone shall have exclusive jurisdiction over all matters arising out of or in respect of the contract.

# 34.INDEMNITY

34.1. Operator shall at all times, i.e. during the subsistence of the Agreement and at

any time thereafter, defend, indemnify and hold Authority harmless from and against all claims (including without limitation claims for infringement of intellectual property, breach of contract, death or injury to person or injury to property, or other tort claims) and expenses (including court costs) arising out of or relating to the breach by Operator of any covenant representation or warranty or from any act or omission of the Service Provider or his agents, employees or sub-contractors.

The Operator agrees that the essence of contract and other contractual obligations shall become effective from the date of Letter of Award i.e. LOA. The Operator further agrees that pre-estimated damages mentioned at GCC and elsewhere of the Proposal documents, are fair and genuine pre-estimate and not by way of penalty. The Operator shall not dispute the same in future in any manner.

IN WITNESS WHEREOF the parties hereto have caused their respective Common Seals to be hereunto affixed (or have hereunto set their respective hands and seals) the day and year first above written.

SIGNED, SEALELD AND DELIVERED

By the said	By the said
Name	Name
on behalf of the Operator	on behalf of the Authority
in the presence of:	In the presence of:
Witness	Witness
Name	.Name
Address	Address

# PART II: ANNEXURE

# Annexure 1: Details of Buses being procured

Sr.	Particular	Low Floor AC	Semi Low Floor	Mini Bus Standard
No.		Buses	Buses	
1	Manufacturer	Tata Motors ltd.	Ashok Leyland Ltd.	SML ISUZU ltd.
2	Model	LPO 1624 RE LE AC bus	Semi Low Floor Non AC Buses (Automatic Transmission)	ZT54AB TCIII LWB
3				
4	Manufacturing Year	2013	2013	2013
5	Basic Price	49,95,000	37,95,917	12,57,988
6	Packing	0	0	0
7	Excise Duty	6,05,644 (@12.125%)	4,69,175 (@12.36%)	1,57,060 (@12.485%)
8	Other	18,169 (Cess @ 3%)	0	0
9	Sales Tax	8,03,490 (VAT @13% + Surcharge @10% on VAT	6,09,908 (VAT @14%)	2,02,352 (VAT@14.3%)
10	Forwarding	0	0	0
11	Insurance	0	0	1,100
12	Freight to Destination	0	0	1,500
13	Any other charges	0	0	0
14	Destination price per unit (Sum of 4 to 12)	64,22,303	48,75,000	16,20,000

# **Annexure 2: Bus specifications**

Bus Specifications are attached separately as Volume II A for 150 buses being purchased - Specifications as given by the Bus Manufacturers in their Technical Submissions during the purchase process.

# Annexure 3: Suggested Bus Routes and Scheduled Frequency

# Indicative Suggestions on Route wise type of buses that can be operated

- 400 mm LF buses: High frequency routes where number of passenger per bus per day is high and trip length is short with enough ROW.
- 650 mm SLF buses: Medium frequency routes where number of passenger per bus per day is medium with enough ROW
- Mini Bus: Narrow streets/ congested routes/ low frequency areas

Suggested Route Plan Map

Annexure 4: Indicative Schedule of Delivery of Buses of 160 Buses under Procurement

Sr No	Category	Quantity (Nos)(A)	Approximate Delivery Time (No. of Days from Purchase Order
		()()	date*)
1	Low Floor AC 400 mm AC	30	Prototype in 150 days of PO
	(TML)		1. 50% of the buses in 60 days of
2	Semi Low Floor Non AC 650	25	approval of Prototype
	mm (ALL)		2. Balance 50% in 120 days of
3	Midi Buses Standard Non AC	70	approval of Prototype
	(29 seater) - SML Isuzu		
4	Midi Buses Standard AC (29	25	Prototype in 180 days of PO,
	seater) - SML Isuzu		60 days for bulk supplies

Notice of Award issued on 03/05/2013 and addendum to NOA issued on 16/05/2013

# Annexure 5: Schedule of Fares for city bus services

Sr No	Kilometre Slab	Fare for Non AC city Bus (Rs)
1	Upto 2 Km	2
	Above 2 km. and upto 5 Km.	5
2	Above 5 km. and upto 10 Km.	10
3	Above 10 km. and upto 15 Km.	15
4	Above 15 km	15 and 0.75 paisa per extra Km

Sr No	Kilometre Slab	Fare for AC city Bus (Rs)
1	Upto 5 Km.	10
2	Above 5 km. and upto 10 Km.	15
3	Above 10 km. and upto 15 Km.	20
4	Above 15 km	20 and 1 rs per extra Km

# Annexure 6: Operation and Maintenance Requirement

(To be read in addition to such responsibilities that may be mentioned elsewhere in the RFP)

activity, etc of buses on day to day basis.  Operator would make adequate arrangement either in-house or outsourced for overhauling of bus aggregates, repair and retreading of tyres, repair of bus bodies, repair of accidental buses, etc to the satisfaction of the bus owner.  Operator would engage technically qualified / competent manpower for above work/activities. Operator would equip himself / his staff with technical details for all the repair, maintenance and overhaul activities, procedures and practices therefore, accuracies, tolerance and limits, etc. In the event of his outsourcing some or all activities, Operator would have adequate number of technically qualified engineers / inspectors for quality assurance of all outsourced activities.  Operator with the help of AUTHORITY collect all technical literature such as service manuals, spare parts manuals, wall charts, etc and tools, etc along with all other details likely to be required by him from the manufacturer. AUTHORITY shall hand over such technical literature to the Operator and the Operator shall deposit two copies of the master set with AUTHORITY.  Operator would make adequate arrangement either in-house or outsourced for attending to road calls on-line, towing of failed vehicles if required, clearance of bus ways, etc in least possible time. Operator would provide an alternative bus to operate other scheduled services of the said failed bus.  Operator would obtain one set, for every fifty buses, of coloured wall charts of various bus aggregates such as engine, fuel injection components and fuel supply system, automatic transmission, rear and front axles, braking system / components / units etc as also of the chassis showing cut outs and assembly details besides chassis lubrication etc.  Operator would take insurance cover of all buses, all other assets at depot, etc once they are handed over to him and are in his custody to protect AUTHORITY from any loss because of damages (including fire) to bus/ other assets. Losses of whatsoever nature / kind		
effective and efficient washing, cleaning, upkeep, repair and maintenance, running repairs, break down repairs, or any other activity, etc of buses on day to day basis.  Operator would make adequate arrangement either in-house or outsourced for overhauling of bus aggregates, repair and retreading of tyres, repair of bus bodies, repair of accidental buses, etc to the satisfaction of the bus owner.  Operator would engage technically qualified / competent manpower for above work/activities. Operator would equip himself / his staff with technical details for all the repair, maintenance and overhaul activities, procedures and practices therefore, accuracies, tolerance and limits, etc. In the event of his outsourcing some or all activities, Operator would have adequate number of technically qualified engineers / inspectors for quality assurance of all outsourced activities.  Operator with the help of AUTHORITY collect all technical literature such as service manuals, spare parts manuals, wall charts, etc and tools, etc along with all other details likely to be required by him from the manufacturer. AUTHORITY shall hand over such technical literature to the Operator and the Operator shall deposit two copies of the master set with AUTHORITY.  Operator would make adequate arrangement either in-house or outsourced for attending to road calls on-line, towing of failed vehicles if required, clearance of bus ways, etc in least possible time. Operator would provide an alternative bus to operate other scheduled services of the said failed bus.  Operator would obtain one set, for every fifty buses, of coloured wall charts of various bus aggregates such as engine, fuel injection components and fuel supply system, automatic transmission, rear and front axles, braking system / components / units etc as also of the chassis showing cut outs and assembly details besides chassis lubrication etc.  Operator would take insurance cover of all buses, all other assets at depot, etc once they are handed over to him and are in his custody to	1	himself in the quality assurance process at the sole discretion of AUTHORITY. It shall deploy manpower with necessary
retreading of tyres, repair of bus bodies, repair of accidental buses, etc to the satisfaction of the bus owner.  Operator would engage technically qualified / competent manpower for above work/activities. Operator would equip himself / his staff with technical details for all the repair, maintenance and overhaul activities, procedures and practices therefore, accuracies, tolerance and limits, etc. In the event of his outsourcing some or all activities, Operator would have adequate number of technically qualified engineers / inspectors for quality assurance of all outsourced activities.  Operator with the help of AUTHORITY collect all technical literature such as service manuals, spare parts manuals, wall charts, etc and tools, etc along with all other details likely to be required by him from the manufacturer. AUTHORITY shall hand over such technical literature to the Operator and the Operator shall deposit two copies of the master set with AUTHORITY.  Operator would make adequate arrangement either in-house or outsourced for attending to road calls on-line, towing of failed vehicles if required, clearance of bus ways, etc in least possible time. Operator would provide an alternative bus to operate other scheduled services of the said failed bus.  Operator would obtain one set, for every fifty buses, of coloured wall charts of various bus aggregates such as engine, fuel injection components and fuel supply system, automatic transmission, rear and front axles, braking system / components / units etc as also of the chassis showing cut outs and assembly details besides chassis lubrication etc.  Operator would take insurance cover of all buses, all other assets at depot, etc once they are handed over to him and are in his custody to protect AUTHORITY from any loss because of damages (including fire) to bus/ other assets. Losses of whatsoever nature / kind while buses/other assets are in custody of the Operator, would be borne by the Operator.  Operator would make adequate communication arrangements / develop commu	2	effective and efficient washing, cleaning, upkeep, repair and maintenance, running repairs, break down repairs, or any other
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	9	
Operator, on taking delivery of buses along with all relevant documents, would be fully responsible for safety, security,	10	Operator would ensure that all the proposed facilities / arrangements are functional before the buses are ready for delivery.
	11	Operator, on taking delivery of buses along with all relevant documents, would be fully responsible for safety, security,

	operational readiness, operations, repair and maintenance, reconditioning etc besides their periodic roadworthiness certification, pollution under control certification, etc of buses ensuring always that buses meet all regulations / laws / acts applicable to holding, upkeep, operation and maintenance of buses during their service life.
12	Operator would pay for all expenses for any or all of the above activities / requirements and that AUTHORITY would not be responsible for any aspect related to buses other assets after they are handed over to the Operator.
13	Operator would deal with all accidents and the activities / claims / expenses / any other aspect related to any accident of any of the buses/assets handed over to the Operator by AUTHORITY. In other words the entire responsibility for all such cases would be of the Operator without any involvement of AUTHORITY even if buses / other assets are owned by / are in name of AUTHORITY.
14	Operator would establish bus painting facilities, other body repair facilities, at the depot workshop.
15	Operator would agree to fulfil service quality requirements and agree to any punitive actions including recovery of prefixed liquidated damages by AUTHORITY for not meeting prescribed service quality standards. Operator would expressly agree that the punitive actions of recovery of pre-fixed liquidated damages for defaults in delivery of services etc are reasonable and just. Operator agrees to pay to AUTHORITY and that he would not at any stage and in any manner dispute the same.
16	Operator would identify drivers and technicians @ 2.5 drivers and 1.5 technicians per bus for undergoing orientation / familiarisation training programme at Amritsar. Contactor would also arrange for space, the training bus, fuel etc for said training programme at his cost. Operator may enter into an arrangement with the said people to remain with him for a given period after the training.
17	Operator would submit a comprehensive programme for maintenance of buses up to the contract tenure through preventive/periodic/ predictive maintenance activities, repair/maintenance for normal wear and tear of components, break down repairs, major repair / reconditioning of sub-assemblies, assemblies, bus bodies, tyres, accidental damages, etc for buses so as to ensure their desired serviceability up to the contract tenure and delivery of service performance as under:  i. The Operator shall be required to maintain an assured fleet availability for service on roads of 93%, 92%, 91% of the each type of Contracted Buses on a daily basis in the 1st, 2nd and 3rd year of the Contract Period respectively and 90% thereafter upto the end of the Contract Period  ii. Buses would generally be utilized in two major shifts. Timely availability of serviceable fleet has to be ensured in each of the 2 shifts - up to 8 AM for 1st shift and 4 PM for 2nd shift. Buses made available thereafter, even if operated for revenue earning kms would not be considered available for that shift.  iii. Buses breaking down on-line would be considered available for a shift if they individually complete at least 90% of scheduled kms during that shift subject.  iv. Above service requirements would be calculated quarterly i.e. 180 shifts every quarter.  v. Operator would maintain bus wise shift wise record duly verified by the representative of AUTHORITY.  vi. Periods of non availability of buses due to reasons such as floods, fire, natural disasters, detention in police/judicial

	custody etc, beyond the control of the Operator , would not be counted for above assessment. Decision of
	AUTHORITYwould be final in all such issues.
	vii. Non availability of the buses as per the Availability Factor would render Operator liable for pre-estimated liquidated
	damages / fines as which would be recovered from the bills payable to the Operator.
	All damages caused to bus or any of its items/subsystems/systems, in accidents would be repaired by the Operator at his cost
18	except cost of repair of bus damages attributable to war, civil commotions, strikes, floods, earthquake and explosion, etc. Bus
10	owners decision would be final and binding in such cases. A reasonable period, for repair of damages in later case, as decided
	by AUTHORITY would be excluded for calculating bus availability.
	Operator would comply with all laws as applicable from time to time including Employees State Insurance/Labour/Provident
	fund and/or any other statutory requirement for the Operator's personnel, and submit proof of making statutory payments
	every month. AUTHORITY would clear Operators payments/bills subject to submission of said proof. In any case Operator would
19	keep AUTHORITY indemnified against payment of any statutory duties, levies, etc of which is the responsibility of the
17	Operator. Operator would fulfill all provisions of rules and regulation of the prevailing laws like labour laws, industrial dispute
	act, workman compensation act, factories act, motor vehicle act etc. For any dispute arising out of the prevailing laws and
	Operator would be liable and responsible for the same. Operator would obtain necessary license/ permit under the prevailing
	laws and also fulfill requirements of all laws, AUTHORITY would not be liable and responsible for the same in any manner.
	Operator would maintain log books, bus wise, and all maintenance work / activities pertaining to each bus would be entered
20	there-in on regular basis. AUTHORITY would be free to inspect logbooks at all times and the Operator would make log books
	available to him/ his representative and answer all queries to AUTHORITY satisfaction.
	All the unserviceable/ defective parts/ items/ used tyres for the first time etc. except used lubricants replaced by the
21	Operator from buses would be the property of AUTHORITY and are to be deposited/ disposed of as per the instructions of
	AUTHORITY.
	All provisions of this document would be applicable, mutatis mutandis, for providing buses for operation during night shift if so
	required and or full complement of buses required on festival days / special occasions etc as decided by AUTHORITY.
22	Operator would be responsible for meeting costs and consequences, whether civil or/and criminal, of any Challan/ fine/
	prosecution etc. owing to any act or negligence on the part of the Operator under this Contract.
	Adverse operating conditions would not affect Contractual obligations and parameters of performance under the Contract.
23	Wear and tear of the bus due to bad road conditions, rains, flooding of roads, heavy traffic etc. will not be a defence on the
	part of the Operator for not fulfilling his Contractual obligations as per the Contract.
	AUTHORITY reserves its right to install any value added services such as CCTV, Cameras / phone / entertainment and
25	passenger information equipments, other systems etc. and other gadgets / equipments such as Automatic Vehicle Tracking
	System, Global Positioning System, Automatic Ticketing Machine etc. for any reason including to enhance safety, for commuter
	convenience, for better quality of service, to meet statutory requirements, etc. Operator would not claim any share in the

	revenue, which may accrue to AUTHORITY due to the aforementioned services / equipment / gadgets. Operator would not increase or hike maintenance charges because of above, nor would the quality / parameters of services provided get impaired due to such installations equipment. Operator would take due care so as to ensure that there is no damage to the installations / equipments etc.,during /after maintenance services. AUTHORITY may have a separate maintenance contract for these additional equipments / installations and Operator would have no objection for same. Operator would take due care that any such equipment is not damaged during maintenance / cleaning / washing of buses.
26	AUTHORITY would have full access to carry out inspection of the maintenance & repair work done by the Operator, as per the standard/ norms of Vehicle. AUTHORITY may, at his discretion, inspect all buses daily for body condition, assemblies, spares, tyres and other accessories and if any of these is found lost/ missing during repair & maintenance, the Operator would be held responsible for the said loss and amount of the loss would be recovered from him.
27	Operator would acquire adequate number of float units of various bus aggregates to avoid bus hold ups awaiting reconditioning etc of such aggregates.
28	AUTHORITY may introduce best practices for Operation and Maintenance of buses and training of manpower subsequently which shall be binding to the Operator during the contract period.

# Annexure 7: Damages/ Performance Review System

Sr.No.	Elements	Damages Rs/ Per Bus Per Day
1	Modification/Damage of the design or paintwork of the exterior or interior of the bus without the authorization of Authority	75
2	Missing bus body panels on the exterior/interior of the bus	200
3	Defective or malfunctioning headlights, rear lights, brake light, turning indicators and parking lights at the time of Bus Operations	150
4	Dirty vehicle, inside or outside, at the time of start of first shift in the morning in terms of litter thrown, mud slings, other large stains	100
5	Broken/damaged windows, fixed glass, front windshield or rear windshield	100
6	Fire Extinguisher missing or beyond expiry date	400
7	Malfunctioning passenger door	250
8	Broken/Loose/Missing Passenger Seat	200
9	Loose handrails, roof grab rails and/or with Sharp edges	400
10	Visible dents on the bus exterior	100
11	Malfunctioning/Broken Light in the passenger compartment	250
12	Placing any poster/stickers or similar items inside or outside the bus for purposes other than formally authorized advertisement at designated places	200
13	Damage to the GPS unit installed by Authority or its agents on the bus	200
14	Letting passengers access bus at locations other than Bus Station and Terminals or as designated by Authority	50
15	Stopping at Station not designated as per Operating schedule unless authorized by Authority	10
16	Changing bus route without authorization of Authority	1000
17	Causing minor damage to Bus Station and other assets	Repair
18	Overcharging fares from passengers directly	300
19	Driver smoking while driving	100
20	Misbehaviour by driver with Authority officials	300
21	Cause accident due to irresponsible driving/Speeding without any injury to human being	300
22	Non fatal accident with injury	Rs 500 per injury

		As per Actual (Authorized by	
23	Fatal Accident	Authority &	Certified
		Doctor)	
24	Passengers travelling on the top of the bus	Rs 300	
25	Non - availability of bus as per Assured Fleet Availability factor as applicable	Rs. 500 per bus per day	