Pakistan International Airlines
Purchases Flight Kitchen Section, 1st Floor, Supply Chain Management (old P&L) Department Building, (PIACL), Head Office Karachi Airport-75200 Pakistan.
Tel: +92-21-99045131 / 5379, Fax: +92-21-34570120
E-mail. zameer.hussain@piac.aero / dgmpc@piac.aero / khijzpk@piac.aer
Website: http://web.piac.com.pk/

Tender No. FSD-020-22
Dated. 6th June, 2022
Tender Cost. PK Rs 5,000.00 (for local bidders)
Printable at paper size. A4 page

Invitation of Tenders and Instructions to Bidders (Must Read Carefully)

M/s. _____

_____

Sub : Requirement of "Natural YOGURT Bulk – [Annual 2022-23] - KHI

Dear Sirs,

We are pleased to invite your sealed tenders for the items listed in the attached schedule/s. In case of more than one schedule separate tender for each schedule should be furnished. The terms & conditions of the tender / supplies are given below:-

SUBMISSION OF TENDER

1. **You are required to send your sealed tenders on "Single Stage Two Envelope Basis" addressed to D.G.M Purchases Commercial, Supply Chain Management (old P&L / Store) Department Building, PIACL Head Office, JIAP Karachi-75200 by 29-06-2022.**
2. **The tenders may be dropped in the tender box marked as "Tender Box Commercial Purchases" placed at the entrance of the PIA Supply Chain Management (old P&L) Building latest by 10:30 hours on the specified date.**
3. **You may also send your tenders through registered A/D, which must reach before the closing date and time mentioned above.**
4. **Tenders will be opened at 11:00 hours, the same day in the presence of bidders. (optional)**
5. **Both technical & Financial Proposals should be sealed with Scotch Tape with authorized signature.**

   a) **Tenders must be in two separate sealed envelopes;**
   - ✓ **(Technical Proposal) ➔ with Tender Reference Number**
   - ✓ **(Financial Proposal) ➔ with Tender Reference Number.**

   b) **Note: All foreign bidders must mention Tender Ref No, date of opening & item description on their courier envelope. (strict compliance)**

6. **Tenders received after stipulated date & time shall not be considered. The Corporation will not be responsible for any postal delays.**
7. **The decision of General Manager (Procurement) in all respects shall be final and binding.**

EARNEST MONEY - *[for local bidders only]*

The Tender should be accompanied by a Pay Order in the name of M/ s PAKISTAN INTERNATIONAL AIRLINES as interest free Earnest Money (Refundable) to be placed in TECHNICAL Proposal in shape of Pay Order of an amount of PKR 60,000.00 or a Bank Guarantee of equivalent amount [duly countersigned by the Head Office of the Bank], and remain be valid 03-months after expiry of the Contract. Tender without Earnest Money shall not be considered.

SECURITY DEPOSIT - *[for local bidders & optional for foreign bidders]*

Successful bidders, upon award of Contract / Purchase Order shall also be required to furnish an additional amount of as interest free Security deposit in shape of Pay Order or a Bank Guarantee of equivalent amount (duly countersigned by the Head Office of the Bank), and remain be valid 03-months after expiry of the Contract. *[for foreign bidders PIA may call amount equivalent to 05% Security Money by new participants upon evaluated 1st lowest bidder (if required)]*

PREPARATION OF TENDER

Tender will be opened on "Single Stage Two Envelopes" basis. All bidders must submit two sealed envelopes "Technical proposal and Financial Proposal" on specified tender opening date/time. Technical Proposal will be opened on same date, whereas Financial Proposal will remain sealed till the evaluation of samples according to the specifications. Financial Proposal of only those bidders will be opened whose sample are found acceptable. Evaluation Report as per PPRA Rule-35 will be uploaded on both PPRA and PIA websites.

FINANCIAL Proposal - *[having following documents].*

1. **Tender Schedule –"A" [Rates Only] Complete Form duly filled in, signed, stamped every page and sealed with scotch tape.**

Technical Proposal having following documents "Mandatory Requirement".

1. **Tender Fees Pay Order of Rs 5,000.00 For Local Bidders. (Non-Refundable).**
2. **Earnest Money amounting Rs 60,000.00 of Total Bid Value in shape of Pay Order [issued from any scheduled bank] as Earnest Money [Refundable/Interest Free] -** *On back side of Pay Order, Vendor must write company name/stamp, Tender Ref. No, date, Earnest Money & amount] - for Local Bidders only*
   - **(On Pay Order's back side, vendor must write company name/stamp, Tender Ref. No, date, 02% EM & amount)**
3. **Quality samples (Minimum 04 Bag of 01 Kg) (Non-Returnable)**
4. **Technical Proposal of item & Company profile.**
5. **Copy of GST & NTN certificate (for local bidders only)**
6. **Tender Schedule "B", "C" & Specifications, must be attached with Technical Proposal.**
7. **Manufacturers / Authorized Distributor of manufacturer (with Authorization Certification / letter from Manufacturer) only can participate.**
8. **Please see Specification part of tender.**
9. **Item's technical literature etc**
10. **Technical Proposal (Certificates & Distribution Letters only) should be submitted in 02-two sets, inserted in Technical Proposal Envelope. (One for Technical Evaluation & One for file record). Mandatory**

All information about the material proposed to be supplied must be given as required in the schedule to tender.

The tender will not be considered if complete information required is not given therein. Particular attention must be paid to delivery time.

Authorized Signatures of individual signing the tender and other documents connected with the contract must specify whether signing as:

a) Sole Proprietor or his attorney.

b) A registered active partner of the firm or his attorney.
c) For the firm per procreation.
d) As secretary, Manager, Partner, etc., or their attorney in case of firms registered under Partnership Act.
e) In any query without hesitate you will contact / emails mentioned concerned officer.

PRICES

a) The Prices quoted must be net as per accounting unit as shown in the Schedule of tender, inclusive of all duties / taxes, packing, octroi and delivery charges for free delivery to PIA Flight Kitchen through Foreign / Local Receipt Section Supply Chain Management (old P&L) Department Building PIA Karachi Airport. However, if GST is applicable, same should be shown separately.
b) The Prices mentioned in the tender will be treated as firm till the completion of Purchase Order / Contract.
c) The Prices must be stated for each item separately both in words and figures. Additional information, if any must be linked with entries on the Schedule to Tender.

ACCEPTANCE OF TENDER

PIA does not pledge itself to accept the lowest tender and reserve the right to accept or reject any or all tenders / quotations, divide business among more than one supplier or accept the tenders at rates on lowest individual items or extend the date of opening / cancel as per PPRA Rules.

Yours truly,
for and on behalf of **Pakistan International Airlines**

DGM Purchases Commercial

Encl:

1. Tender Schedule "A" ,"B" & "C" complete form.
2. Undertaking (If attached with tender)

Notes: 1- Prescribed Tenders form for the subject item may be directly downloaded from http://web.piac.com.pk/ or www.ppra.org.pk websites.
https://www.piac.com.pk/corporate/sales-procurement/tenders

Tender Schedule "A"

Ref No: FSD-020-22 KHI (enclose in Financial Envelope only)

Particulars of Item	Unit	Station	Quantity Required	Unit Rate	GST if Applicable	Total Rs
Plain YOGURT BULK 01-KG BAG	KG	KHI Karachi	22,000			
Total Value in figures/words ➔						
TOTAL CONTRACT VALUE Rs. ➔						
EARNEST MONEY (W/o GST) Rs. ➔						60,000.00

Note:

- All participant must quote one rates. Rates must be inclusive of all Govt. Taxes but GST shall be mentioned separately (if applicable).
- GST (if applicable) will be paid on items where applicable with the distribution of quantities 70% International Flights & 30% Domestic Flights.

REVISED SPECFICATIONS OF "PLAIN YOGHURT BULK"

SPECIFICATIONS	**Chemical:** • No artificial colour • Only food grade preservatives. • Ingredients must be declared. **Nutrition Facts** Amount Per 100 Grams **Nutrient** — **Amount** • Fat (g) — 2.0 – 4.0 • Protein (g) — 3.0 – 4.0 • Carbs (g) — 4.5 – 5.0 • Sugar (g) — up to 5.0
	Physical: • Weight of each Bag = 01 Kg.
	Sensory: • Should give fresh taste & flavor of yogurt.

1. **Labeling:**

- Date of expiry must be printed on each bag.
- Expiry on removable stickers are not acceptable.
- Expiry less than 15 days at the time of delivery is not acceptable expect emergency situation. The definition of emergency situation is when supply is disrupted for a long period of time and we are in dire need of the product.
- Registered Brand & Reputable Brand.
- Brand name must be labeled on each Bag.

2. **Transportation / Delivery:**

- Supplies to be delivered in flight kitchen in hygienically clean refrigerated van.
- Delivery will be made in Karachi & Islamabad flight kitchen on as and when required basis.

3. **Food Law / Regulatory Compliance / Certification:**

- **Compliance Certificate with PSQCA standards or similar agency would be preferred. Should be Halal, ISO 22000 or HACCP certified.**

4. **Laboratory Reports:**
   - **Samples will be evaluated by Evaluation Committee of food services subject to clearance of in house microbiological and sensory analysis, if required.**
   - **Food Services Division reserves the right to get a sample tested chemically & microbiological from reputable lab during the contract period and bill will be charged to the supplier.**
   - **Samples will be tested in different dishes to test and evaluate the taste aroma, consumption per unit and overall results.**

5. **Packing:**
   - **Products to be supplied in 01 kg sturdy polythene bag.**
   - **Plastic bag should be food grade and sealed, use of rubber bands or staple pin not acceptable.**

6. **Who can supply:**
   - **Producer / Manufacturer / Authorized dealer / Distributor of manufactures only.**

7. **Sample:**
   - **Minimum four bags of one kg each manufactured on different dates.**

8. **Other Terms & Conditions:**
   - **PIA reserves the right to inspect / visit the facilities of vendor at any time during currency of contract for inspecting HSE / Quality Standards. In case of not satisfactory visit report, it is the responsibility of the vendor to correct the points highlighted in the visit report. If not corrected within the given time then contract may by terminated.**
   - **Items found below the required specs shall be rejected / returned without any liability to PIA.**
   - **PIA security pass for vehicle and employees is the responsibility of vendor.**
   - **Supplier staff delivering goods must wear clean clothes including shoes. A fine of 2% on each supply may be imposed in case of non-compliance of above standard.**

SOP FOR SUBMISSION OF SAMPLES IN FOOD LAB FOR MICROBIOLOGICAL VERIFICATION

1. **Samples should be received in first three working days i.e. Monday, Tuesday and Wednesday preferably.**
2. **Samples should be properly packed and sealed with company label.**
3. **Minimum 03 to 05 samples.**
4. **In case of bulk quantity for cooking purpose like cheese block, butter salted, unsalted, cooking yogurt, Chocolate Dark & white, etc. at least 03 kg block is required for microbiological analysis and final product analysis as per chef's requirement.**
5. **Minimum time required for submission of microbiological report is 48--72hrs (03 days) after submission of food samples in lab.**
6. **Temperature at the time of delivery should be as per product requirement. Chilled product should be received at +5*c and frozen items should be received at -18*c (tolerance -10*c).**

7. **Prior to submission of sample the supplier must provide lab report of the product from any authentic laboratory. This includes both microbiological and chemical analysis report of the product.**

Please ensure compliance for reliable results.

I / We hereby confirm having read and understood the terms and conditions of the tender and I / we expressly confirm and agree that our tender for the supply of above mentioned items are in terms of and subject to the terms and conditions of the tenders.

Must fill all mentioned fields.

Bidder's Signature _____ **Bidder's Name**_____

Designation _____

Address _____

_____

Tel No. _____ **Fax No.**_____

Contact Person _____

Cell No. _____

Valid Email _____

GST No. _____

NTN NO. _____

SEAL _____

Tender Schedule "B"
Tender No. FSD-020-22 – [KHI]

Mandatory Requirement (must attach with Technical Proposal)	YES / NO
PLAIN YOGURT Bulk for Karachi	
Participant must be Manufacturer or Authorized Distributor of manufactures or importers or related business operators can participate.	
Participant must be registered with Sales Tax Authorities. Please attach copy of GST Registration Certificate indicating current "ACTIVE" status otherwise stand "REJECTED" ab-initio.	
Quality samples Qty: Minimum 04 Bags must be submitted (non-returnable)	
Delivery must be made at PIA Flight Kitchen through Local / Foreign Receipt Section PIA P&L Building, PIACL Head Office Karachi Airport, as per delivery schedule given in PO.	
2% Earnest Money (Pay Order) submitted along with the Financial Proposal	

Tender Terms & Conditions

1. If any stage documents provided by bidder found tempered /bogus 2%deposited E/Money will be fortified.
2. All participants are required to quote rates inclusive of all Govt: Taxes & GST separately. (for local bidders)
3. Please note that quoted rates must be firm and final in all respect.
4. Guarantee & warrantee must be provided. (if applicable)
5. Payment TERMS NET THIRTY DAYS or as agreed.
6. Income tax will be deducted at source. (for local bidders)
7. Quotation must be valid for 120 days from the date of technical proposal opening.
8. Quantity 15% may increase or decrease.
9. Bid will be awarded on technically qualified individual lowest rates basis.
10. All foreign vendors must send their sealed quotation via courier service, with *cross reference Tender No.* directly to General Manager (Procurement), Supply Chain Management, 1st Floor (old P&L Department) Building PIACL Head Office J.I.A.P Karachi Airport – 75200, in case of postal delay PIA will not be responsible.
11. Items are subject to evaluation by providing advance sample to determine the required quality by the user department/Joint Evaluation Committee. Item found below PIA standard shall be rejected & not entertained.
12. It will be the suppliers' responsibility to obtain Entry Passes for PIA Flight Kitchen Division for their personnel and the vehicles form PIA. Security after completing the required formalities. (for local bidders)
13. Supplier staff delivering goods must be in clean uniform, non-conformity will incur 02% deduction from the billing amount.
14. If goods deliver late than delivery schedule mentioned in Purchase Order. An amount equivalent 2% / multiple by time bar will be deducted from invoice / bill of bidder (as per rules).
15. Tender quantity will be split in 30% & 70% ratio, Zero Rated 70% quantity will be utilized on International Flights which is GST Exempted vides Sales Tax Act 1990 Sec-4(b).
16. PIA has right to visit the bidder's manufacturing site (if required).
17. Technically successful bidders will be informed their results & Financial Opening date.
18. Packing must be industrial standard of Card Board Box level & packages must be suitable for four to five times (loading off-loading) / transportation to PIA Network.
19. ER Cost Rs 10,000.00 (non-refundable) must be required from successful bidder.
20. If you have any query you can contact without any hesitation to concerned Procurement Officer email zameer.hussain@piac.aero +92-21-99045131 / +92-333-3064590

Tender Schedule "C"
Tender No. FSD-020-22 – [KHI]

Must Attach with Technical Proposal

Physical / Measurement / details of Samples - (Offer)	
Fields	**Remarks in detail** must be filled by bidder
Brand →	
Weight Offered→	
Size →	
Packing →	
Mfg & Exp Date of samples →	
Certification Details (must attached with TECHNICAL Proposal) →	
Quoted Station Details (for which station tender offered) →	
Manufacturer or Authorized Distributor of manufactures or importers or related business operators (with authority letter by manufacturer) details →	
Samples should be sealed in Thermopore Box →	

DETAILS OF DOCUMENTS attached with Technical Proposal & Financial Proposal (bidder can attached extra sheet if required, mention each & every document)

Remarks / any other information regarding product etc

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(RUPEE ONE HUNDRED NON-JUDICIAL STAMP PAPER)
(Enclose with technical proposal)

General Manager (Procurement)
Supply Chain Management
1st Floor Supply Chain Management (old P&L) Department, Building,
Pakistan Intentional Airlines Corporation Limited
Head Office J.I.A.P Karachi Airport 75200 Pakistan.

Subject: **UNDERTAKING TO EXECUTE CONTRACT**

Dear Sir,

1. We / I, the undersigned bidders do here by confirm, agree and undertake to do following in the event our / my tender for _____, is approved and accepted:-

2. That we / I will enter into and execute the formal contract, a copy of which has been supplied to us / me, receipt whereof is hereby acknowledged and which has been studied and understood by me / us without any change, amendment, revision or addition thereto, within a period of seven days when required by PIA to do so.

3. That all expenses in connection with the preparation and execution of the contract including stamp duty will be borned by us / me.

4. That we / I shall deposit with PIA the amount of Security as specified in the contract which shall continue to be held by PIA until three months after expiry of the contract period.

5. That in event of our / my failure to execute the formal contract within the period of Seven days specified by PIA the Earnest Money/Security Deposit held by PIA shall stand forfeited and we / I shall not question the same.

Bidder's Signature _____

Name in Full _____

Designation _____

Cell No: _____

Email: _____

Address: _____

_____

Phone No _____

Fax No _____

N.I.C. # _____

Seal _____

Dated _____

INTEGRITY PACT / DISCLOSURE CLAUSE

Must be printed on company Letter Head - (Submit with Financial Proposal)

Declaration of Fees, Commissions and Brokerage Etc.
Payable by the Suppliers, Vendors, Distributors, Manufacturers, Contractor & Service Providers of Goods, Services & Works.

M/s._____ the Manufacturer / Authorized Distributor / Seller / Supplier / Contractor hereby declares its intention not to obtain the procurement of any Contract, right, interest, privilege or other obligation or benefit from Government of Pakistan or any administrative sub-division or agency thereof or any other entity owned or controlled by it (GoP) through any corrupt business practice.

Without limiting the generality of the forgoing the Seller / Supplier / Contractor represents and warrants that it has fully declared the brokerage, commission, fees etc., paid or payable to anyone and not given or agreed to give and shall not give or agree to give to anyone within or outside Pakistan either directly or indirectly through any natural or juridical person, including it affiliate, agent, associate, broker, consultant, director, promoter, shareholder sponsor or subsidiary, any commission, gratification, bribe, finder's fee or kickback whether described as consultation fee or otherwise, with the object of obtaining or including the procurement of a contract, right, interest, privilege or other obligation or benefit in whatsoever form from Government of Pakistan, except that which has been expressly declared pursuant hereto.

The Seller / Supplier / Contractor certifies that it has made and will make full disclosure of all agreements an arrangements with all persons in respect of or related to the transaction with Government of Pakistan and has not taken any action or will not take any action to circumvent the above declaration, representation or warranty.

The Seller / Supplier / Contractor accepts full responsibility and strict liability for making any false declaration, not making full disclosure, misrepresenting facts or taking any action likely to defeat the purpose of this declaration, representation and warranty. It agrees that any contract, right, interest, privilege or other obligation or benefit obtained or procured as aforesaid shall without prejudice to any other right and remedies available to Government of Pakistan under any law, contract or other instrument, be void-able at the option of Government of Pakistan.

Notwithstanding any rights and remedies exercised by Government of Pakistan in this regard, the Seller / Supplier / Contractor agrees to indemnify Government of Pakistan for any loss or damage incurred by it on account of its corrupt business practices and further pay compensation to Government of Pakistan in any amount equivalent to ten time the sum of any commission, gratification, brief, finder's fee or kickback given by the Seller / Supplier / Contractor as aforesaid for the purpose of obtaining or inducing the procurement of any contract, right, interest, privilege or other obligation or benefit in whatsoever from Government of Pakistan.

PARTICIPATION AUTHORIZATION LETTER

Must be filled by Representative of Company with C.N.I.C Copy, Company Identification & must be submit with Technical Proposal only

TO WHOM IT MAY CONCERN

Dated._____

I namely _____

bearing CNIC* No. _____

representing M/s. _____,

am hereby authorized by my company to submit proposal against

Tender No: _____

for (item) _____

to PIA and observe proceeding on tender opening day. Copies of my CNIC & Company Card copy are enclosed.

Authorized Signature & Seal of Supplier with Designation _____

_____

Address _____

_____

Telephone No. _____ **Cell No.** _____

Fax No: _____ **Valid Email** _____

**Computerized National Identity Card*

(This 1st page must be printed on Non Judicial Stamp Paper Rs.100.00)

Tender No. _____

Agreement No. _____

Date _____

CONTRACT AGREEMENT

THIS AGREEMENT is made on this _____ day of _____ 2020 at_____ between PAKISTAN INTERNATIONAL AIRLINES COPRORATION LIMITED "PIACL" a Public Limited Company incorporated and governed under the law of Pakistan having its head office at Karachi Airport, Karachi – Pakistan (hereinafter as "PIA") (which expression shall include the successors, legal representatives and permitted assigns.
AND

[Name and registered address of supplier with registration details] (hereinafter referred to as "Supplier") which expressions shall mean and include its employees, agents, successors. Assigns or any other person (s) which may derive any title under (Customer's name)" M/s.....
Agreed and shall be incorporated at the time of signing the contract.

WHEREAS PIAC required supply of _____ products.
And whereas Supplier has offered the provisioning of material as precisely described in the attached "Schedule I" thereof for each item in required quantity and quality and whereas the supplier has represented to and assured PIAC that it has capability to supply the material desired / required by PIAC, and whereas PIAC has accepted the offer extended by the supplier upon terms and conditions set herein below:
NOW THIS DEED WITNESSTH AS UNDER:

ARTICLE – I: TERMS OF THE AGREEMENT
This agreement is valid for one year effective from _____ and remains valid till _____, unless sooner terminated under the provision of this Agreement. The first term agreement is also extendable by PIA, if deemed necessary, for another 55 days or any term less than it on the same rates, terms and conditions. The quantities of supplies may also be increased up to 15 % of total quantity on same rates accordingly.

ARTICLE – 2: TERMINATION OF THE AGREEMENT
Notwithstanding anything contained in this Agreement, each party shall have the right to terminate the Agreement at any time at its option upon giving 90 days written notice to the other party with assigning any reason or cause thereof.

ARTICLE – 3: PRICES
PIAC agrees to accept the material / services as per agreed rates described in the annexed Schedule(s). These rates shall include Sales, Tax, Delivery Charges and any other charges / taxes required to be paid on any material supplied or services performed under this Agreement and shall remain firm and final for the duration of this Agreement (and possible extension, if any) which shall not be enhanced by the supplier on any account whatsoever. However, on provision by the supplier of all related Govt. notification and the support of their applicability on him or products in writing, all taxes/levies such as Sales Tax, Octroi or taxes under any name levied on the product by the Federal, Provisional or Local governments, or added to the existing taxes after the prices quoted will be added to the quoted prices and applied accordingly to the bills/invoices. Similarly, benefit of all Federal Provincial or Local government taxes, withdrawn from the existing taxes, after the price quoted in the tender will be passed on to PIAC by subtracting them from the bills / invoices.

ARTICLE – 4: PAYMENT
Payment in respect of supply shall be made by Finance Manager SCM, Karachi, within 30 days of the submission of the pre-receipted / certified bills along with prescribed Sales Tax invoices and other proof of payment of taxes in case of taxable goods, which are to be drawn strictly in conformity with the orders placed by the concerned department under this Agreement. The payment(s) shall be made to the supplier after deduction of all required Government taxes or fees levied by any Federal / Provincial Government or its authorities.

ARTICLE – 5: SECURITY DEPOSIT
The supplier may provide a Pay Order in the name of Pakistan International Airlines or bank guarantee of equivalent to 5% of the bid value amount in lieu of cash / (Pay Order) at his sole discretion. If an irrevocable Bank Guarantee is provided as Earnest Money, then the validity of this bank guarantee may be replaced by another irrevocable Bank Guarantee as security deposit with the validity period equal to the duration of the contract plus 180 days.
However, upon successful completion of the contract and not further extended, the bank guarantee will be returned within 90 days.
PIAC shall always have lien to this deposit to recover any amount in case the Supplier fails to comply with any or all provisions of this Agreement or any other extension thereof. PIAC shall have the right to recover / adjust all liabilities of the supplier from the amount deposited or bank guarantee furnished by the supplier.
The Risk Purchase condition against the defaults included in ARTICLE-9, the amount of risk purchase & on any other default shall be deducted from security deposit of the bidder

ARTICLE – 6: RECOVERIES
When any amount is recoverable from the Supplier due to risk purchase or any other default under this Agreement. PIA shall be entitled to deduct any such amount from the pending bills of the Supplier whether due in respect of this or any other Agreement and / or from any other due amount of the Supplier lying with PIA the Supplier will have no objection on receipt of the same.

ARTICLE – 7: MODE OF SUPPLY

a) **Supply is to be made on as & when required basis or as specified in purchase order. The requirement for a day will be provided two days in advance and time of delivery of material, as specified on the PIAC Flight Kitchen's Purchase Orders / Receipt Forms, will have a cushion of 4 hours which shall be followed by the Supplier. These requirements shall be in line with the Monthly / weekly projections of PIAC referred in Article 9.**
b) **The supplier's employee/s bringing deliveries of frozen products supplies will bring, without fail, copies of delivery challans along with the supplies to fulfill documents / check formalities.**

ARTICLE – 8: HYGIENIC STANDARD

a) The items supplied shall be in conformity with the quality standards laid down in "Schedule ____" in respect of physical specifications and "Schedule A / B & C" (if any) in respect of microbiological specifications for each product. In the event of non-conformity the relevant batch of supplies shall be replaced by the supplier at its own cost. The samples for testing standards (if any) specified herein will be taken promptly at the time of arrival of supplies; sealed samples will be retained both by PIAC and the Supplier for submitting to an expert laboratory for microbial specifications. The costs/ expenses associated with such testing shall be borne by the supplier

b) Material is to be brought in clean and hygienically fit crates / cartons covering as per defined guidelines to be handed over to the Supplier.

c) The supplier's employees entering PIAC Flight Kitchen Building for delivery of fresh supplies would be in clean uniform / clothes as per defined guidelines to be handed over to the Supplier.

d) In case of noncompliance of any of above conditions the supplier shall be notified in writing specifying the deficiency. In case the deficiency is not rectified within 15 days of notification a fine up to 2% of value of said supply shall be imposed and intimated to the supplier / rep of supplier and the same will be deducted from the Supplier's bills.

ARTICLE – 9: DELIVERY

TIME IS THE ESSENCE OF THIS AGREEMENT. All deliveries shall be completed as specified in the mode of supply described herein below or the delivery schedule given in the purchase order / requisitions, which however, will be in conformity with Article 7. Unless otherwise agreed, delivery of the material under this agreement shall be made at PIAC Flight Kitchen / Stores at concerned station. PIAC shall give monthly / weekly projections of requirement for each delivery of store to the supplier 30 / 07 days before start of the month / week. Should then supplier fail to deliver any supplies within the stipulated time as mentioned in the delivery schedule or any extension thereof, PIAC shall be entitled at its sole discretion to purchase from elsewhere such supplies at the risk and expenses of the Supplier and or impose penalty of liquidated damages as provided herein below:

a) That in case of any violation of the delivery schedule by the supplier, Deputy General Manager Purchase without prejudice to its other rights and remedies shall have the right to claim liquidated damages from the supplier upto 5 % of the value of supplies on the day of delay for one to three hours and upto 10% exceeding late delivery afar from three hours. In case of delay in delivery beyond 24 hours of the delivery schedule by the Supplier, Deputy General Manager Purchase Commercial shall have the right to carry out risk purchase underwritten intimation /email to the supplier.

b) If the Supplier fails to supply less than 75% of an ordered quantity of the delivery schedule, PIAC have the right to carry out Risk Purchase underwritten intimation /email to the supplier.

c) In order to avoid risk purchase situation on account of reasons given in (a) and (b) above, PIAC will maintain a stock of three days for contingencies; and in case of unavoidable situation PIAC may exercise the right of risk purchase and will take necessary steps diligently to obtain fair price as prevalent in the market or shall pursue the second lowest bidder on the basis of rates quoted in the tender.

d) In case action is taken as mentioned above, the Supplier shall be liable and accounted for any reasonable price difference which may result out of such transaction.

e) The annual quantities mentioned in the annexed schedule(s) may increase / decrease up to 15% according to the requirement of the PIAC and the Supplier agrees to supply the same accordingly. In case of such increase in quantities, the rates shall remain same and no addition in unit rate/ cost shall be acceptable. There will be no compensation for decreased quantity.

f) Supply is to be made strictly as per specifications given in the Purchase Order(s). The employees of the Supplier bringing deliveries will deliver the same along with copies of delivery challans to fulfill the checking formalities.

ARTICLE – 10: TEST REPORT

It is hereby agreed that the supplier will provide a chemical test report about the item delivered to PIAC after the interval of every six months or yearly for HACCP record.

ARTICLE – 11: INSPECTION

a) All supplies shall strictly conform to specification. In the event of non-conformity, inspection will be carried out by the authorized representatives of PIAC in reference to the batch numbers, production date, delivery dates, storage condition etc.

b) If as a result of testing or checking, any supplied items / article is found to be of substandard quality and / or not in accordance with the specification because of the reasons solely attributable to the supplier, PIAC shall have the right to reject the same. PIAC will then allow the Supplier to replace the supplied material within 24 hours without extra cost to PIAC. In the event the Supplier fails to replace the quantity, PIAC may buy the quantity of supply so rejected, from elsewhere at the risk and cost of Supplier underwritten intimation to the Supplier. Purchases thus made may exceed the contracted rates but shall be reasonable.

c) Verdict regarding rejection, acceptance and / or deviation of supplies delivered as confirmed by the joint committee of authorized representatives of PIAC and the supplier shall be binding on the parties. However, if the Supplier desires to appeal against the decision of such rejection, he may appeal to– Incharge Supply Chain Management, PIAC within 7 days of the cause of disagreement and if the appeal is so preferred, the decision of Incharge Supply Chain Management, PIAC shall be final and binding on the Supplier.

d) All the above said liabilities of the Supplier are without prejudice to its other present / future liabilities arising from this Agreement whether due to performance and / or non-performance of its contractual obligation(s) or otherwise.

ARTICLE 12: INDEMNITY

The Supplier undertakes and agrees to indemnify and hold harmless PIAC, its officers and agents from and against all claims, demands, liabilities, damages and expenses of any nature whatsoever, arising out of or resulting from this Agreement whether due to performance / non-performance of any services under this Agreement by the Supplier, its employees or its agents or otherwise. In any case, the obligation on the part of the Supplier to indemnify shall be limited to cases where cause(s) giving rise to any such claim, demand, liability, damage, expenses etc are proven to have been attributed beyond doubt solely to the Supplier.

ARTICLE 13: INSOLVENCY AND BREACH OF CONTRACT

Should the supplier be adjudicated insolvent or made to enter into any agreement for composition with creditors or be wound up either compulsorily or voluntarily or commit any breach of this Agreement not herein specifically provided, PIAC shall have the right to declare the Agreement terminated forthwith and in which case the Supplier shall be liable to the confiscation of security deposit and pay PIAC for any extra expenses which might incur but it shall not be entitled to any gain or compensation from PIAC.

ARTICLE – 14: SCHEDULE

For all intents and purposes, the schedule(s) annexed herewith shall form an integral part of this Agreement and the Supplier shall be bound to fulfill all the terms and conditions stipulated therein. Any deviation from the terms and conditions incorporated in the annexed schedule(s) or other part of the Agreement shall be deemed to be violation of this Agreement on the part of the supplier.

ARTICLE – 15: FORCE MAJEURE

Excepts as provided under this Agreement neither party shall be liable for any failure or delay in performing their obligation(s) due to any cause beyond its reasonable control including without limitation, fire, act of public enemy, war, rebellion, insurrection, accident, disease outbreak in live chicken, act of God, act of state or of the judiciary.

ARTICLE – 16: BRIBE

Any bribe, commission, gifts or advantages given, promised or defrayed by or behalf of the Supplier or his Partner, Agent or Servant or anyone on its behalf to any Officer, Servant, Representative or Agent or PIAC, for showing or for bearing to show favor of disfavor to any person in relation to his or any other agreement as aforesaid shall subject the Supplier to the cancellation of this and all or any other contract and also to the payment of amount to be decided by CEO/ Managing Director, PIAC as damages and the decision of the said CEO/ Managing Director in this respect shall be final and binding on the supplier.

ARTICLE – 17: INTEGRITY PACT / DISCLOSURE CLAUSE (mentioned at page no. 09)

ARTICLE – 18: ASSIGNMENT AND EXCLUSIVITY

The Supplier Shall not sublet, transfer or assign this Agreement to any other party without prior written Permission of PIAC.
If the supplier assigns this Agreement to any other party wholly or partly in contravention of this Article, PIAC in its discretion may terminate this Agreement and / or black list or debar the Contractor for future to execute any contract with PIAC.

ARTICLE – 19: WAIVER

The failure either party at any time to require the performance by other of any of the terms and provisions hereof shall in no way effect the right of that party thereafter to enforce the same nor shall the waiver by either of the party or breach of any of the terms or provision hereof taken or held to be waiver of any succeeding breach of any such terms or provision itself.

ARTICLE – 20: AUTHORITY OF PERSON SIGNING AGREEMENT AND DOCUMENT

Person signing this agreement or any other document forming part of this Agreement on behalf of the Supplier shall be deemed to warrant that he has the authority to do so from the Supplier, and if on enquiry, it is revealed that the person so signing had no authority to do so. PIAC may without prejudice to other legal rights / remedies cancel the agreement without notice and hold the Supplier liable for all costs and damages.

ARTICLE – 21: CORRESPONDENCE

The Supplier will not correspond with or approach any other authority, persons directly or indirectly, whether the staff of PIA or otherwise except the Deputy General Manager Purchase Commercial and General Manager (Procurement) regarding any matter arising from this or any other Agreement with PIA. The Supplier may carry on correspondence with the designated officials of the User Department.

ARTICLE – 22: MISCELLANEOUS

a) **This Agreement supersedes all prior agreement(s), understanding(s) and communications (written and oral) relating to the subject. All terms and conditions of the Purchase Orders and the quoted rates are valid to the extent they are not repugnant with terms and conditions of this agreement or the parties specifically agreed in writing about any deviation from the terms and conditions of this agreement.**
b) **Titles are inserted in this Agreement for the purpose of reference and convenience and in no way define, limits or describe the scope or intent of this Agreement and / or not be deemed an integral part thereof.**
c) **Except for changes involving amendments relating to deliver schedule, this Agreement shall not be varied, modified, altered, amended or supplemented without mutual consent of the parties in writing.**
d) **If any law requires that one or both parties to this Agreement register this agreement, pursuance to such law the entire cost of such registration shall be borne by the Supplier.**
e) **The Supplier agrees that it shall from time to time do and perform such other and further sets or things and execute and deliver any or all such other and further agreement and instruments as may be required or reasonably requested by PIA to establish, maintain and protect its right and remedies under this Agreement.**
f) **Only the authorized representative of the supplier having the Security Passes from PIA Security will be allowed to enter the PIA Flight Kitchen Area. The Security Passes will be arranged by the Supplier themselves with the coordination of General Manager (Food Services).**
g) **In case of Pre-qualification; the bidder shall apply registration with PIA to Deputy General Manager (Procurement Management), PIA Stores Building, Karachi Airport.**
h) **PIA has right to take necessary action/ blacklisting of firm in line with rules, on non-compliance of PO / agreement.**
i) **This Agreement shall be binding upon and shall ensure to the benefit of both parties hereto and their respective successors and assignees provided always that any assignment shall have made in accordance with the Article-18 thereof.**
j) **All Terms & Conditions applicable with LoI issued supplier. No formal signing of agreement is mandatory.**

ARTICLE – 23: NOTICE

All notices, requests and demands given to or made upon the parties shall be in writing and posted through Registered Mail and confirmatory Facsimile or email at the addresses set forth below:

General Manager (Procurement)	**Supplier**
Or	_____
DGM (Purchase Commercial)	_____
1st Floor, SCM Building,	_____
PIACL Head Office Karachi Airport, Karachi	_____
75200	_____
Email: dgmpc@piac.aero	_____

ARTICLE – 24: APPLICABLE LAW
This Agreement shall be governed by the laws of Islamic Republic of Pakistan.

ARTICLE – 25: GOVERNING LAWS & DISPUTE RESOLUTION

a) **This agreement shall be governed and interpreted in accordance with Laws of Pakistan.**

b) **The parties agree & submit themselves to exclusive Jurisdiction of the Courts at Karachi.**

c) **Any dispute between the parties arising out of this agreement shall not be settled other than through Arbitration Act 1940. CEO/ MD PIACL, or his nominee shall be sole arbitrator whose award shall be binding upon the parties. Notwithstanding anything in this agreement PIA may continue to utilize subject matter services of the agreement from Contractor during the pendency of the Arbitration.**

ARTICLE – 26: PPRA ACT & RULES
PPRA Act & Rules shall be followed, in true letter & spirit, in the process of awarding contract.

IN WITNESS WHEREOF THE PARTIES HEREUNTO SET THEIR HANDS OF THE DAY, MONTH AND THE YEAR MENTIONED HEREINABOVE

for and on behalf of	**for and on behalf of**
Pakistan International Airlines Corporation Ltd	**M/s.** _____
Signature & Seal _____	**Signature & Seal** _____
Name _____	**Name** _____
Designation _____	**Designation** _____
WITNESS	**WITNESS**
Signature _____	**Signature** _____
Name (in Block letters) _____	**Name (in block letters)** _____
C.N.I.C. No _____	**C.N.I.C. No** _____