



**THE UNITED REPUBLIC OF TANZANIA**  
**MINISTRY OF WATER**  
**MASWA WATER SUPPLY AND SANITATION**  
**AUTHORITY**

Telegrams "MAJI Tel No: 028-2750237/2750375  
S.L.P 185, Maswa  
Fax: 028-27502337, email: [mdmauwasa@maji.go.tz](mailto:mdmauwasa@maji.go.tz)



# **Local Purchase Order for Procurement of Goods**

**SUPPLY OF PIPE FOR CONSTRUCTION OF WATER EXTENSION  
LINES FOR MASWA WSSA**

**MASWA-WSSA/SMYU/2021/2022/G/12**

**BETWEEN**

**MASWA WATER SUPPLY AND SANITATION AUTHORITY  
(MASWA-WSSA)  
(THE PURCHASER)**

**AND**

**KAHAMA OIL MILLS LTD  
(THE SUPPLIER)**

**Fy-2021-2022**

To: **KAHAMA OIL MILLS LTD**  
**P.O.BOX 253 KAHAMA, SHINYAGA**

Your quotation dated **10 November 2021** is accepted and you are required to supply the goods as detailed on the attached Schedule of Requirements and Prices against the terms and conditions contained in this Local Purchase Order (LPO). This order is placed subject to the attached Special Conditions of Contract (SCC) and General Conditions of Contract (GCC) for LPO, except where modified by the terms stated below.

**TERMS AND CONDITIONS OF THIS LOCAL PURCHASE ORDER:**

1. **Documents:** The following documents shall be deemed to form and be read and construed as an integral part to this Contract (LPO) and shall be taken as complementary and mutually explanatory of one another but in the event of ambiguities, inconsistency or discrepancies within the Contract, the documents shall take precedence/prevail in the order set out below:
  - (a) Local Purchase Order (LPO);
  - (b) Quotation Submission Form;
  - (c) General Conditions of Contract for LPO;
  - (d) Special Conditions of Contract for LPO;
  - (e) Schedule of requirements and Prices; and
  - (f) Procuring Entity 'Letter of Acceptance
  - (g) Minutes of Negotiation
  
1. **Contract Sum:** The Contract Sum shall be **Tanzanian Shillings** Three Hundred Fort-Two Million One Hundred Thirty Three Thousand Five Hundred Twenty Only. (Tshs.342,133,520.00) VAT INCLUSIVE as enumerated in the Schedule of Requirements and Prices which is attached herewith to this Contract (LPO).
  
2. **Commencement of the LPO:** This LPO shall commence immediately after signing by the Parties.
  
3. **Delivery Period:** The goods are to be use after the date of signing this LPO.
  
4. **Delivery point:** The goods shall be delivered at the MASWA -Nyarikungu hill (construction area)
  
5. **Currency for Payments:** Payment for Goods and Services supplied shall be made in Tanzanian Shillings.

**6. Payment to Supplier:**

- (a) Payments shall be made within five (5) days upon completion of satisfactory performance of the contract; and
- (b) The following documentation must be supplied for payments to be made:
  - (i) An original and two copies of an Invoice;
  - (ii) A delivery note evidencing dispatch of the goods;
  - (iii) Acceptance certificate/inspection report signed by a responsible person or committee for certifying satisfactory completion of the order]; and
  - (iv) Electronic Fiscal Device (EFD) receipt.

**7. Payment Modality:**

- (a) **Advance Payment:** 35% of the Contract Price shall be paid within thirty (30) days of signing of the Contract against a simple receipt and a bank guarantee for the equivalent amount and in the form provided in the Tendering Documents or another form acceptable to the Purchaser.
- (b) **On Delivery and Acceptance:** 65% percent of the Contract Price shall be paid to the Supplier within thirty (30) days after the date of the acceptance certificate for the respective delivery issued by the Purchaser. Upon submission of the documents specified in GCC 9.

**8. Warranty:** The warranty or guarantee period shall be twelve (12) months as indicated in the attached Schedule of Requirements and Prices:

- (a) The Supplier shall provide the warranty as stipulated in the invitation for quotations for goods to be supplied;
- (b) Where any faults are detected within the warranty period in the supplied or installed goods, the Supplier shall be bound to rectify the faults or replace the goods as the case may be within **seven (7)** days; and
- (c) Where the Supplier fails to rectify the faults or defects, the Purchaser may proceed to take such remedial action as may be necessary at the Supplier's risk and expenses.

**9. Contact Person:**

Any notices, enquiries and documentation shall be addressed to:

**Managing Director**

Maswa Water Supply and Sanitation Authority (MASWA-WSSA),

P. O. Box 185,

Maswa -Simiyu

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be signed in their respective names as of the day and year first above written.

FOR AND ON BEHALF OF THE PURCHASER:

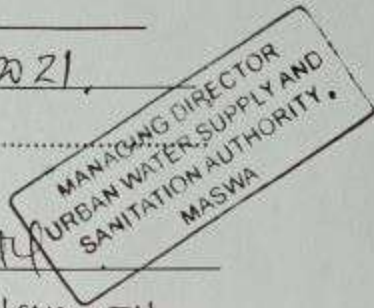
Signature: [Signature]

Name: NANDI MUGANYI

Title: MD

Date: 17/11/2021

Seal: .....



In the presence of:

Signature: [Signature]

Name: JONAS KIMATHI

Title: PROCUREMENT OFFICER

Date: 17/11/2021

FOR AND ON BEHALF OF THE SUPPLIER:

Signature: [Signature]

Name: BRYSON EDWARD BAKEMBO

Title: Manager

Date: 17/11/2021

Seal: .....



In the presence of:

Signature: [Signature]

Name: ALFRED SAUMA LOZA

Title: Sales & Production Engineer

Date: 17/11/2021



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KHAMA OIL MILLS LTD  
P.O. Box 253,  
MWANZA

Date: 16<sup>th</sup> November, 2021

RE: QUOTATION NO. MASWA-WSSA/SMYU/2020/2021/G/10 FOR SUPPLY OF  
PIPES FOR CONSTRUCTION OF WATER EXTENSION LINES FOR MASWA  
WSSA.

SUB: LETTER OF ACCEPTANCE.

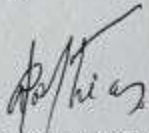
Please refer to the Your quotation dated 10 November 2021 for supply of pipes for construction of water extension lines for Maswa WSSA.

This is to notify that the Authority has accepted your bid for supply of pipes for construction of water extension lines for Maswa WSSA. Quotation number **MASWA-WSSA/SIMIYU /2020/2021/G/10** Amounting to Tanzania shillings Three Hundred Fort-Two Million One Hundred Thirty Three Thousand Five Hundred Twenty Only.

The Contract is being prepared and you are required to sign with the Managing Director of MASWA-WSSA on 17 November 2021.

Kindly acknowledge receipt of this letter in writing at your earliest convenience or submit on the day of signing the contract.

Yours

  
Engineer Nandi Mathias  
MASWA-WSSA.

MANAGING DIRECTOR  
URBAN WATER SUPPLY AND  
SANITATION AUTHORITY  
MASWA

All correspondence should be addressed to the office of Managing Director MASWA WSSA.





# KAHAMA OIL MILLS LTD

(NDEGESELA GINNERY)

Cotton Ginners, Millers and Exporters

MANUFACTURER OF PVC, POLY PIPE, PLASTIC PRODUCT,

GALVANIZED & PREPAINTED IRON SHEETS, ROUND & SQUARE PIPES

## QUOTATION MASWA-WSSA/SMYU/2020/2021/G/10 FOR SUPPLY OF PIPES

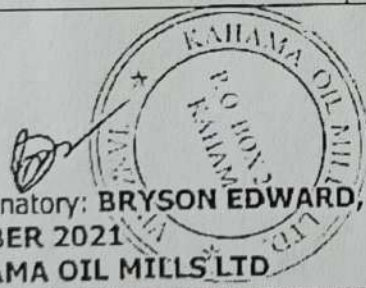
SCHEDULE OF REQUIREMENTS					
S/NO	DESCRIPTION OF GOODS	UNIT OF MEASURE	QUANTITY	RATE	AMOUNT (Tsh)
01.	Poly Pipe HDPE pipe DN 160PN 10 (6" Class C)	M	2,500	36,400	91,000,000.00
02.	Poly Pipe HDPE pipe DN 110PN 10 (4" Class C)	M	6,000	18,440	110,640,000.00
03.	Poly Pipe HDPE pipe DN 63PN 10 (2" Class C)	M	13,000	6,260	81,380,000.00
04.	Poly Pipe HDPE pipe 25PN 10 (3/4" Class C)	M	150	960	144,000.00
05.					
06.					
07.					
08.					
09.					
	<b>TOTAL</b>				<b>283,164,000.00</b>
	<b>VAT 18%</b>				<b>50,969,520.00</b>
	<b>Transport cost</b>				<b>8,000,000.00</b>
	<b>GRAND TOTAL</b>				<b>342,133,520.00</b>
<b>Total amount in TZS (in words):</b>			<b>Three hundred forty two million one hundred thirty three thousand five hundred twenty only VAT Inclusive</b>		
The delivery period is:			<b>TWO</b> weeks from date of LPO		
Delivery Point			<b>MASWA</b>		

Authorize Signature:

Name and title of signatory: **BRYSON EDWARD, Manager**

Date: **10th NOVEMBER 2021**

Address: **KAHAMA OIL MILLS LTD  
P.O BOX 253 KAHAMA, SHINYANAGA**





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**NEGOTIATION MEETING**

**Project: CONSTRUCTION OF EXTENSION LINE FOR MASWA-WSSA**

**MINUTES OF THE MEETING 16/11/2021**

**1. Detail of the meetings**

**Venue** MANAGING DIRECTOR OFFICE

**Date:** 16/11/2021

**Time** 09:45- 10:30

**2. Participants**

<b>Name</b>	<b>Organization</b>	<b>Position</b>	<b>Department</b>
Jonas kimath	MASWA-WSSA	Chairperson	0765764574
Leonard Mnyeti	MASWA-WSSA	Technical Manager	0757732911
Raphael Mwita	MASWA-WSSA	Production Manager	0768219951
Boniface Kasinde	MASWA-WSSA	Commercial Manager	0754710930
Patrick Urio	MASWA-WSSA	Network Incharge	0754480112
Bryson Edward	KAHAMA OIL MILLS	Manager	0755513395

**3. Agenda for the Meeting**

The following was adapted as agenda for the meeting

Agenda 1: Opening Of the Meeting

Agenda 2: Payment Schedule

Agenda 3: Delivery Schedule

Agenda 4: Transportation Cost

Agenda 5: AOB

Agenda 4: Closing

### **Agenda 1: opening of the meeting**

The Chairman opened the meeting at 09.45 hours by welcoming the Members of the negotiation team and the company representative, and gave them opportunity to introduce themselves. After such a brief self-introduction, he introduced the main agenda of this meeting is to discuss and clarify some issues which were not apparent or could not be finalized at the time of bidding.

### **Agenda 2: Payment Schedule**

The negotiation committee wanted to know the modality of payment after signing the contract. The supplier wanted an advance payment of 40% of the contract sum and the remain amount after delivering the whole consignment. After the discussion the negotiation committee agreed to pay the Supplier advance payment of 35% and the remain amount after delivering the whole consignment. It was agreed that the advance payment will be paid after the Supplier has submitted the security performance bond in the form of insurance bond. The submitted performance bond will cover the advance payment.

### **Agenda 3: Delivery Schedule**

The negation committee wanted to know the terms of delivering of Water Pipe (HDPE) after signing the contract. The supplier explained that he shall maintain fourteen (14) days to delivery water pipe after receiving the local purchase order and advance payment. But the committee wanted the delivery of water pipes not to exceed one week after signing the contract and issuing of the local purchase order. The negotiation committee agreed that the delivery of pipes shall be one week after signing the contract and presentation of both local purchasing order and advance payment to Supplier.

### **Agenda 4: Transportation Cost**

The Committee wanted the Supplier to waive the transportation cost. The Supplier explained that the price of goods is free charged with transportation costs and their fore he cannot waive the component of transportation. He explained that with cost of transportation will accelerate the delivery of goods on time. The negotiation committee accepted with the option and hence agreed the component of transportation costs to remain.

### **Agenda 5: AOB**

The Committee Members asked the supplier to present the following certificates together with Advance Payment insurance bond, certificates are a valid Business License, valid VAT license (if is VAT registered), TIN certificate, Manufacturer's Authorization Letter (if is not producing from its own industry), Original Power of Attorney, The document of registration of ownership of the company/industry from BRELA.

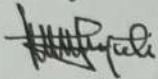
The chairperson insisted the supplier to maintain the specification and quality of water pipes. Furthermore, he insisted on timely delivery of pipe so that to avoid unnecessary delaying of execution of the work.

### **Agenda No. 33: Closing**



The Chairman expressed his gratitude to all the Members for attending the meeting and their cooperation during the negotiation process. He finally closed the meeting at 10.30 hours.

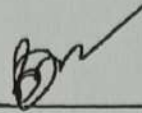
These minutes of the negotiation meeting have been approved to be correct as per discussion and signed by



Secretary

16/11/2021

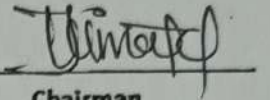
Date



Supplier

16/11/2021

Date



Chairman

16/11/2021

Date

