CONTRACT

To
NOURYON CHEMICALS INDIA PRIVATE LIMITED.,
8TH FLOOR, NB-801,EMPIRE TOWER,
NAVI MUMBAI-400708,
Maharashtra,
India
Tel No : 020 25560384
Fax No.: 020 25560384
Email : prashant.badgujar@nouryon.com
Vendor Code : 101063510

Contract No.: GAIL/PA24/20696/4000007634/165/24-25/TG
Contract date: 13.11.2024
Contract Validity : 14.11.2024 **to** 13.11.2025
E-Tender No. :NIL
Vendor Type :OTHERS

FOR ALL CORRESPONDENCE PLS. QUOTE CONTRACT No. AS ABOVE.

Kind Attn : Mr/~~Ms~~ PRASHANT BADJUGAR
Dear Sir(s)/Madam

With reference to your quotation against our enquiry and all subsequent correspondence(s) till date , if any, we are pleased to place this contract on you ,for delivery of following material(s)/services/works subject to terms and conditions mentioned in tender documents. The orders against the items required by us as and when basis shall be released in due course of time.

CONTRACT VALUE : The estimated contract value under this contract works out to INR (21,013,440.00)
Please refer enclosed document for other Contract value related conditions.

SUBJECT:
SUPPLY OF 42 MT OF TEAL AT GAIL PATA ON ARC BASIS

RELEASE ORDER TEXT :
RELEASE ORDERS / DELIVERY ORDERS SHALL BE ISSUED BY GAIL PATA DIRECTLY DURING THE CONTRACT PERIOD. SUPPLY SHALL BE MADE AGAINST SUCH RELEASE ORDERS ONLY.

SCHEDULE OF RATE (SOR):
AS PER RFQ

AHR DETAILS:
NIL

SCOPE OF WORK / SERVICES:
AS PER SCC ATTACHED

PRICE BASIS:
THE TOTAL CONTRACT ORDER VALUE IS RS. 2,10,13,440/- (INCLUSIVE OF P&F, FREIGHT & GST)

FREIGHT CHARGES: RS.40,000/- PER MT .

THE ABOVE PRICE IS EXCLUSIVE OF TRANSIT INSURANCE & THE SAME SHALL BE ARRANGED & BORNE BY GAIL.

TRANSIT INSURANCE:

TRANSIT INSURANCE IS IN SCOPE OF GAIL. HOWEVER, IMMEDIATELY AFTER DESPATCH, SELLER SHALL ENSURE TO SEND A COPY OF THE DESPATCH PARTICULARS TO PATA.EXPEDITING@GAIL.CO.IN; PATA.STORES@GAIL.CO.IN

POLICY DETAILS:

INSURER: The Oriental Insurance Company Limited
POLICY NUMBER: 222100/21/2024/49
PERIOD OF INSURANCE: FROM 00:00 ON 01/01/2024 TO MIDNIGHT OF 31/12/2024
ISSUING OFFICE CODE: 222100
OFFICE ADDRESS: 16/98, LIC BUILDING, THE MALL, KANPUR UTTAR PRADESH 208001
CONTACT NUMBER: - 0512-2312610 / 0512-2312817 /
ramshankar@orientalinsurance.co .in
PLEASE NOTE THAT INSURANCE POLICY IS VALID UPTO 31.12.2024 IN CASE OF DELIVERY BEYOND 31.12.2024, MAY PLEASE CONTACT PATA EXPEDITING CELL, E-MAIL: PATA.EXPEDITING@GAIL.CO.IN

CONTRACT PERIOD / VALIDITY / COMPLETION SCHEDULE:
1.0 CONTRACT PERIOD:

THE CONTRACT PERIOD SHALL BE OF 12 MONTHS FROM THE DATE OF ISSUE OF CONTRACT DATED 14.11.2024 I.E. WITHIN THIS PERIOD GAIL CAN SEND THE INTIMATION FOR DISPATCH TO SELLER.

HOWEVER IN CASE COMPLETE QUANTITY HAS NOT BEEN EXECUTED, CONTRACT SHALL BE EXTENDED FURTHER BY THREE MONTHS AT SAME RATES, TERMS & CONDITIONS AT THE SOLE DISCRETION OF GAIL.

2.0 DELIVERY SCHEDULE:

i) 1ST LOT OF 12.6 MT WITHIN 8 WEEKS FROM THE DATE OF ISSUANCE OF DELIVERY ORDER/INTIMATION FROM GAIL.
ii) FOR THE SUBSEQUENT LOTS OF 8.4 MT EACH DELIVERY SCHEDULE SHALL BE 8 WEEKS AGAINST INTIMATION/DELIVERY ORDER FROM GAIL
iii) GAIL SHALL ISSUE THE INTIMATION/DELIVERY ORDER TENTATIVELY ON EVERY MONTH PERIOD.

DATE OF RECEIPT OF MATERIAL AT SITE SHALL BE CONSIDERED AS DATE OF DELIVERY AND THE SAME SHALL BE CONSIDERED FOR CALCULATION OF PRS (LOT WISE DELIVERY VALUE).

A) FOR SUPPLY OF SUBSEQUENT LOTS, DISPATCH ADVICE/INTIMATION WITH MINIMUM 8 WEEKS' NOTICE SHALL BE GIVEN TO SELLER BY E-MAIL/FAX/SEPARATE DELIVERY ORDER. HOWEVER, DATE OF DISPATCH ADVICE/INTIMATION FOR FINAL LOT WILL NOT EXCEED 12 MONTHS FROM THE DATE OF NOTIFICATION OF AWARD AND 15 MONTHS IF THE CONTRACT IS EXTENDED FURTHER BY 3 MONTHS (IF REQUIRED).

B) GAIL RESERVES THE RIGHT TO AMEND THE DELIVERY SCHEDULE AT THE TIME OF PLACEMENT OF ORDER.

C) THE ABOVE LOT SIZE IS INDICATIVE ONLY AND BOTH THE DELIVERY SCHEDULE, QUANTITY PER LOT AND NOS. OF LOTS SHALL BE DETERMINED/ ADJUSTED ACCORDING TO THE REQUIREMENT OF PLANT AT THE TIME OF PLACEMENT OF ORDER OR AS PER REQUIREMENT OF PLANT FROM TIME TO TIME AND THE STANDARD PACKING SIZE / CONTAINER SIZE / TRUCK CAPACITY. TOLERANCE OF ±5% PER LOT OR UNIT PACK SIZE/CONTAINER CAPACITY/TRUCK CAPACITY, WHICHEVER IS HIGHER SHALL BE ADMISSIBLE FOR EACH LOT.

D) TOTAL QTY. TO BE ORDERED SHALL BE ADJUSTED ACCORDING TO THE NEAREST TOTAL TENDERED QTY. OF 105 MT BASED ON THE OFFERED LOT SIZE OF BIDDER.

NOTE:

IN CASE THE TENDER QUANTITY IS DISTRIBUTED AMONGST TWO OR MORE BIDDERS, THE DO QUANTITY PER LOT SHALL ALSO BE ADJUSTED ACCORDINGLY IN THE RATIO AS PER THE DISTRIBUTION METHODOLOGY DEFINED IN THE TENDER DOCUMENT.

PERFORMANCE BANK GUARANTEE:
SELLER SHALL SUBMIT CONTRACT PERFORMANCE SECURITY (CPS)/ SECURITY DEPOSIT (SD) FOR 5 % OF TOTAL CONTRACT VALUE EXCLUDING GST I.E. RS. 8,90,400/- OR INITIAL SECURITY DEPOSIT (ISD) @ 2.5% OF CONTRACT VALUE I.E. RS. 4,45,200/- (AND DEDUCTION @ 5% OF THE RA BILL SUBSEQUENTLY FROM RA BILLS TILL THE TOTAL AMOUNT OF SECURITY DEPOSIT [INCLUDING ISD AND DEDUCTED AMOUNT) REACHES 5% OF CONTRACT VALUE] ON OR BEFORE FOR 13.12.2024 WITH VALIDITY UP TO 13.08.2026 [(12 MONTHS CONTRACT PERIOD + 06 MONTHS WARRANTY/GUARANTEE + 3 MONTHS] AND ADDITIONAL CLAIM PERIOD OF 3 MONTHS I.E UPTO 13.11.2026.

REQUIRED VALIDITY # 13.08.2026
REQUIRED CLAIM PERIOD # 13.11.2026 (IN CASE OF BG THROUGH BANK)

MODES OF SUBMISSION OF CPS

1. THROUGH NEFT/RTGS

ACCOUNT HOLDER'S NAME: GAIL INDIA LIMITED
ACCOUNT NUMBER: 00000032808651040
ACCOUNT TYPE (SAVINGS/CASH CREDIT/CURRENT):OD
IFSC CODE: SBIN0001937
9 DIGIT MICR NO. OF BANK AND BRANCH: 206002020

VENDOR TO MENTION CONTRACT NUMBER IN REMARKS AND SEND UTR NUMBER ALONG WITH SCREENSHOT OF TRANSACTION TO twinkle.gour@gail.co.in

2. IN THE FORM OF BANK GUARANTEE THROUGH BANK:

NOTE - IN LINE WITH RBI GUIDELINES, CLAIM PERIOD NEEDS TO BE 3 MONTH BEYOND VALIDITY.

FURTHER, PLEASE FOLLOW FORMAT OF BG AS PER TENDER DOCUMENT. ANY DEVIATION FROM FORMAT WILL LEAD TO REJECTION OF BG.

HARD COPY OF THE BG MUST REACH ADDRESS BELOW WITHIN 30 DAYS FROM DATE OF PLACEMENT OF ORDER ON GEM.
MS. TWINKLE GOUR
SM(C&P)
GAIL (INDIA) LIMITED
PATA PETROCHEMICAL COMPLEX
DISTRICT AURAIYA
UTTAR PRADESH - 206241
PHONE NO. & EXTN : 05683 # 230388
E-MAIL : TWINKLE.GOUR@GAIL.CO.IN

CONTRACT AGREEMENT:

NOT APPLICABLE

TERMS OF PAYMENT:
100% PAYMENT SHALL BE RELEASED WITHIN (15) FIFTEEN DAYS OF RECEIPT AND ACCEPTANCE OF MATERIAL AT SITE.

1. DOCUMENTS (TECHNICAL) REQUIRED :

I. SIGNED COPY OF GAIL'S TECHNICAL SPECIFICATION
II. CERTIFICATE OF ANALYSIS
III. MSDS

2. DOCUMENTS (COMMERCIAL) REQUIRED :

(i) GST COMPLIANT INVOICE (IN ORIGINAL)
(ii) COPY OF LR
(iii) CERTIFICATE OF ANALYSIS (IN ORIGINAL)
(iv) FALL CLAUSE CERTIFICATE
(v) MSDS

PAYING AUTHORITY:
PAYMENT SHALL BE RELEASED THROUGH VENDOR INVOICE MANAGEMENT SYSTEM (VIM).

VENDOR INVOICE MANAGEMENT (VIM)

GAIL HAS IMPLEMENTED VENDOR INVOICE MANAGEMENT (VIM) SYSTEM TITLED AS 'SARATHI' FOR AUTOMATION, DIGITIZATION & CENTRALIZATION OF ACCOUNT PAYABLE PROCESS W.E.F. 01.04.2023.

AFTER IMPLEMENTATION, SUPPLIER/ CONTRACTOR/SERVICE PROVIDE/ CONSULTANT IS REQUIRED TO UPLOAD DIGITAL INVOICE ON 'SPARSH' PORTAL. THE SYSTEM OPTIMIZES AND SIMPLIFIES THE PROCESS OF RECEIVING, MANAGING, MONITORING AND FORWARDING INVOICES FOR PAYMENT PROCESS. THE LINK OF 'SPARSH' PORTAL IS AS UNDER:

HTTPS://SPARSH.GAIL.CO.IN/FLIPPER/#/LOGIN

THE 'HELP MANUAL' HYPERLINK TO ACCESS THE DETAILED USER MANUAL, DEMO VIDEOS, FAQ'S AND OTHER RELEVANT INFORMATION IS AVAILABLE ON 'SPARSH' PORTAL.

ONLY DIGITAL INVOICE IS TO BE UPLOADED ON 'SPARSH' PORTAL AND ALL OTHER SUPPORTING DOCUMENTS ALONG WITH COPY OF INVOICE ARE TO SUBMITTED TO CONCERNED AS DEFINED IN PURCHASE ORDER (PO)/ LETTER OF ACCEPTANCE (LOA).

CONTRACT (cont.)

NOURYON CHEMICALS INDIA PRIVATE,	**Contract No.:** GAIL/PA24/20696/4000007634/165/24-25/TG **Contract date:** 13.11.2024

PAN PARTICULARS:
GAIL (India) Ltd PAN No. AAACG1209J

"As per CBDT Notification No. 95/2015 dated 30.12.2015, mentioning of PAN no. is mandatory forprocurement of goods / services/works/consultancy services exceeding Rs. 2 Lacs per transaction. Accordingly, supplier/ contractor/ service provider/ consultant should mention their PAN no. in their invoice/ bill for any transaction exceeding Rs. 2 lakhs. As provided in the notification, in case supplier/ contractor/ service provider/ consultant do not have PAN no., they have to submit declaration in Form 60 along with invoice/ bill for each transaction. ayment of supplier/ contractor / service provider/ consultant shall be processed only after fulfilment of above requirement".

YOUR BANK DETAILS :
Please note that details of your bank account in our system are as under. You are requested to verify the same and intimate discrepancies, if any

1563386000

GAIL has implemented Vendor Invoice Management System for processing of invoices. The solution has been configured to handle both physical invoices as well as digitally signed invoices. This system optimizes the invoice management at GAIL and expedite their processing. The detailed methodology for submission of invoices shall be informed separately.

As a pre-requisite to the system, it is important to mention the details of Purchase Order/ Letter of Acceptance number on the face of invoice. Accordingly you are requested to ensure Purchase Order/ Letter of Acceptance number is clearly mentioned on the Invoice. Further Invoices is system generated and no handwritten invoices shall be eligible for OCR conversion on VIM portal.

ADDITIONAL BANK DETAILS:

PRICE REDUCTION SCHEDULE:
THE PORTION OF SUPPLY COMPLETED IN ALL RESPECT WHICH CAN BE USED FOR COMMERCIAL OPERATION SHALL NOT BE CONSIDERED FOR APPLYING PRS, IF DELIVERED WITHIN CONTRACTUAL DELIVERY PERIOD. THE REMAINING SUPPLIES WHICH ARE COMPLETED BEYOND THE CONTRACTUAL DELIVERY SHALL ATTRACT PRICE REDUCTION SCHEDULE @½ % OF THE DELAYED DELIVERY VALUE MAXIMUM UP TO 5% OF THE TOTAL ORDER VALUE. THE PRS SHALL BE APPLICABLE ON BASIC ORDER VALUE EXCLUDING GST.

FOR THE PURPOSE OF CALCULATION OF PRS FOR ANY LOT, A PARTICULAR LOT WILL BE CONSIDERED TO HAVE BEEN COMPLETED/SUPPLIED IF THE MINIMUM/LOWER RANGE OF THE LOT SIZE IS SUPPLIED WITHIN SCHEDULED DELIVERY PERIOD. IN CASE OF DELAY, PRS SHALL BE LEVIED ON THE DELAYED DELIVERY CALCULATED ON THE DIFFERENCE BETWEEN LOWER RANGE OF THE LOT SIZE AND THE ACTUAL QTY. SUPPLIED WITHIN SCHEDULE. FOR EXAMPLE, FOR THE 1ST LOT OF 75 MT, IN CASE SUPPLIER SUPPLIES 50 MT WITHIN SCHEDULED DELIVERY PERIOD AND SUPPLIES ANOTHER 50MT AFTER THE SCHEDULED DELIVERY PERIOD, PRS SHALL BE APPLICABLE FOR 25 MT ONLY (75 MT # 50 MT) @0.5% PER WEEK OF DELAY OR PART THEREOF AND THE SAID LOT SHALL BE DEEMED TO HAVE BEEN COMPLETED.

DEFECT LIABILITY PERIOD:
NIL

CONTRACT DOCUMENT:

a) SCC & GPC OF NIC TENDER NO. GAIL/PA24/20120696/165/TG DTD 24.07.2024 [TENDER ID : 2024_GAIL_201584_1
b) SIGNED COPY OF INTEGRITY PACT
c) CPBG FORMAT

REGULARIZATION OF FOI / FOA:
NIL

ENGINEER-IN-CHARGE / CO-ORDINATOR:
REFER CONSIGNEE ADDRESS

OTHER CONTRACTUAL STIPULATIONS:
1.0 REFERENCES:

(1)NIC TENDER NO. GAIL/PA24/20120696/165/TG DTD 24.07.2024 [TENDER ID: 2024_GAIL_201584_1]
(2)YOUR OFFER/BID NO.: 736115
(3)ALL SUBSEQUENT CORRESPONDENCE(S)RESTING WITH YOUR E-MAIL DATED 11.11.2024 AGAINST NIC TENDER NO.GAIL/PA24/20120696/165/TG DTD 24.07.2024.

WITH REFERENCE TO ABOVE, WE ARE PLEASED TO ISSUE DETAILED CONTRACT FOR SUPPLY OF 42 MT TEAL AT GAIL,PATA AS UNDER:

(i) QUANTITY: 42 MT

(ii) CONTRACT PERIOD: 12 MONTHS.

(iii) UNIT RATE ON FOT GAIL PATA BASIS EXCL.FREIGHT & GST: RS. 3,84,000/- PER MT

(iv) FREIGHT: RS. 40,000/- PER MT.

(v) GST: EXTRA AS APPLICABLE, PRESENTLY @18%

(vi)TRANSIT INSURANCE: GAIL'S ACCOUNT

(vii) TOTAL ESTIMATED ORDER VALUE: RS. 1,78,08,000/- INCLUDING FREIGHT BUT EXCLUDING GST (RS. 2,10,13,440/- INCLUDING FREIGHT AND GST @18%)

2.0 INSPECTION / CERTIFICATE OF ANALYSIS:

NECESSARY TEST CERTIFICATES CONFIRMING THE QUALITY OF THE MATERIAL TO BE PROVIDED AS A PART OF DISPATCH DOCUMENT. CERTIFICATE OF ANALYSIS (COA) SUBMITTED BY THE VENDOR SHOULD BE IN LINE WITH GAIL'S REQUIRED SPECIFICATION AND SHALL BE PROVIDED (FOR EACH LOT) AS A PART OF DISPATCH DOCUMENTS.
ALSO, VENDOR SHALL SUBMIT DULY SIGNED AND STAMPED COPY OF GHS COMPLIANT SAFETY DATA SHEET (SDS) FOR THE MATERIAL BEING SOLD AS PER PETROLEUM AND NATURAL GAS REGULATORY BOARD NOTIFICATION DATED 17TH SEPTEMBER, 2020.

3.0 RENT FREE PEROD:

RENT FREE PERIOD (RFP) APPLICABLE UNDER INSTANT CONTRACT IS 180 DAYS WHICH SHALL BE RECKONED FROM THE DATE OF RECEIPT OF FILLED CYLINDER TILL THE DATE OF INTIMATION THAT CYLINDER IS EMPTY AND SHALL BE TAKEN BACK.

SELLER HAS TO LIFT THE EMPTY CYLINDERS FROM GAIL, PATA ONCE INTIMATION HAS BEEN RECEIVED THAT CYLINDER (S) ARE LYING AT GAIL, PATA.

FURTHER, TDS (TAX DEDUCTION AT SOURCE) AS APPLICABLE FOR RENTAL CHARGES AS PER GOVERNMENT GUIDELINES SHALL BE DEDUCTED BY GAIL AT THE TIME OF REMITTANCE OF RENTAL CHARGES, IF ACCRUED.NECESSARY TDS CERTIFICATE SHALL BE FURNISHED BY GAIL TO THE SELLER IN SUCH A CASE.

IF THE CYLINDER HOLDING PERIOD IS BEYOND THE RFP, THE APPLICABLE RENTAL CHARGES (IF ANY) MAY PLEASE BE FORWARDED TO THE ENGINEER IN CHARGE (EIC) CLEARLY MENTIONING THE CYLINDER NUMBER AND THE HOLDING DAYS. SUBSEQUENTLY, ENGINEER-IN-CHARGE (EIC) SHALL PROCESS RENTAL BILLS SUBMITTED BY SELLER FOR MAKING PAYMENT TOWARDS RENTAL CHARGES.

NOTE:

IF SELLER WISHES TO CLAIM RENTAL CHARGES (IF ANY) ACCRUED BEYOND RENT FREE PERIOD, THE CLAIM SHALL BE SUBMITTED WITHIN 30 DAYS AFTER EXPIRY OF RENT FREE PERIOD OF LAST LOT OF MATERIAL SHIPPED TO GAIL OR WITHIN 15 DAYS AFTER RECEIPT OF INTIMATION FROM GAIL THAT LAST CYLINDER(S) IS EMPTY AND SHALL BE TAKEN BACK, WHICHEVER IS LATER.

IF THE CYLINDER HOLDING PERIOD IS BEYOND THE RFP, THE APPLICABLE RENTAL CHARGES (IF ANY) MAY PLEASE BE FORWARDED TO THE ENGINEER IN CHARGE (EIC) CLEARLY MENTIONING THE CYLINDER NUMBER AND THE HOLDING DAYS. SUBSEQUENTLY, ENGINEER-IN-CHARGE (EIC) SHALL PROCESS RENTAL BILLS SUBMITTED BY SELLER FOR MAKING PAYMENT TOWARDS RENTAL CHARGES.

RENTAL CHARGES@ RS.2000/- PER DAY AFTER RENT FREE PERIOD OF 180 DAYS SHALL BE APPLICABLE.

4.0 FALL CLAUSE: APPLICABLE AS PER GCC, AND TO BE READ IN CONJUNCTION WITH SIMILAR VOLUME BASIS.

SELLER HAS TO SUBMIT THE FALL CLAUSE CERTIFICATE STATING AS UNDER-

"I/WE CERTIFY THAT THERE HAS BEEN NO REDUCTION IN SALE PRICE OF THE ITEMS/GOODS/MATERIALS OF DESCRIPTION IDENTICAL TO THOSE SUPPLIED TO THE GAIL UNDER THE ORDER HEREIN AND SUCH ITEMS/GOODS/MATERIALS HAVE NOT BEEN OFFERED/SOLD BY ME/US TO ANY PERSON/ORGANIZATIONS INCLUDING THE PURCHASER OR ANY DEPTT. OF CENTRAL GOVT. OR ANY DEPTT. OF STATE GOVT. OR ANY STATUTORY UNDERTAKING OF THE CENTRAL OR STATE GOVT. AS THE CASE MAY BE UPTO THE DATE OF BILL/DURING THE CURRENCY OF THE ORDER WHICHEVER IS LATER, AT A PRICE LOWER THAN THE PRICE CHARGED TO THE GAIL UNDER THE ORDER."

5.0 DISPATCH DOCUMENTS:

1. GST COMPLIANT INVOICE (IN ORIGINAL) - (COMMERCIAL)
2. COPY OF LR - (COMMERCIAL)
3. CERTIFICATE OF ANALYSIS (IN ORIGINAL) - (TECHNICAL)

4. FALL CLAUSE CERTIFICATE -(COMMERCIAL)
5. MATERIAL SAFETY DATA SYSTEM (MSDS)-TECHNICAL

6.0 GAIL HAS IMPLEMENTED VENDOR INVOICE MANAGEMENT (VIM) SYSTEM, W.E.F. 01.04.2023 ON PAN INDIA BASIS AND GUIDELINES / SOPS BEING CIRCULATED SEPARATELY.

TO FACILITATE SMOOTH SWITCHING OVER FROM EXISTING SYSTEM TO VIM, IT IS APT TO RECEIVE DISPATCH DOCUMENTS (TECHNICAL/COMMERCIAL) THROUGH E-MAIL AND BRIEF DETAILS THROUGH SMS/WHATSAPP [AS AN ALERT MESSAGE] WELL BEFORE THE MATERIAL(S) / CONSIGNMENT(S) AS WELL AS THE DISPATCH DOCUMENTS ARE RECEIVED AT GAIL, PATA

6.0.1 SCANNED COMMERCIAL DISPATCH DOCUMENTS TO BE SENT TO CONSIGNEE SH.CHANDRESH KUMAR GUJAR, CM(C&P),E-MAIL ID- kchandresh80@gail.co.in & pata.expediting@gail.co.in

6.0.2 THIS WOULD ENSURE THAT PAYMENT IS NOT DELAYED DUE TO VARIOUS REASONS SUCH AS DOCUMENT DEFICIENCIES /DISCREPANCIES (IF ANY) WHICH WOULD OTHERWISE BE RECTIFIED IMMEDIATELY ENABLING TIMELY INSPECTION AND PROCESSING FOR PAYMENT.

7.0 VENDOR CONTACT DETAILS FOR EXPEDITING:

MR. NAMIT BHUKAR, SALES MANAGER: INDIA SUB-CONTINENT
E-MAIL:NAMIT.BHUKAR@NOURYON.COM
CONTACT NO. +91-9737979616

8.0 INTEGRITY PACT:
THIS ORDER SHALL BE GOVERNED BY THE INTEGRITY PACT SIGNED BY YOU AT THE TIME OF BIDDING.

9.0 E-WAY BILL:

THE CONSIGNMENT SHOULD BE HANDED OVER TO TRANSPORTER WITH E-WAY BILL, WHEREVER REQUIRED AS PER LAW/ACT. IN CASE SUCH E-WAY BILL IS REQUIRED TO BE ISSUED BY GALL, THE CONCERNED DESIGNATED ORDER
ISSUING AUTHORITY MAY BE CONTACTED IN THIS REGARD. IT WILL BE THE RESPONSIBILITY OF THE SUPPLIER TO ENSURE THE COMPLIANCE OF THE PROVISIONS RELATING TO E-WAY BILL BEFORE DISPATCH OF THE CONSIGNMENT AND ANY FINANCIAL IMPLICATION ARISING DUE TO NON-COMPLIANCE IN THIS REGARD WILL BE TO THE ACCOUNT OF THE
SUPPLIER.FOR GENERATION OF E-WAY BILL GAIL'S DETAILS ARE AS BELOW:

GAIL'S GST NO. : 09AAACG1 209J3ZS, CONSIGNEE ADDRESS: GAIL (INDLA) LIMITED, P.O.: PATA - 206241 DISTT.: AURAIYA (U.P.).
NOTE: AFTER DISPATCH OF MATERIAL, SUPPLIER SHALL PROVIDE DISPATCH DETAILS I.E COPY OF GST INVOICE, PACKING LIST, COPY OF LR & OTHER DOCUMENTS IF ANY

AT [PATA.EXPEDITING@GAIL.CO. IN AND PATA.STORES@GAIL.CO. IN].

10.0 ALL OTHER TERMS & CONDITIONS(IF NOT MENTIONED ABOVE) SHALL BE AS PER NIC TENDER NO. GAIL/PA24/20120696/165/TG DTD 24.07.2024 [TENDER ID : 2024_GAIL_201584_1]

WARRANTIES / GUARANTEE:
CONFIRMATION THAT THE GOODS SHALL BE GUARANTEED AGAINST DEFECTIVE MATERIALS/WORKMAN-SHIP ETC. FOR A PERIOD OF SIX (06) MONTHS FROM THE DATE OF DISPATCH (FOR EACH LOT).

COMPENSATION FOR EXTENDED STAY:
NOT APPLICABLE

TERMS OF DELIVERY:
DATE OF RECEIPT OF MATERIAL AT SITE SHALL BE CONSIDERED AS DATE OF DELIVERY.

REPEAT ORDER:
AS PER GPC ATTACHED

INSURANCE:
REFER DELIVERY PERIOD

INSPECTION:
TS DEPT., GAIL PATA

GENERAL CONDITIONS OF CONTRACT:
AS PER GPC ATTACHED

SPECIAL CONDITIONS OF CONTRACT:
AS PER SCC ATTACHED

POST AWARD CORRESPONDANCE:

FOR ALL COMMUNICATION RELATED TO DISPATCH OF MATERIAL AND OTHER POST ORDER ISSUED, MAY CONTACT TO:

MONJITDOLEY@GAIL.CO.IN/ KAPIL.PAHWA@GAIL.CO.IN/ TWINKLE.GOUR@GAIL.CO.IN

ACKNOWLEDGEMENT OF CONTRACT:
KINDLY ACKNOWLEDGE THE RECEIPT & ACCEPTANCE OF CONTRACT & SEND ONE COPY OF COMPLETE CONTRACT DULY SIGNED & STAMPED TO US.

CONTRACT (cont.)

NOURYON CHEMICALS INDIA PRIVATE,

Contract No.: GAIL/PA24/20696/4000007634/165/24-25/TG
Contract date: 13.11.2024

~~This order is being issued in triplicate.Two copies of the order duly signed ,stamped and dated on each page,may be returned within 3 days from date of receipt of the order to the undersigned.~~

For & on behalf of
GAIL (India) Ltd.

TWINKLE GOUR

Digitally signed by TWINKLE GOUR
DN: c=IN, o=GAIL India Limited, ou=Contract & Procurement,
2.5.4.20=631937f24893143513501004 83e1119035de8d0e5e17287b12796b8c0e1b75d0,
postalCode=206241, st=Uttar pradesh,
serialNumber=bef43f49a7f6fae2e9ea317f1623db903bab50f34dd3e771a6ac2000f330c9fe, cn=TWINKLE GOUR
Date: 2024.11.14 16:18:16 +05'30'

(Authorized Signatory)
NAME :TWINKLE GOUR
DESIGNATION:SM(C&P)

SELLER' ACCEPTANCE:

PLACE:
DATE:

SIGNATURE:
NAME:
DESIGNATION:
SEAL

NOTE: Each page of this order including its annexure should be signed and stamped by the seller before returning to GAIL(India) LTD.

Yours Truly,
For and on behalf of
GAIL India Ltd.

(Authorized Signatory)

CONTRACT (cont.)

NOURYON CHEMICALS INDIA PRIVATE, **Contract No.:** GAIL/PA24/20696/4000007634/165/24-25/TG
Contract date: 13.11.2024

SCHEDULE OF RATES (MATERIALS)

SI. No	MatCode Description	UOM	QTY	Unit Basic Price
1	8851650024	KG (KILOGRAM)	42000.000	INR 384000.00 per 1000 KG
	TRI-ETHYL ALUMINIUM(TEAL) TRI-ETHYL ALUMINIUM(TEAL)			
				INR 40000.00
		()		

Total Contract value (INR) : 21,013,440.00
RUPEES TWO CRORE TEN LAC THIRTEEN THOUSAND FOUR HUNDRED FORTY ONLY
However, the payment shall be released as per the actual quantity executed and as per the terms and conditions prevailing at sites against the purchase orders released during the validity of this contract.

SPECIAL CONDITIONS OF CONTRACT

1. The terms and conditions enumerated herein shall supersede the terms and conditions mentioned elsewhere in the tender document.

2. **Delivery schedule:**

The following tentative delivery schedule (on 'FOB' basis for Foreign bidders and 'F.O.T. Pata' basis for Indigenous bidders) is applicable for this tender. GAIL reserves the right to modify the qty./lot given below at the time of placement of order (without changing the lead time for delivery).

A) On 'CFR basis' for FOREIGN BIDDERS

i) 1st lot of 24 MT within 6 weeks from date of issuance of delivery order
ii) 2nd lot of 24 MT tentatively three months from date of issuance of first DO.
iii) 3rd lot of 24 MT tentatively three months from date of issuance of second DO.
iv) 4th lot of 33 MT tentatively three months from date of issuance of third DO.

Date of Bill of Lading shall be considered as date of delivery and the same shall be considered for calculation of PRS (lot wise delivery value).

B) On 'FOT Pata Basis' basis for DOMESTIC BIDDERS

i) 1st lot of 12.6 MT within 8 weeks from the date of issuance of delivery order/intimation from GAIL.
ii) For the subsequent Lots of 8.4 MT each delivery schedule shall be 8 weeks against intimation/Delivery Order from GAIL
iii) GAIL shall issue the intimation/Delivery Order tentatively on every month period.

For domestic Sellers, date of receipt of material at site shall be considered as date of delivery.

a) For supply of subsequent lots, dispatch advice/intimation with minimum 8 weeks' notice shall be given to domestic seller & minimum 6 weeks' notice shall be given to foreign seller by e-mail/fax/separate delivery order. However, date of dispatch advice/intimation for final lot will not exceed 12 months from the date of notification of award and 15 months if the contract is extended further by 3 months (if required).

Nouryon Chemicals India Private Limited

b) GAIL reserves the right to amend the delivery schedule at the time of placement of order.

c) The above lot size is indicative only and both the delivery schedule, quantity per lot and nos. of lots shall be determined/ adjusted according to the requirement of plant at the time of placement of order or as per requirement of plant from time to time and the standard packing size / container size / truck capacity. Tolerance of ±5% per lot or unit pack size/container capacity/truck capacity, whichever is higher shall be admissible for each lot.

d) Total qty. to be ordered shall be adjusted according to the nearest total tendered qty. of 105 MT based on the offered lot size of bidder.

Note:

In case the tender quantity is distributed amongst two or more bidders, the DO quantity per lot shall also be adjusted accordingly in the ratio as per the distribution methodology defined in the tender document.

3. Price Reduction Schedule (For delayed delivery):

The portion of supply completed in all respect which can be used for commercial operation shall not be considered for applying PRS, if delivered within contractual delivery period. The remaining supplies which are completed beyond the contractual delivery shall attract price reduction schedule @½ % of the delayed delivery value maximum up to 5% of the total order value. The PRS shall be applicable on basic order value excluding GST.

For the purpose of calculation of PRS for any lot, a particular lot will be considered to have been completed/supplied if the minimum/lower range of the lot size is supplied within scheduled delivery period. In case of delay, PRS shall be levied on the delayed delivery calculated on the difference between lower range of the lot size and the actual qty. supplied within schedule. For example, for the 1st lot of 75 MT, in case supplier supplies 50 MT within scheduled delivery period and supplies another 50MT after the scheduled delivery period, PRS shall be applicable for 25 MT only (75 MT – 50 MT) @0.5% per week of delay or part thereof and the said lot shall be deemed to have been completed.

4. Guarantee / Warranty:

Confirmation that the GOODS shall be guaranteed against defective materials/workmanship etc. for a period of SIX (06) months from the date of dispatch (

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5. Inspection / certificate of analysis:

Necessary test certificates confirming the quality of the material to be provided as a part of dispatch document. Certificate of Analysis (COA) submitted by the vendor should be in line with GAIL's required specification and shall be provided (For each lot) as a part of dispatch documents.

Also, vendor shall submit duly signed and stamped copy of GHS Compliant Safety Data Sheet (SDS) for the material being sold as per Petroleum and Natural Gas Regulatory Board notification dated 17th September, 2020.

6. Contract Period:

The contract period shall be of 12 months from the date of issue of FOA/Contract whichever is earlier i.e. within this period GAIL can send the intimation for dispatch to SELLER. However in case complete quantity has not been executed, contract shall be extended further by three months at same rates, terms & conditions at the sole discretion of GAIL.

7. Rent Free Period:

GAIL prefers that bidders offer 'Rent free period (RFP)' of minimum 240 days (for foreign bidders) reckoned from the date of BL of filled cylinder till the date of intimation to SELLER that the empty cylinder has left GAIL, Pata and reached GAIL's Mumbai warehouse and are to be re-exported and 180 days (for domestic bidders) which shall be reckoned from the date of receipt of filled cylinder till the date of intimation that Cylinder is empty and shall be taken back.

In case of foreign bidder, Seller has to coordinate with GAIL Mumbai office regarding re-export of cylinders once intimation from GAIL, Pata has been received that empty cylinder has left GAIL, Pata and reached GAIL's Mumbai warehouse. Details of GAIL, Mumbai office are already mentioned above. It is the sole responsibility of seller to re-export the empty cylinders.

In case of Indian bidder, seller has to lift the empty cylinders from GAIL, Pata once intimation has been received that cylinder (s) are lying at GAIL, Pata.

In case, bidder offers a different RFP, the equivalent RFP shall be modified/adjusted based on the above calculation and loading shall be done as mentioned in tender.

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Further, TDS (tax deduction at source) as applicable for rental charges as per government guidelines shall be deducted by GAIL at the time of remittance of rental charges, if accrued. Necessary TDS certificate shall be furnished by GAIL to the seller in such a case.

If the cylinder holding period is beyond the RFP, the applicable rental charges (if any) may please be forwarded to the Engineer in Charge (EIC) clearly mentioning the cylinder number and the holding days. Subsequently, Engineer-in-Charge (EIC) shall process rental bills submitted by Seller for making payment towards rental charges.

Note:

For foreign bidders:

If Seller wishes to claim rental Charges (if any) accrued beyond rent free period, the claim shall be submitted within 90 days after expiry of Rent Free period of last lot of material shipped to GAIL or within 30 days after receipt of intimation from GAIL that last empty cylinder(s) w.r.t. awarded contract have left GAIL, Pata and reached GAIL's Mumbai warehouse and are to be re-exported, whichever is later.

For Domestic bidders:
If Seller wishes to claim rental Charges (if any) accrued beyond rent free period, the claim shall be submitted within 30 days after expiry of Rent Free period of last lot of material shipped to GAIL or within 15 days after receipt of intimation from GAIL that last cylinder(s) is empty and shall be taken back, whichever is later.

For both Domestic & foreign bidders:
If the cylinder holding period is beyond the RFP, the applicable rental charges (if any) may please be forwarded to the Engineer in Charge (EIC) clearly mentioning the cylinder number and the holding days. Subsequently, Engineer-in-Charge (EIC) shall process rental bills submitted by Seller for making payment towards rental charges.

8. Documents (Technical) Required :

i. Signed Copy of GAIL's Technical Specification
ii. Certificate of Analysis
iii. MSDS

9. Payment Terms :

a. <u>Payment terms for domestic bidders:</u>

100% payment shall be released within 15 days after receipt anc terial at site.

Nouryon Chemicals India Private Limited

b. Payment terms for foreign bidders:

Through an irrevocable Letter of Credit (L/C) as per payment schedule specified in Special Conditions of Contract (SCC) less Indian Agent's Commission/Fee (as quoted by the Foreign Bidder, if applicable) to be established by Purchaser through an Indian Nationalized Bank within 30 days of acceptance of award by the Seller (unconditional acknowledgement of Fax of Acceptance) and its furnishing requisite Performance Bank Guarantee. L/C opening charges payable to the L/C opening bank shall be borne by the Purchaser. In case the Seller requires a confirmed L/C, the confirmation charges shall be borne by the Seller. Any other charges not specified herein shall be on Seller's account.

Agency Commission (if applicable) will be paid by GAIL in non-convertible Indian currency in India (on conversion rate as applicable on the date of payment to vendor) after satisfactory completion of order. A valid registration certificate should also exist at the time of agency commission being paid directly by GAIL.

Alternatively, Payments to foreign bidder can also be released through Cash against Documents (CAD) through bank.

PURCHASER'S BANK DETAILS:
ICICI BANK LTD - CONNAUGHT PLACE COMMERCIAL BANKING
A-9, PHELPS BUILDING, CONNAUGHT PLACE, NEW DELHI - 110 001
SWIFT: ICICINBB007
BRANCH ID: 0007
TEL: +91-11-66310313
FAX:+91-11-66310410

10. DISPATCH/SHIPPING DOCUMENTS:

The dispatch/shipping documents shall comprise the following in Original:

a) Foreign Bidders
(i) Invoice (in Original)
(ii) Bill of Lading (in Original)
(iii) Packing list (in Original)
(iv) Certificate of Origin from chamber of commerce (in Original).
(v) Certificate of Analysis (in Original)
(vi) Fall clause certificate
(vii) MSDS

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b) Domestic Bidders

(i) GST Compliant Invoice (in Original)
(ii) Copy of LR
(iii) Certificate of Analysis (in Original)
(iv) Fall clause certificate
(v) MSDS

11. NEGOTIATION OF SHIPPING DOCUMENTS (for foreign bidders):

Seller has to offer minimum 21 days DETENTION FREE PERIOD to ensure timely clearance of shipment and to avoid detention charges.

In case of negotiation of shipping documents thru bank, vendor shall negotiate the shipping documents thru Bank within 5 days of shipment for sea-shipment. In case of direct documents, the vendor shall send the documents to GAIL immediately after shipment but not later than 3 days.

As the minimum lead time for retirement of shipping documents from Purchasers' bank and its receipt at GAIL Mumbai office (who are responsible for clearing of goods from the customs) is 5-7 days reckoned from date of receipt of the documents in Purchaser's bank, therefore, the original documents must reach Purchaser's bank well *before the arrival of ship i.e., minimum 10 days before arrival of shipment at port (Nhavasheva/Mumbai)*. For any delay beyond the period stipulated above, detention charges, if accrued, shall be borne by Seller (calculated pro-rata for the delayed period of receipt of shipping documents in Purchaser's bank). In order to avoid detention, charge due to delay in receipt of shipping documents in bank following provision is applicable in absence of original shipping documents for clearance of material at discharge port:

(i) Seller should instruct to freight forwarder at load port to inform to the discharge port to deliver the material without original Bill of lading.
(ii) To release surrendered Bill of lading with shipment & it will not be part of shipping document for payment.
(iii) To release Letter of Indemnity to freight forwarder at load port to deliver the cargo without Original Bill of lading.
(iv) Vendor shall send non-negotiable documents thru e-mail/fax within 2 days of shipment to the concerned officials of GAIL, Pata and GAIL, Mumbai.

Vendor shall intimate the courier details of the original shipping documents (i.e. docket no., name of courier, consignee details etc.) to the concerned purchase officer of GAIL, Pata and GAIL's Banker thru e-mail/fax immediately after dispatch of documents.

Nouryon Chemicals India Private Limited

12. BEFORE DISPATCHING ORIGINAL SHIPPING DOCUMENTS TO GAIL'S DESIGNATED BANK, SELLER HAS TO ENSURE THE FOLLOWING:

a) Seller is required to forward draft shipping documents duly mentioning Order no. ……………. to GAIL to check discrepancies (if any) to avoid the complications later on at the time of custom clearance.
After receipt of confirmation from GAIL w.r.t. to Draft shipping documents, Original Shipping Documents (OSD) should be negotiated.
b) HSN code has to be mandatorily mentioned in invoice and BL

c) Agreed Detention free period must be reflected in BL
d) Once shipment is made, PRE-ALERT along with copy of OSD to Port office @ gailimportsmumbai@gail.co.in ; keerthy@gail.co.in ; pata.expediting@gail.co.in; must be sent invariably.
Note: Any delay in above, leading to late charges in filing of Bill of Entry shall be to Seller's account.

13. CORRESPONDENCE ADDRESS OF GAIL – PATA & MUMBAI IS AS FOLLOWS:

(i) M/s GAIL (India) Limited, P.O.: Pata-206241,
Dist.: Auraiya, U.P. (India)
Fax No. +91-5683 – 282446,
E-mail: pata.expediting@gail.co.in ; psnabiyal@gail.co.in ;

(ii) HOD (F&A)
M/s. GAIL (India) Limited,
P.O.: Pata-206241, Dist.: Auraiya, U.P. (India)

(iii) GM (C&P) /GAIL Mumbai

GAIL (India) Ltd.
RGMC Building,
Plot No. 73, Sector – 15
CBD Belapur, Besides McDonalds,
Navi Mumbai – 400614 (India)
E-mail: skchaurasia@gail.co.in ; gailimportsmumbai@gail.co.in ; keerthy@gail.co.in

14. Detention charges along with other associated charges i.e., CFS Charges etc., incurred on account of delay in receipt of Complete Dispatch Documents as mentioned above shall be back charged to supplier.

Nouryon Chemicals India Private Limited

15. INCOTERM FOR RE-EXPORT OF EMPTY CYLINDERS:

EX-WORKS GAIL MUMBAI WARE HOUSE BASIS OR FCA SUPPLIER DESIGNATED PLACE BASIS.

SCOPE OF GAIL SHALL BE: CUSTOM CLEARANCE AND CUSTOM DOCUMENTATION.

SCOPE OF SUPPLIER/SUPPLIER'S DESIGNATED FREIGHT FORWARDER SHALL BE:

THE SUPPLIER'S NOMINATED FREIGHT FORWARDER SHALL TAKE CARGO BOOKING WITH SHIPPING LINE. MOVEMENT OF CONTAINER FROM CONTAINER YARD(CY) TO CONTAINER FREIGHT STATION(CFS), STUFFING/LASHING OF MATERIAL IN CONTAINER AT CONTAINER FREIGHT STATION(CFS) , MOVEMENT OF CONTAINER UP TO PORT OCEAN CARRIER.

SELLER HAS TO QUOTE PRICES CONSIDERING THE ABOVE SCOPE OF RE-EXPORT OF EMPTY CYLINDERS.

16. Transit Insurance (of empty cylinders): In seller's Scope

Nouryon Chemicals India Private Limited

SECTION VI

TECHNICAL SPECIFICATIONS

Chemical Name: Triethyl aluminum (TEAL)

Formula: Al $(C_2H_5)_3$

S. No.	ITEM	SPECIFICATION
1.	Appearance	Transparent
2.	Aluminum	23.0 wt. % min.
3.	Triethyl aluminum	94.0 wt. % min.
4.	Tri-n-propyl aluminum	0.1 wt. % max.
5.	Tri-n-butyl aluminum	6.0 wt. % max.
6.	Tri-iso-butyl aluminum	0.5 wt. % max.
7.	Hydrogen	1.0 wt. % max.
8.	Copper	Nil
9.	Chlorine	Nil
10.	Methane	Nil
11.	Ethylene	Nil
12.	Iso-butylene	Nil

Note: The manufacturer shall analyze the aluminum content, Triethyl aluminum content and impurities for each lot of catalyst, and report the analytical results.

Supplied Condition: 1000-1500 kg per container

TEAL

Triethylaluminum

TEAL is a co-catalyst product soluble in aromatic and saturated cycloaliphatic hydrocarbons. Used in the Ziegler growth reaction for production of α-olefins and α-alcohols, and as alkylating agent in the production of other organometallic compounds and organic intermediates.

CAS number
97-93-8

EINECS/ELINCS No.
202-619-3

TSCA status
listed on inventory

Molecular weight
114.2

Characteristics

Appearance	Clear, colorless liquid
Boiling point, 760 mm Hg	186 °C
Density, 25 °C	0.832 g/cm^3
Melting point	-52 °C
Solubility	Soluble in aromatic and saturated aliphatic and cycloaliphatic hydrocarbons
Stability to air	Ignites upon exposure
Stability to water	Reacts violently, may ignite upon contact
Viscosity, 25 °C	2.5 mPa.s

Composition

Aluminum	[b] $\geq$ 22.5 wt%
Hydride, as AlH_3	[a] $\leq$ 0.10 wt%
Triethylaluminum	[a] $\geq$ 94.0 wt%
Triisobutylaluminum	[a] $\leq$ 0.1 wt%
Tri-n-butylaluminum	[a] $\leq$ 6.0 wt%

Thermochemical properties

Heat of vaporization ΔHv, NBP / 1 bar	536 J/g (128 cal/g) [c]
Heat of hydrolysis, 25 °C	4619 J/g (1104 cal/g)
Specific heat, 57 °C	2.226 J/g.°C (0.532 cal/g.°C)
Heat of formation ΔHf°, 25 °C / 1 bar	-218 kJ/mole (-52 kcal/mole)
Heat of combustion ΔHc°, 25 °C	-5104 kJ/mole (-1220 kcal/mole)

Notes:
[a] Calculated from gas chromatographic analysis of hydrocarbons and hydrogen obtained by hydrolysis. [b] Determined by titration of aqueous hydrolyzate. [c] NBP = normal boiling point

Applications

TEAL is used as a cocatalyst in the Ziegler-Natta polymerization of olefins. TEAL is also used in the Ziegler growth reaction for the production of α-olefins and α-alcohols and as an alkylating agent in the production of other organometallic compounds and organic intermediates.

Storage

TEAL and its solutions are stable when stored under a dry, inert atmosphere and away from heat. TEAL decomposes slowly above 120°C. Thermal decomposition products include hydrogen, ethylene and elemental aluminum.

Packaging and transport

TEAL and its solutions are packed in cylinders and portable tanks. In North America, TEAL is also available in tank trailers and rail cars. Containers are fabricated from carbon steel and are equipped with dip tubes for top discharge and all connections are located in the vapor space. Both packaging and transport meet the international regulations.

Safety and handling

TEAL ignites upon exposure to air and reacts violently with water. Hydrocarbon solutions of TEAL may also ignite upon exposure to air. TEAL and its solutions must be handled under a dry, inert atmosphere, e. g. nitrogen or argon. Water must be scrupulously removed from process equipment prior to putting it into metal alkyls service. Failure to do so may result in an explosion. Products of complete combustion of TEAL and its solutions are aluminum oxide, carbon dioxide and water. TEAL causes severe burns to the skin and eyes. It is imperative that proper personal protective equipment be worn when handling TEAL. Please refer to the Safety Data Sheet (SDS) for further information on the safe storage, use and handling of TEAL. This information should be thoroughly reviewed prior to acceptance of this product. The SDS is available at nouryon.com/sds-search.

Additional information

Availability: TEAL is available as the neat pyrophoric liquid and as pyrophoric and nonpyrophoric solutions in a variety of hydrocarbon solvents. Consult your Nouryon representative for further information.

All information concerning this product and/or suggestions for handling and use contained herein are offered in good faith and are believed to be reliable. Nouryon, however, makes no warranty as to accuracy and/or sufficiency of such information and/or suggestions, as to the product's merchantability or fitness for any particular purpose, or that any suggested use will not infringe any patent. Nouryon does not accept any liability whatsoever arising out of the use of or reliance on this information, or out of the use or the performance of the product. Nothing contained herein shall be construed as granting or extending any license under any patent. Customer must determine for himself, by preliminary tests or otherwise, the suitability of this product for his purposes. The information contained herein supersedes all previously issued information on the subject matter covered. The customer may forward, distribute, and/or photocopy this document only if unaltered and complete, including all of its headers and footers, and should refrain from any unauthorized use. Don't copy this document to a website.

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ANNEXURE-2

INTEGRITY PACT

(To be executed on plain paper)

Between GAIL (India) Limited, a Government of India Public Sector, (here-in-after referred to as "Principal ").

AND

Nouryon chemicals india private limited **(here-in-after referred to as "The Bidder/ Contractor").**

(Principal and the Bidder / Contractor are here-in-after are referred to individually as "Party" or collectively as "Parties").

PREAMBLE

The Principal intends to award under laid down organizational procedures, contract/s for **PROCUREMENT OF 105 MT AT/CT/TRI-ETHYL ALUMINIUM (TEAL) CATALYST FOR POLYMER PLANTS OF GAIL PATA ON ARC BASIS** The Principal values full compliance with all relevant laws of land rules, regulations, and economic use of resources and of fairness /transparency in its relations with its Bidder (s) and/or Contractor (s).

In order to achieve these goals, the Principal will appoint Independent External Monitors (IEMs) who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

ट्विंकल गौड़
TWINKLE GOUR
वरिष्ठ प्रबंधक (क्रय एवं संविदा)/Sr. Manager (C&P)
गेल (इंडिया) लिमिटेड/GAIL (India) Limited
पाता, औरैया-206 241 (उ०प्र०) भारत
Pata, Distt. Auraiya-206 241 (U.P.) INDIA

Section 1 – Commitments of the Principal

1. The Principal commits itself to take all measures necessary to prevent corruption and to observe the following Principles:-

i) No employee of the Principal, personally or through family members, will in connection with the tender for, or the execution of a contract, demand, take a promise for or accept, for self or for a third person, any material or immaterial benefit which the person is not legally entitled to.

ii) The Principal will, during the tender process treat all Bidder(s) with equity and reasons. The Principal will in particular, before and during the tender process , provide to all Bidder (s) the same information and will not provide to any Bidder (s) confidential / additional information through which the Bidder (s) could obtain an advantage in relation to the tender process or the contract execution.

iii) The Principal will exclude from the process all known prejudiced persons.

2. If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the Indian Penal Code (IPC)/ Prevention of Corruption Act (PC Act), or if there be a substantive suspicion in this regard, the Principal will inform the Chief Vigilance Officers and in addition can initiate disciplinary actions.

Section 2 – Commitments of the Bidder (s)/Contractor (s)

1. The Bidder (s) / Contractor (s) commits themselves to take all measures necessary to prevent corruption. The Bidder (s)/ Contractor (s) commits themselves to observe the following principles during participation in the tender process and during the contract execution:

i) The Bidder (s) / Contractor (s) will not, directly or through any other person or firm, offer, promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or other benefit which he / she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.

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ii) The Bidder (s) / Contractor (s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other action to restrict competitiveness or to introduce cartelisation in the bidding process.

iii) The Bidder (s) / Contractor (s) will not commit any offence under the relevant IPC/PC Act; further, the Bidder (s) / Contractor (s) will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.

iv) The Bidder (s)/ Contractor (s) of foreign origin shall disclose the name and address of the Agents/ representatives in India, if any. Similarly, the Bidder (s)/ Contractor (s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. Further, all the payments made to the Indian agent/ representative have to be in India Rupees only.

v) The Bidder (s) / Contractor (s) will, when presenting their bid, disclose any and all payments made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.

vi) Bidder(s) / Contractor(s) who have signed the Integrity Pact shall not approach the Courts while representing the matter to IEMs and shall wait for their decision in the matter.

2. The Bidder(s)/ Contractor(s) shall not instigate third person to commit offences outlined above or be an accessory to such offences.

Section 3 – Disqualification from tender process and exclusion from future contracts

TWINKLE GOUR
Sr. Manager (C&P)
GAIL (India) Limited
Pata, Distt. Auraiya-206 241 (U.P.) INDIA

If the Bidder (s) / Contractor (s), before award or during execution has committed a transgression through a violation of Section 2, above or in any other form such as to put their reliability or credibility in question, the Principal is entitled to disqualify the Bidder (s) / Contractor (s) from the tender process or take action as per provisions of **"Procedure for action in case Corrupt /Fraudulent/ Collusive/Coercive Practices"**.

Section 4 – Compensation for Damages

1. If the Principal has disqualified the Bidder (s) from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover the damages equivalent to Earnest Money Deposit / Bid Security .

2. If the Principal has terminated the contract according to Section 3, or if the Principal is entitled to terminate the contract according to Section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages equal to the Contract Value or the amount equivalent to Performance Bank Guarantee.

Section 5 – Previous transgression

1. The Bidder declares that no previous transgression occurred in the last three years, with any other Company in any country conforming to the anti-corruption approach or with any Public Sector Enterprise in India that could justify his exclusion from the tender process.

2. If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process or actions can be taken as per provisions of **"Procedure for action in case Corrupt /Fraudulent/ Collusive/Coercive Practices"**

Section 6 – Equal treatment to all Bidders / Contractors / Subcontractors

1. In case of sub-contracting, the Principal contractor shall take the responsibility of the adoption of IP by the sub-contractor. It is to be ensured by him that all sub-contractors also sign the IP.

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Pata, Distt. Auraiya-206 241 (U.P.) INDIA

2. The Principal will enter into agreements with identical conditions as this one with all Bidders and Contractors.

3. The Principal will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

Section 7 – Criminal charges against violating Bidder (s) /

Contractor (s) / Sub-contractor (s)

If the Principal obtains knowledge of conduct of a Bidder, Contractor or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the same to the Chief Vigilance Officer.

Section 8 –Independent External Monitor / Monitors

1. The Principal appoints competent and credible Independent External Monitor for this Pact after approval by Central Vigilance Commission. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.

2. The Monitor is not subject to instructions by the representatives of the parties and performs his/her functions neutrally and independently. The Monitor would have access to all documents/records pertaining to the contract for which a complaint or issue is raised before them, as and when warranted. However, the documents/records/information having National Security implications and those documents which have been classified as Secret/Top Secret are not to be disclosed. It will be obligatory for him/ her to treat the information and documents of the Bidders/ Contractors as confidential. He/she reports to the C&MD, GAIL.

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Pata, Distt. Auraiya-206 241 (U.P.) INDIA

3. The Bidder (s)/ Contractor (s) accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the

Contractor. The Contractor will also grant the Monitor, upon his/her request and demonstration of a valid interest, unrestricted and unconditional access to their project documentation. The same is applicable to Sub-contractors.

4. The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.

5. As soon as the Monitor notices, or believes to notice, a violation of this agreement, he/she will so inform the Management of the Principal and request the Management to discontinue or to take corrective action, or to take other relevant action. The monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.

6. The Monitor will submit a written report to the C&MD, GAIL within 30 days from the date of reference or intimation to him by the 'Principal' and, should the occasion arise, submit proposals for correcting problematic situations.

7. If the Monitor has reported to the C&MD, GAIL, a substantiated suspicion of an offence under relevant IPC/PC Act, and the C&MD, GAIL has not, within reasonable time, taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, then only in case of very serious issue having a specific, verifiable Vigilance angle, the matter should be reported directly to the Central Vigilance Commission.

8. The word 'Monitor' would include both singular and plural.

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9. In case of any complaints referred under IP Program, the role of IEMs is advisory and would not be legally binding and it is restricted to resolving the issues raised by an intending bidder regarding any aspect of the tender which allegedly restricts competition or bias towards some bidder.

10. After award of contract, the IEMs shall look into any issue relating to execution of contract, if specifically raised before them. As an illustrative example, if a contractor who has been awarded the contract, during the execution of contract, raises issue of delayed payment etc. before the IEMs, the same shall be examined by the panel of IEMs.

Section 9 – Pact Duration

This Pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the respective contract, and for all other Bidders 6 months after the contract has been awarded. Any violation to the same would entail disqualification of the bidders and exclusion from future business dealing.

If any claim is made / lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged/determined by the C&MD, GAIL.

Section 10 – Miscelleneous provisions

1. This agreement is subject to Indian Law. Place of performance and exclusive jurisdiction is the Registered Office of the Principal, i.e. New Delhi.

2. Changes and supplements as well as termination notices, if any, need to be made in writing. Side agreements have not been made.

3. If the Contractor / Bidder is a Joint Venture or a partnership concern or a consortium, this agreement must be signed by all partners or consortium members.

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ट्विंकल गौड़
TWINKLE GOUR
वरिष्ठ प्रबंधक (क्रय एवं संविदा)/Sr. Manager (C&P)
गेल (इंडिया) लिमिटेड/GAIL (India) Limited
पाटा, जिला औरैया-206 241 (उ0प्र0) भारत
Pata, Distt. Auraiya-206 241 (U.P.) INDIA

4. Should one or several of the provisions of this agreement turn out to be invalid, the remainder of this agreement shall remain valid. In this case, the parties will strive to come to an agreement to their original intentions in such a case.

5. Issues like warranty / guarantee, etc. shall be outside the purview of IEMs.

6. In the event of any contradiction between the Integrity Pact and its Annexure, the Clause in Integrity Pact will prevail.

Gour

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Pata. Distt. Auraiya-206 241 (U.P.) INDIA

Nouryon Chemicals India Private Limited

(For & on Behalf of Principal) (For & on Behalf of Bidder/Contractor)

(Office Seal) (Office Seal)

Place --Mumbai----------------------

Date --22.08.2024-------------------

Witness 1: Namit Bhukar

(Name & Address) Nouryon Chemicals India Private Limited, NB-801, Empire Tower, Reliable Cloud City Campus, Off Thane-Belapur Road, Airoli, Navi Mumbai – 400708

Witness 2: Prashant Badgujar

(Name & Address) Nouryon Chemicals India Private Limited, NB-801, Empire Tower, Reliable Cloud City Campus, Off Thane-Belapur Road, Airoli, Navi Mumbai – 400708

GENERAL CONDITIONS OF CONTRACT
[Rev.2]

FOR

PROCUREMENT OF GOODS

GAIL (India) Limited

Issue date: 23rd December 2022 *Document Control No. GAIL/C&P/GCC-Goods-0004/Rev2*

GENERAL CONDITIONS OF CONTRACT-GOODS [Rev.2]

INDEX

Clause Title

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1.0 DEFINITIONS, INTERPRETATIONS & PRIORITY OF CONTRACT DOCUMENTS

1.1 Definitions

In this document, General Conditions of Contract (GCC-Goods), the following terms shall have the following respective meanings:

1.1.1 "Approved" means prior approval in writing.

1.1.2 The "Bid" or "Tender" "Offer" means the proposal along with supporting documents submitted before Notification of Award by the Bidder for consideration / acceptance by the Purchaser.

1.1.3 "Bidder" Designates the person(s) or legal entity / Firm / Company /Corporation /Organisation, and it's legal representatives, successors and permitted assigns which has made a proposal or submitted Bid/Tender/Offer with the aim of concluding a Contract with the Purchaser.

1.1.4 "Consultant" or "PMC" [if engaged] shall mean M/s. ……………having its registered office at……………. who are the consultant to the Purchaser for this Contract. The term Consultant includes successors, assigns of M/s. ……….

1.1.5 "Contract" shall mean all obligations, commitments, promises agreed upon between Purchaser and Supplier for supply of Goods including execution of the Services(if any) as per Purchase Order(PO) and its subsequent amendment(s), if any in writing thereto.

1.1.6 "Contract Price" or "Purchase Order Value" shall mean the total sum accepted or the total sum calculated in accordance with the prices accepted in the Contract as payable to the Supplier under the Contract for the full and proper performance of its contractual obligations. The Contract Price /Purchase Order Value is subject to Price Reduction Schedule clause.

1.1.7 "Completion Date" shall mean the date on which the supplied Goods are successfully commissioned by the Supplier and handed over to the Purchaser.

"Delivery Date" shall been the date on which Goods are supplied by Supplier as per delivery terms of the Contract.

1.1.8 "Commercial Operation" shall mean the condition of the operation in which the complete Goods / equipment covered under the Contract is officially declared by the Purchaser to be available for continuous operation at different loads upto and including rated capacity.

1.1.9 "Day" shall mean a day of 24 hours from midnight to midnight irrespective of the number of hours worked in that day.

1.1.10 “Delivery” shall mean the transfer of the Goods from the Supplier to the Purchaser in accordance with the terms and conditions set forth in the Contract.

Delivery terms shall be interpreted as per current edition of INCOTERMS, published by the International Chamber of Commerce before the due date of submission of Bid

1.1.11 “Drawings” shall mean and include Engineering drawings, sketches showing plans, sections and elevations in relation to the Contract together with modifications and/or revisions thereto.

1.1.12 “Engineer” or “Engineer-in-Charge” shall mean the person designated from time to time by Purchaser/Consultant and shall include those who are expressly authorized to act for and on behalf of Purchaser/Consultant for operation of this Contract.

1.1.13 "Fax of Acceptance” shall mean intimation regarding notification of award by the Purchaser/Consultant to the successful Bidder/Supplier through a fax/ letter/ email conveying that the Tender/Bid/Offer has been accepted in accordance with the provisions contained therein.

1.1.14 “Final Acceptance” shall mean the Purchaser’s written acceptance of the Goods supplied and works/Services performed under the Contract after successful completion of performance and guarantee test, at/after the Completion Date.

1.1.15 “Goods” shall mean articles, materials, equipment, machinery, instruments, stores, design and drawings, data and other property to be supplied by Supplier including Services (if any), to complete the Contract and Amendment(s) thereto.

1.1.16 “Inspector” shall mean any person or third party Agency nominated by Purchaser/ Consultant to inspect Goods, stage wise as well as final, before dispatch, at Supplier’s works and/or on receipt at Site as per terms of the Contract.

1.1.17 “Initial Operation” shall mean the first integral operation of the complete Goods covered under the Contract with sub-systems and supporting equipment(s) in service or available for service.

1.1.18 “Purchase Order" means the Contract Document/Order collectively the Tender Documents, Designs, Drawings, Specification, Bill of Quantities, Schedule of Rates alongwith its break-up (if any), Fax of Acceptance (if any), agreed variations and amendments (if any) and such other documents constituting the Tender and acceptance thereof.

1.1.19 “Purchaser” shall mean GAIL (INDIA) LIMITED (GAIL) having its registered office at 16, BHIKAIJI CAMA PLACE, R.K.PURAM, NEW DELHI-110066 (INDIA). The term Purchaser includes successors, assigns of GAIL

1.1.20 "Performance and Guarantee Tests" shall mean all operational checks and tests required to determine and demonstrate capacity, efficiency and operating characteristics as specified in the Purchase Order.

1.1.21 "Project" designates the aggregate of the Goods and/or Services to be provided by one or more Suppliers/Contractors.

1.1.22 "Quantities / Bills of Quantities" designate the quantity calculations to be taken into account when these calculations are made from detailed or construction drawings or from work actually performed, and presented according to a jointly agreed breakdown of the Goods and/or Services.

1.1.23 "Supplier" shall mean the successful Bidder whose Bid has been accepted by the Purchaser for supply of Goods and incidental Services (if any). The term Supplier is a synonyms of Seller and Vendor/Contractor and also includes its successor(s) and permitted assign(s).

1.1.24 "Service" shall mean those services ancillary to the supply of Goods, such as transportation and insurance and any other incidental services such as erection, installation, testing, commissioning, provision of technical assistance, training and other such obligations of the Supplier covered under the Contract.

1.1.25 "Site" means the land(s) and other place(s) on, under, in or across/through which the Goods and/or Services have to be supplied, erected, assembled, adjusted, tested, arranged and/or commissioned.

1.1.26 "Specifications" shall mean and include schedules, details, description, statement of technical data, performance characteristics, standards (Indian and/or International) and standard specifications including all addenda/corrigenda published before entering into the Contract, as applicable and specified in the Contract.

1.1.27 "Sub-Contract" shall mean order placed by the Supplier, for any portion of the Contract, after necessary consent and prior written approval of Purchaser unless otherwise explicitly mentioned in the Contract.

1.1.28 "Sub-Contractor" shall mean the person(s) / firm / Organisation / company (other than the Supplier)and it's legal representatives, successors and permitted assigns named in the Contract for supply of any part of the Goods or Service(s) or to whom any part of the Contract has been sub-let by the Supplier with the prior consent in writing of the Consultant/Purchaser unless otherwise explicitly mentioned in the Contract.

1.1.29 "Start-Up" shall mean the time period required to bring the Goods covered under the Contract from an inactive condition, when construction is essentially complete to the state of readiness for trial operation. The start-up period shall include preliminary inspection and check out of Goods and supporting subsystems, initial operation of the complete Goods covered under the Contract to obtain necessary pre-trial operation data, perform calibration and corrective action, shutdown inspection and adjustment prior to the trial operation period.

1.1.30 "Tests" shall mean such process or processes to be carried out by the Supplier as are prescribed in the Contract or considered necessary by Purchaser or his representative in order to ascertain quality, workmanship, performance and efficiency of Goods or part thereof.

1.1.31 "Tests on Completion" shall mean such tests as prescribed in the Contract to be performed by the Supplier before the complete Goods and Services are taken over by the Purchaser.

1.1.32 "Week" shall mean a period of any consecutive seven Days.

1.2 Interpretations & Priority of Contract Documents

1.2.1 The documents forming the Contract are to be read together and interpreted as mutually explanatory of one another. If there is a direct inconsistency in specific obligation(s), then for the purposes of interpretation, and unless otherwise provided in the Contract, the priority of the Contract Documents shall be in accordance with following sequence:

(i) Purchase Order
(ii) Fax of Acceptance
(iii) Specific Technical Specification/Job Specifications (pertaining to Scope of Supply)
(iv) Drawings
(v) Special Purchase Conditions(SPC) / Special Conditions of Contract (SCC)
(vi) General Technical Specifications (if applicable)
(vii) Instructions to Bidders (ITB)
(viii) General Conditions of Contract (GCC)
(ix) Any other document forming part of the Contract

A Amendment issued to Purchase Order after signing of formal Contract shall take precedence over respective clauses of the formal Contract and its annexures.

The higher priority interpretation shall be adopted only to the extent required to deal with an inconsistency. Specific term(s) agreed take priority over general statement(s) and terms in Contract Document created at a later date govern over terms in earlier Contract Document. Subject to foregoing, the terms of the groups of documents set out above have equal importance within their group.

1.2.2 Headings and Marginal Notes: All headings and marginal notes to the clauses of these General Conditions of Contract or to the Specifications or to any other Tender Document are solely for the purpose of giving a concise indication and not a summary of the contents thereof, and they shall never be deemed to be part thereof or be used in the interpretation thereof the Contract.

1.2.3 Singular and Plural: In Contract Documents unless otherwise stated specifically, the singular shall include the plural and vice versa wherever the context so requires.

1.2.4 Interpretation: Words implying `Person(s)/Party(ies)' shall include relevant Corporate Companies / Registered Associations/ Body of Individuals/ Firm of Partnership' and any firm/organization having legal capacity, as the case may be.

1.2.5 Gender: Where the context so requires, words imparting the masculine gender shall also include the feminine gender and the neuter gender and vice versa.

1.2.6 Severability: Should any provision of this Contract be found to be invalid, illegal or otherwise not enforceable by any court of law, such finding shall not affect the remaining provisions hereto and they shall remain binding on the parties hereto.

1.2.7 Incoterms:

(i) The meaning of any trade term and the rights and obligations of Parties thereunder shall be as prescribed by Incoterms® 2020 or its latest version.

(ii) EXW, FOB,FCA,CIF, CIP& CPT and other similar terms, shall be governed by the rules prescribed in the Incoterms® 2020 or its latest version, published by the International Chamber of Commerce, applicable as on due date of submission of Bid.

2.0 SUPPLIER TO INFORM

2.1 The Supplier shall be deemed to have carefully examined all Contract documents to his entire satisfaction. Any lack of information shall not in any way relieve the Supplier of his responsibility to fulfill his obligation under the Contract.

3.0 APPLICATION

3.1 These General Conditions of Contract (GCC-Goods) shall apply to the extent that they are not superseded by provisions of other parts of the Contract.

4.0 COUNTRY OF ORIGIN

4.1 All goods and services supplied under the contract shall have their Origin as quoted by the Bidder and accepted by Purchaser.

4.2 For purposes of this Clause "Origin" means the place where the Goods were mined, grown or produced, or from which the Services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembling of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

4.3 In case of Contract with foreign Suppliers, a certificate issued by relevant Chamber of Commerce specifying Country of Origin shall form part of shipping/disptach documents.

4.4 The Origin of goods and services is distinct from the nationality of the Supplier.

4.5 In case of any export/re-export control restrictions imposed by parent country of Bidder / country of origin on the Goods offered/supplied regarding Goods' end use or end user, then Bidder shall intimate the same upfront in their offer. In such case, right to accept or reject the Bid of such Bidder shall be decided by Purchaser on it's sole discretion.

5.0 SCOPE OF CONTRACT

5.1 Scope of the Contract shall be as defined in the Purchase Order/Contract Document(s)and Annexure thereto.

5.2 Completeness of the Goods and Services shall be the responsibility of the Supplier. Any equipment, fittings and accessories which may not be specifically mentioned in the Scope, Specifications or drawings, but which are usual or necessary for the satisfactory functioning of the Goods (i.e. successful operation and functioning of the Equipment being Supplier's responsibility) shall be provided by Supplier without any extra cost.

5.3 The Supplier shall follow the good engineering practices in the manufacture of Goods/Equipment(s) notwithstanding any omission in the Specifications. The true intent and meaning of these documents is that Supplier shall in all respects, design, engineer, manufacture and supply the Goods, equipment in a thorough workmanlike manner and supply the same in prescribed time to the entire satisfaction of Purchaser.

5.4 The Supplier shall furnish three (3) copies in English language of Technical documents, final drawings, preservation instructions, operation and maintenance manuals, test certificates, spare parts catalogues for all equipments to the Purchaser. The Supplier shall also furnish the above in computer readable soft copies in PDF format or equivalent by electronic mode.

5.5 The documents once submitted by the Supplier shall be firm and final and not subject to subsequent changes unless otherwise explicitly agreed by the Purchaser in writing. The Supplier shall be responsible for any loss to the Purchaser/Consultant consequent to furnishing of incorrect data/drawings.

5.6 All dimensions and weight should be in metric system.

5.7 All equipment to be supplied and work to be carried out under the Contract shall conform to and comply with the provisions of relevant regulations/Acts(State Government or Central Government) as may be applicable to the type of equipment/work carried out and necessary certificates shall be furnished.

5.8 The Supplier shall provide cross sectional drawings, wherever applicable, to identify the spare part numbers and their location

5.9 Specifications, design and drawings issued to the Supplier alongwith Tender Document/RFQ and Contract are not sold or given but loaned. These remain property of Purchaser/Consultant or its assigns and are subject to recall by Purchaser/Consultant. The Supplier and his employees shall not make use of the drawings, specifications and technical information for any purpose at any time except for manufacture against the Contract and shall not disclose the same to any person, firm or corporate body, without prior written permission of Purchaser/Consultant. All such details shall be kept confidential.

5.10 Supplier shall pack, protect, mark and arrange for dispatch of Equipment as per instructions given in the Contract.

5.11 The Supplier on his own behalf and on behalf of Sub-Contractor(s) hereby represents that both have full legal right, power and authority to transfer the ownership of the equipment/material to Purchaser.

6.0 STANDARDS

6.1 The Goods supplied under the Contract shall conform to the standards mentioned in the Technical Specifications, or such other standards which ensure equal or higher quality, and when no applicable standard is mentioned, to the authoritative standard appropriate to the Goods' country of origin and such standards shall be the latest issued by the concerned institution(s).

7.0 INSTRUCTIONS, DIRECTION & CORRESPONDENCE

7.1 The Goods described in the Contract are to be supplied according to the standards, data sheets, tables, specifications and drawings attached thereto and/or enclosed with the Contract, itself and according to all conditions, both general and specific enclosed with the contract, unless any or all of them have been modified or cancelled in writing as a whole or in part.

7.2 All instructions and orders to Supplier shall, excepting what is herein provided, be given by Purchaser/Consultant.

7.3 All provision of Goods and supply of Services shall be carried out under the direction of and to the satisfaction of Purchaser/Consultant.

7.4 All communications including technical/commercial clarifications and/or comments shall be addressed to Purchaser/ Consultant and shall always bear reference to the Purchase Order number.

7.5 Invoices for payment against Contract shall be addressed to Purchaser.

7.6 The Purchase Order number shall be shown on all invoices, communications, packing lists, containers and bills of lading, etc.

8.0 CONTRACT OBLIGATIONS

8.1 Purchaser will be the sole judge in the matter of award of Contract and the decision of Purchaser shall be final and binding on the Supplier.

The Acceptance of Tender/Bid will be intimated to the successful Bidder by the Purchaser through notification of award of Contract either by fax / e - mail /letter or like means defined as Fax of Acceptance (FOA). The Contract shall enter into force on the date of Notification of Award and the same shall be binding on Purchaser and Supplier.

8.2 If after award of the Contract, the Supplier does not acknowledge the receipt of FOA/PO or fails to furnish the Contract Performance Security within the prescribed time limit, the Purchaser reserves the right to cancel the Contract and apply all remedies available to him under the terms and conditions of this Contract.

8.3 Once a Contract enters into force, the terms and conditions contained therein shall take precedence over the Supplier’s bid and all previous correspondence.

8.4 Supplier’s Responsibilities

8.4.1 The Supplier shall supply all the Goods and incidental Services as per terms and conditions of Purchase Order within the Delivery and Completion schedule mentioned therein.

8.5 Purchaser’s Responsibilities

8.5.1 Whenever the supply of Goods and incidental Services requires that the Supplier obtain permits, approvals, and import and other licenses from local public authorities, the Purchaser shall, if so required by the Supplier, make its best effort to assist the Supplier in complying with such requirements in a timely and expeditious manner.

8.6 Joint and Several Responsibility:

8.6.1 Where Supplier's Goods/Equipment(s) or any part thereof are to be used jointly with other equipment(s) supplied by another manufacturer(s),the name of the such manufacturer(s) will be communicated separately to Supplier, the Purchaser/Consultant will hold Supplier and the manufacturer(s) jointly and severally responsible for the perfect operation of the entire group or section of equipment as regard the technical and mechanical characteristics stipulated in the specification. Such responsibility shall also include the mechanical coupling as well as dynamic and starting moment.

8.6.2 Consequently, Supplier shall establish and maintain all necessary contact with the manufacturer to be indicated by Purchaser/Consultant with a view to ensuring the exchange of all relevant data and information.

9.0 MODIFICATION IN CONTRACT

9.1 All modifications leading to changes in the Contract with respect to technical and/or commercial aspects including terms of delivery, shall be considered valid only when accepted in writing by Purchaser/Consultant by issuing amendment to the Contract. Issuance of acceptance or otherwise in such cases shall not be any ground for extension of agreed delivery date and also shall not affect the performance of contract in any manner except to the extent mutually agreed through a modification of Contract.

9.2 Based on the requirement, the Purchaser/Consultant in writing shall have the right to change the quantities, specifications, drawings etc. without changing the indented purpose of the Contract. If such changes cause an increase or decrease in the price or time required for the supply, the Supplier shall submit the proposal indicating the implications along with documentary evidence/ back-up documents/ calculations within 7 days, for review and processing of change order/amendment to the Contract by Purchaser/Consultant. On receipt of the amendment to the Contract, Supplier shall execute the change order.

9.3 Purchaser/Consultant shall not be bound by any printed conditions or provisions in the Supplier's Bid Forms or acknowledgment of Contract, invoices, packing list and other documents which purport to impose any conditions at variance with or supplemental to Contract.

10.0 USE OF CONTRACT DOCUMENTS & INFORMATION

10.1 The Supplier shall not, without the Purchaser's/Consultant's prior written consent, disclose the Contract or any provision thereof, or any specification, plan, drawing, pattern, sample or information furnished by or on behalf of the Purchaser in connection therewith, to any person other than a person employed by the Supplier in the performance of the Contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purpose of such performance.

10.2 The Supplier shall not, without the Purchaser's prior written consent, make use of any document or information enumerated in clause no. 10.1. except for purpose of performing the Contract.

11.0 PATENT RIGHTS, LIABILITY & COMPLIANCE OF REGULATIONS

11.1 Supplier hereby warrants that the use or sale of the materials delivered hereunder will not infringe claims of any patent covering such material and Supplier agrees to be responsible for and to defend at his sole expense all suits and proceedings against Purchaser based on any such alleged patent infringement and to pay all costs, expenses and damages which Purchaser and/or Consultant may have to pay or incur by reason of any such suit or proceedings.

11.2 The Supplier shall, indemnify and hold harmless the Purchaser/Consultant and its employees and officers from and against any and all suits, actions or administrative proceedings, claims, demands, losses, damages, costs, and expenses of any nature, including attorney's fees and expenses, which the Purchaser/Consultant may suffer as a result of any infringement or alleged infringement of any patent, utility model, registered design, trademark, copyright, industrial design rights or other intellectual property right registered or otherwise by reason of

(a) the installation or the use of the Goods or any part thereof in the country where the Site is located; and
(b) the sale of the products (which is produced by use of the Goods) in any country.

11.3 Supplier shall also protect and fully indemnify the Purchaser from any claims from Supplier's workmen/employees or their heirs, dependents, representatives, etc. or from any other person(s) or company(ies) etc. for any acts of commissions or omission while executing the Contract.

11.4 Supplier shall be responsible for compliance with all requirements under the laws and shall protect and indemnify completely the Purchaser from any claims/penalties arising out of any infringements.

12.0 CONTRACT PERFORMANCE SECURITY (CPS):

12.1 Within 30 days after the Supplier's receipt of FOA, the Supplier shall furnish Contract Performance Security (CPS) in the form of Demand Draft/online direct transfer/Bank Guarantee in the format attached as Appendix-III, for an amount equivalent to defined percentage (mentioned in tender/ FOA) of the total Purchase Order Value excluding GST on finished goods or for the amount mentioned in the Tender Document/FOA.

12.2 The proceeds of CPS shall be appropriated by the Purchaser as compensation for any loss resulting from the Supplier's failure to complete his obligations under the Contract without prejudice to any of the rights or remedies the Purchaser may be entitled to as per terms and conditions of Contract. The proceeds of this CPS shall also govern the successful performance of Goods and Services during the entire period of Contractual Warrantee/Guarantee.

In case of forfeiture of Contract Performance Security/ Security Deposit, the forfeited amount will be considered inclusive of tax and tax invoice will be issued by GAIL. The forfeiture amount will be subject to final decision of GAIL based on other terms and conditions of order/ contract.

12.3 The CPS shall be denominated in the currency of the Contract.

12.4 The CPS shall be valid for the duration upto expiry of Warrantee/Guarantee period with claim period as per the format attached as Appendix-III. The Bank Guarantee will be discharged by Purchaser within 3 months from the date of expiration of the Supplier's entire obligations, including any warrantee/guarantee obligations, under the Contract.

12.5 All compensation, claim or other sums of money payable by the Supplier to the Purchaser/Consultant under terms of this Contract may be deducted from or paid by the encashment or sale of a sufficient part of his Contract Performance Security or from any sums which may be due or may become due to the Supplier by the Purchaser/Consultant of any account whatsoever and in the event of his CPS being reduced by reasons of any such deductions or sale of aforesaid, the Supplier shall within ten days thereafter make good in bank drafts/Bank Guarantee as aforesaid any sum or sums which may have been deducted from or realized by sale of his CPS, or any part thereof. The Supplier shall pay to the Purchaser/Consultant on demand any balance remaining due. No interest shall be payable by the Purchaser/Consultant for sum deposited as CPS and no claim whatsoever in this regard shall be entertained by Purchaser.

13.0 INSPECTION, TESTING & EXPEDITING

13.1 The Purchaser or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Contract specifications. The special conditions of Contract and/or the Technical Specifications shall specify what inspections and tests the Purchaser requires and where they are to be conducted. The Purchaser shall notify the Supplier in writing the identity of any representative(s) retained for these purposes.

13.2 The inspections and tests may be conducted on the premises of the Supplier or his sub-contractor(s), at point of Delivery and/or at the Goods' final destination. When conducted on the premises of the Supplier or his sub-contractor (s), all reasonable facilities and assistance including access to the drawings and production data shall be furnished to the inspectors at no charge to the Purchaser.

13.3 Should any inspected or tested Goods fail to conform to the Specifications, the Purchaser may reject them and the Supplier shall either replace the rejected Goods or make all alterations necessary to meet Specifications' requirements, free of cost to the Purchaser.

13.4 The Purchaser's right to inspect, test and where necessary reject the Goods after the Goods' arrival in the Purchaser's country shall in no way be limited or waived by reason of the Goods having previously been inspected, tested and passed by the Purchaser, or their representative prior to the Goods shipment from the country of Origin.

13.5 The Inspector may follow the progress of the manufacture of the Goods under the Contract to ensure that the requirements outlined in the Contract are not being deviated with respect to schedule and quality. Supplier shall allow the Inspector to visit, during working hours, the workshops relevant for execution of the Contract during the entire period of Contract validity.

13.6 Any materials/goods covered under scope of Contract, which during the process of inspection by Inspector, at any stage of manufacture/fabrication and subsequent stages, prior to dispatch is found not conforming to the requirements/specifications of the Purchase Order, shall be liable for immediate rejection. Supplier shall be responsible and liable for immediate replacement of such material with acceptable material at no extra cost or impact on the delivery schedule to Purchaser.

13.7 In order to enable Purchaser's representatives to obtain entry visas in time, Supplier shall notify Purchaser two months before assembly, testing and packing of main Equipment. If requested, Supplier shall assist Purchaser's representatives in getting visas in the shortest possible time (applicable only in case of foreign order).

13.8 Supplier shall place at the disposal of the Inspector, free of charge, all tools, instruments, and other apparatus necessary for the inspection and/or testing of the Goods. The Inspector is entitled to prohibit the use and dispatch of Goods and/or materials which have failed to comply with the characteristics required for the Goods during tests and inspections.

13.9 Supplier shall advise in writing of any delay in the inspection program at the earliest, describing in detail the reasons for delay and the proposed corrective action.

13.10 All Tests and trials in general, including those to be carried out for materials not manufactured by Supplier shall be witnessed by the Inspector. Therefore, Supplier shall confirm to Purchaser by fax or e-mail about the exact date of inspection with at least 30 days notice. Supplier shall specify the Goods and quantities ready for testing and indicate whether a preliminary or final test is to be carried out.

13.11 If on receipt of this notice, Purchaser should waive the right to witness the test, timely information will be given accordingly.

13.12 Any and all expenses incurred in connection with tests, preparation of reports and analysis made by qualified laboratories, necessary technical documents, testing documents and drawings shall be at Supplier's cost. The technical documents shall include the reference and numbers of the standards used in the construction and, wherever deemed practical by the Inspector, copy of such standards.

13.13 Nothing in Clause-13 shall in any way release the Supplier from any warrantee/guarantee or other obligations under this Contract.

13.14 Arrangements for all inspections required by Indian Statutory Authorities and as specified in technical specifications shall be made by Supplier.

13.15 **INSPECTION & REJECTION OF MATERIALS BY CONSIGNEES**

When materials are rejected by the consignee, the Supplier shall be intimated with the details of such rejected materials, as well as the reasons for their rejection, also giving location where such materials are lying at the risk &cost of the Supplier. The Supplier will be called upon either to remove the materials or to give instructions as to their disposal within 14 days and in the case of dangerous, infected and perishable materials within 48 hours from the date of such written Notice, failing which the consignee/Purchaser will either return the materials to the Supplier on freight to pay or otherwise dispose them off at the Supplier's risk and cost. The Purchaser shall also be entitled to recover handling &storage charges, as per Clause No. 27.4

14. TIME SCHEDULE & PROGRESS REPORTING

14.1 Time Schedule Network/Bar Chart

14.1.1 Together with the Contract confirmation, Supplier shall submit to Purchaser, his time schedule regarding the documentation, manufacture, testing, supply, erection and commissioning of the Goods.

14.1.2 The time schedule will be in the form of a network or a bar chart clearly indicating all main or key events regarding documentation, supply of raw materials, manufacturing, testing, delivery, erection and commissioning.

14.1.3 The original issue and subsequent revisions of Supplier's time schedule shall be sent to Purchaser.

14.1.4 The time schedule network/bar chart shall be updated at least every second month or as agreed with Purchaser.

14.2 **Progress Trend Chart/Monthly Report**

14.2.1 Supplier shall report monthly to Purchaser, on the progress of the execution of Contract and achievement of targets set out in time bar chart.

14.2.2 The progress will be expressed in percentages as shown in the progress trend chart attached to the Time Schedule specification.

14.2.3 The first issue of the Progress Trend Chart will be forwarded together with the time bar chart alongwith Contract confirmation.

14.2.4 Purchaser's/Consultant's representatives shall have the right to inspect Supplier's premises with a view to evaluating the actual progress of Contract execution on the basis of Supplier's time schedule documentation.

14.2.5 Irrespective of such inspection, Supplier shall advise Consultant, with copy to Purchaser, at the earliest possible date of any anticipated delay in the progress.

14.3 Notwithstanding the above, in case progress on the execution of contract at various stages is not as per time schedule and is not satisfactory in the opinion of the Purchaser/Consultant which shall be conclusive or Supplier shall neglect to execute the Contract with due diligence and expeditiousness or contravenes the provisions of the Contract, Purchaser/Consultant may give notice of the same in writing to the Supplier calling upon him to make good the failure, neglect or contravention complained of. Should Supplier fail to comply with such notice within the period considered reasonable by Purchaser/Consultant, the Purchaser/Consultant shall have the option and be at liberty to cancel the Contract wholly or in part out and make alternative arrangements to obtain the requirements and completion of Contract at the Supplier's risk and cost and recover from the Supplier, all extra cost incurred by the Purchaser on this account. In such event Purchaser/Consultant shall not be responsible for any loss that the Supplier may incur and Supplier shall not be entitled to any gain. Purchaser/Consultant shall, in addition, have the right to encash Contract Performance Security in full or part.

15. DELIVERY & DOCUMENTS AND DISPATCH SCHEDULE

15.1 Delivery of the Goods shall be made by the Supplier in accordance with terms specified in the Contract, and the goods shall remain at the risk of the Supplier until delivery has been completed.

15.2 Delivery shall be deemed to have been made:

(i) In the case of FOB/FCA, CFR/CPT& CIF/CIP Contracts, when the Goods have been put on board the ship/flight, at the specified port of loading and a clean Bill of Lading/Airway Bill is obtained. The date of Bill of Lading/Airway Bill shall be considered as the delivery date.

(ii) In case of FOT despatch point Contract (For Indian bidder), on evidence that the goods have been loaded on the carrier and a negotiable copy of the Goods receipt obtained. The date of LR/GR shall be considered as the date of delivery.

(iii) In case of FOT site (for Indian bidders) Contract, date of receipt of Goods by Purchaser/Consultant at the designated site(s) shall be considered as the date of delivery.

(iv) For Contracts involving Services, the delivery/completion period for such Services mentioned in Contract shall commence from zero date as intimated by the Purchaser/Consultant in writing or as mentioned in SCC or elsewhere.

15.3 The delivery terms are binding and essential and consequently, no delay is allowed without the written approval of Purchaser/Consultant. Any request concerning delay will be void unless accepted by Purchaser/Consultant through a modification to the Contract.

15.4 Delivery time shall include time for submission of drawings for approval, incorporation of comments, if any, and final approval of drawings by Purchaser/Consultant.

15.5 In the event of delay in delivery, Price Reduction Schedule as stipulated in Clasue– 26 shall apply. The Contract shall be continued to be in force till the delivery of Goods or written Notice from Purchaser to Supplier for termination of Contract.

15.6 It should be noted that if a Contract is placed on a higher bidder as a result of this tender, in preference to the lowest acceptable offer, in consideration of an earlier delivery, the Supplier will be liable to pay to GAIL the difference between the contract rate and the rate quoted by the lowest acceptable bidder in case of failure to complete the supply in terms of such Contract within the date of delivery specified in the Tender Document and incorporated in the Contract. This is without prejudice to other rights and remedies available to GAIL, under terms of Contract.

15.7 The documentation, in English Language, shall be delivered in due time, in proper form and in the required number of copies as specified in the contract.

15.8 The additional copies of final drawings and instructions will be included in the package of goods, properly enveloped and protected.

15.9 The Supplier should comply with the Packing, Marking and Shipping Documentation Specifications.

15.10 **Dispatch Schedule**

15.10.1 **Indian Bidder**:

If Purchase Order issued based on FOT (Free on Truck) / FOR (Free on Rail) project site basis, materials shall be delivered at the destination on freight prepaid & door delivery basis and for the cases where order(s) are finalized on Ex-works basis the transportation will be arranged by supplier(s) / GAIL on 'freight to pay' basis and the freight will be paid at the destination.

Supplier shall submit the following details of goods/cargo within 15 days from Notification of Award to the designated authority as per Purchase Order:

(i) Shipments Schedule
(ii) Dimension details of packages
(iii) Detailed technical write-up along with Catalogue (if applicable)
(iv) Any other document/details, if mentioned in Purchase Order

The consignment should be handed over to transporter with E-way bill, wherever required as per law/act. In case such e-way bill is required to be issued by GAIL, the concerned designated order issuing authority may be contacted in this regard. It will be the responsibility of the supplier to ensure the compliance of the provisions relating to E-Way bill before dispatch of the consignment and any financial implication arising due to non-compliance in this regard will be to the account of the supplier.

It shall be responsibility of the Supplier to send intimation immediately on dispatch of the material so that necessary arrangements can be made at site. Delays on account of the same shall solely be attributable to the Supplier.

15.10.2 **Foreign Bidder:**

Where the Supplier is required under the Contract to deliver the Goods on CFR or CIF, transportation of the Goods to the port of discharge or such other point in the country of destination as shall be specified in the Contract shall be arranged and paid for by the Supplier and the for the cases where order(s) are finalized on FOB or FCA basis the transportation will be arranged by GAIL.
Supplier shall submit the following details of goods/cargo within 15 days from Notification of Award to the designated authority as per Purchase Order:

(i) Shipments Schedule
(ii) Dimension details of packages
(iii) Detailed technical write-up along with Catalogue (if applicable)
(iv) Any other document/details, if mentioned in Purchase Order

It shall be responsibility of the Supplier to send intimation and Original Shipping Documents immediately on dispatch of the material so that necessary arrangements can be made at Destination Port. Delays on account of the same shall solely be attributable to the Supplier.

All equipments / materials are to be insured by GAIL for transit/marine risks unless specified otherwise in the purchase order, to cover the damages during the transportation etc.
Any such damage during the transportation shall be immediately notified to under-writers as well as the transporter, for further necessary action for recovery of transit damages.

For the purpose of arranging transit/marine insurance of the goods despatched / shipped, vendors are required to furnish the despatch / shipping particulars to the Insurance Company giving complete details of despatches along with Policy No. etc.

16 TRANSIT RISK INSURANCE

16.1 All Goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery.

16.2 The Purchaser shall arrange transit risks Insurance for the Goods supplied by indigenous Supplier unless specified otherwise in the Purchase Order, to cover the risk & damages during the inland transportation. Further, where delivery is on FOB/FCA or CFR/CPT basis, marine insurance shall be the responsibility of the Purchaser.

Any such damage during the transportation shall be immediately notified to under-writers as well as the transporter under intimation to consignee, for further necessary action for recovery of transit damages.

16.3 Insurance Requirements:

Indigenous Supplier: Transit risk insurance from F.O.T. despatch point onwards shall be arranged and borne by GAIL unless specified otherwise in the Purchase Order.

Immediately after shipment, the Supplier shall inform the Purchaser's insurance agent and Purchaser/Consultant giving the details of shipment regarding LR number and date, invoice no. & date with value, number of packages/cases, gross/net weight, value of goods and Purchase Order number along with Insurance policy no., for arranging insurance of the consignment against transit risk from the despatch point to the Site/warehouse of the consignee.

Foreign Supplier : Marine insurance as well as transit insurance in Purchaser's country shall be arranged and borne by GAIL, in case of EXW, FOB/FCA, CFR/C&F orders as per INCOTERMS.

Immediately after shipment, the Supplier shall inform the Purchaser's insurance agent and Purchaser/Consultant giving the details of shipment regarding name of vessel, B/L or AWB number and date, invoice no. & date with value, packing details including number of packages/cases&gross/net weight, value of goods and Purchase Order number & date, ETD & ETA of vessel at ports along with Insurance policy no., for arranging necessary insurance.

The Supplier shall ensure that in effecting despatch of Goods, the primary responsibility of the carriers for safe movement is always retained so that the Purchaser's interests are fully safeguarded and are in no way jeopardised. The Supplier shall furnish the cost of materials against each equipment.

Purchaser's Insurance Agent& Insurance policy no.:

[The name and address of Insurance Agent and Insurance policy no. shall be mentioned in Tender Document/Purchase Order]

17. PACKING & SHIPPING INSTUCTIONS AND TRANSPORTATION

17.1 Packing & Marking:

The Supplier shall dispatch the materials in worthy/Sea worthy/Air worthy packing conforming to the international norms of packing/ prescribed standards in force to withstand air/ocean/land journey and ensuring the safety of cargo en-route and also arrival of materials at ultimate destination in good condition. Hazardous/dangerous cargo ordered alongwith other material, against a particular supply order, the hazardous/dangerous cargo should be packed in a separate identifiable box to avoid payment of excess freight and delay in clearance. The consignment shall be comprehensively insured against all risks by the Supplier in case of contracts with transit insurance in Supplier’s scope from Supplier's ware-house to ultimate consignee's ware-house basis and each case/packing shall have on its outer side the following marking in English in indelible ink:

(i) Purchase Order No. and date
(ii) Country of origin(Applicable for Foreign Suppliers)
(iii) Name of Supplier
(iv) Case number (running number upon total number of boxes).
(v) Gross and net weight in Kilogram on each box.
(vi) Dimension of packages
(vii) Port of destination (Applicable for Foreign Suppliers)
(viii) Consignee
(ix) TOP/DON'T TURNOVER/HANDLE WITH CARE (as applicable)
(x) The equipment which cannot be packed shall bear metal tags with above marking indicated thereon. Each box shall contain one copy of packing list and Material Safety Data Sheet (if applicable) in English.

In case of hazardous chemicals / materials the bidder will provide Material Safety Data Sheets along with quotation and also while dispatching the materials. The bidder will also provide special hazard identification symbols / markings on each packing of hazardous chemicals.

The Supplier shall be held liable for all damages or breakages to the goods due to the defective or insufficient packing as well as for corrosion due to insufficient protection. Packaged equipment or material showing damage, defects or shortages resulting from improper packaging material or packing procedures or having concealed damage or shortages, at the time of unpacking shall be to the Supplier’s account.

Wherever the items make a full truck load, the suppliers to dispatch such items in a full truck direct to the consignee on a door delivery basis to the site. In such cases, the supplier to send a consignee copy of the lorry receipt to the consignee along with the consignment and the consignment shall be booked to GAIL and not "self”. The supplier should dispatch the consignments to the designated consignee. All dispatch documents, that is, railway/lorry receipt, goods consignment note, airway bill, invoices, packing list, freight memos, test certificate, and so on, shall be sent to the concerned authority which will arrange to make the payment. If the payment is to be made through the bank, all original documents are to be sent through the designated bank.

Where critical equipment is involved, suitable special instructions will be provided in SCC to the supplier about the mode of transport, loading, avoidance of transhipment and, if necessary, provision of escorts. In case of chemicals, powdery materials, liquid materials, and so on, supplier is to ensure proper packaging to avoid spillage en route, so as to avoid pollution problems and also to conform to the ISO 14001 standard (wherever applicable).

17.2 **Shipping Instructions**:

The Supplier shall notify the Purchaser/Consultant& all concerned and also the port as well as ultimate consignee by e-mail the Bill of Lading/Airway Bill number and date, the name of ship/flight, ship manifest, the date of departure of the ship/flight, the port of loading and destination, brief description of materials, gross/net weight and total number of packages, quantity, value and Purchase Order number and date within 2 days from the departure of the ship or within 24 hours from the departure of the flight from the port of loading.

17.3 Copies of dispatch documents should reach Purchaser/Consultant well in advance failing which any demurrage/wharfage etc. incurred on account of late/ non-receipt of dispatch document/wrong dispatches of consignment will be recovered from Supplier. In case of documents through Bank, it may be noted that the documents will be retired only if the dispatches are made as per the terms of the Purchase Order.

17.4 Where the Supplier is required under the Contract to deliver the Goods on FOB/FCA basis, transport of the Goods until delivery, that is, upto and including the point of putting the Goods on board the export conveyance at the specified port of loading, shall be arranged and paid for by the Supplier and the cost thereof shall be included in the Purchase Order Value.

17.5 Where the Supplier is required under the Contract to deliver the Goodson CFR/CPT or CIF/CIP basis, transport of the Goods to the port of discharge or such other point in the country of destination as specified in the Contract shall be arranged and paid for by the Supplier and the cost thereof shall be included in the Purchase Order Value.

17.6 Where the Supplier is required under the Contract to deliver the Goods on FOT destination point basis, transport of the Goods upto the destination point shall be specified in the Contract shall be arranged and paid by the Supplier and the cost thereof shall be included in the Purchase Order Value.

17.7 As per the Section 3 of the "Carriage by Road Act 2007", no person can engage in the business of a common carrier unless granted a certificate of registration to do so and any transportation of goods through unregistered common carrier is illegal. Accordingly, Goods should be transported through registered common carriers only.

18. INCIDENTAL SERVICES

18.1 The Supplier may be required to provide any or all of the following Services:

18.1.1 Performance or supervision of onsite assembly and/or start-up of the supplied Goods:

18.1.2 Furnishing tools required for assembly and/or maintenance of the supplied Goods:

18.1.3 Performance or supervision or maintenance and/or repair of the supplied Goods, for a period of time agreed by the parties, provided that this Service shall not relieve the Supplier of any warrantee/guarantee obligations under the Contract.

18.1.4 Training of the Purchaser's personnel at the Supplier's premise and/or at Site, in assembly, start-up operation, maintenance and/or repair of the supplied Goods at no extra cost. However, Purchaser will bear boarding, lodging & personal expenses of Trainees.

18.2 Prices charged by the Supplier for the preceding incidental Services, shall not exceed the prevailing rates charged to other parties by the Supplier for similar services.

18.3 When required, Supplier shall depute necessary personnel for supervision and/or erection of the Goods/Equipments at site for duration to be specified by Purchaser on mutually agreed terms. Supplier's personnel shall be available at Site within seven Days for emergency action and twenty-one Days for medium and long-term assistance, from the date of notice given by Purchaser.

18.4 If the cost of incidental Services is not shown separately in the Price Schedules /t Schedule of Rates, then the same shall be considered included in the quoted prices.

19. SPARE PARTS, MAINTENANCE TOOLS ETC.

19.1 Supplier may be required to provide any or all of the following materials and notification pertaining to Spare parts (including standby equipments, accessories, sub-assemblies/assemblies etc.)manufactured or sourced by the Supplier. Such Spares shall be supplied directly by Supplier and the responsibility shall not be passed on to his dealers/distributers/stockists or Indian associates.

19.1.1 Such Spare parts as the Purchaser may opt to purchase from the Supplier, provided that his option shall not relieve the Supplier of any warrantee obligations under the Contract, and

19.1.2 In the event of termination of production of the spare parts:

i) Advance notification to the Purchaser of the pending termination, in sufficient time to permit the Purchaser to procure such Spares, and

ii) Following such termination, furnishing at no cost to the Purchaser, the blue prints, drawings and specifications of the spare parts, if any when requested.

19.2 Supplier shall supply item wise list with value of each item of Spare parts and maintenance tools requirements, along with full details of all manufacturers/ sub-supplier(s)for spares/maintenance tools sourced by Supplier.

19.3 Spare parts shall be new and of first class quality as per engineering standards/ codes, free of any defects (even concealed), deficiency in design, materials &workmanship and also shall be completely interchangeable with the corresponding parts.

19.4 Type and sizes of FILTER ELEMENTS shall be clearly indicated.

19.5 Spare parts shall be packed for long storage under tropical climatic conditions in suitable cases, clearly marked as to intended purpose.

19.6 A list of special tools and gauges required for normal maintenance and special handling and lifting appliances, if any, for the Goods, shall be submitted to Purchaser.

19.7 Bidders should note that if they do not comply with above conditions, their Bid may be rejected.

20. GUARANTEE

20.1 All Goods or Materials shall be supplied strictly in accordance with the specifications, drawings, data sheets, other attachments and conditions stated in the Contract.

No deviation from such specifications or alterations or of these conditions shall be made without Purchaser's /Consultant's agreement in writing which must be obtained before any work against the order is commenced. All materials supplied by the Supplier pursuant to the Contract (irrespective of whether engineering, design data or other information has been furnished, reviewed or approved by Purchaser/Consultant) are guaranteed to be of the best quality of their respective kinds (unless otherwise specifically authorised in writing by Purchaser/Consultant) and shall be free from faulty design, workmanship and materials, and to be of sufficient size and capacity and of proper materials so as to fulfil in all respects all operating conditions, if any, specified in the Contract.

If any trouble or defect, originating with the design, material, workmanship or operating characteristics of any materials, arises at any time prior twelve(12) months from the date of the first commercial operation of the Goods/Equipments or twenty four (24) months from the date of last shipment whichever period shall first expire, and the Supplier is notified thereof, Supplier shall, at his own expense and as promptly as possible, make such alterations, repairs and replacements as may necessary to permit the materials to function in accordance with the specifications and to fulfil the foregoing guarantees. However, in no case, warranty of repaired/replaced part shall exceed 24 months from the date of commissioning of original equipment or 36 months from last supply, whichever is earlier. This period excludes repair/replacement/rectification period of defective goods.

Purchaser/Consultant may, at his option, remove such defective materials, at Supplier's expense in which event Supplier shall, without cost to Purchaser/Consultant and as promptly as possible, furnish and install proper materials.

In case defects are of such nature that Goods shall have to be taken to Supplier's works for rectification etc., Supplier shall take the Goods at his costs after giving necessary undertaking or security as may be required by Purchaser/Consultant. Purchaser/Consultant may, if so required by the Supplier, dispatch the Goods by quickest mode on "Freight-to-pay" basis to the Supplier's works. After repairs Supplier shall deliver the Goods at Site on freight pre-paid basis. All risks in transit to and fro and all expenses on account of to and fro freight, insurance, customs clearance, transportation and handling, port charges and customs duty etc. shall be borne by the Supplier.

In the event that the materials supplied do not meet the specifications and/or not in accordance with the drawings data sheets or the terms of the Contract (including guarantee period) and rectification is required at site, Purchaser/Consultant shall notify the Supplier giving full details of differences. The Supplier shall attend the site within seven (7) days of receipt of such notice to meet and agree with representatives of Purchaser/Consultant, the action required to correct the deficiency. Should the Supplier fail to attend meeting at Site within the time specified above, Purchaser/Consultant shall immediately rectify the work/materials and Supplier shall reimburse Purchaser all costs and expenses incurred in connection with such trouble or defect.

20.2 **Performance Guarantee of Equipment**

20.2.1 Supplier shall guarantee that the performance of the Equipment supplied under the Contract shall be strictly in conformity with the specifications and shall perform the duties specified under the Contract.

20.2.2 If the Supplier fails to prove the guaranteed performance of the Equipment set forth in the specification, the Supplier shall investigate the causes and carry out necessary rectifications/modifications to achieve the guaranteed performance. In case the Supplier fails to do so within a reasonable period, the Supplier shall replace the Equipment and prove guaranteed performance of the new equipment without any extra cost to Purchaser.

20.2.3 If the Supplier fails to prove the guarantee within a reasonable period, Purchaser/Consultant shall have the option to take over the Equipment and rectify, if possible, the Equipment to fulfil the guarantees and/or to make necessary additions to make up the deficiency at Supplier's risk and cost. All expenditure incurred by the Purchaser/Consultant in this regard shall be to Supplier's account.

21. TERMS OF PAYMENT

21.1 In case of supply, payment shall be released **within 15 days** after receipt and acceptance of goods and submission of relevant documents complete in all respects through e-banking unless otherwise specifically mentioned in the Special Conditions of Contract.

21.2 The type(s) of payment to be made to the Supplier under this Contract shall be as mentioned above unless otherwise specifically specified in the Special Conditions of Contract.

21.3 The Supplier's request(s) for payment shall be made to the Purchaser in writing accompanied by an invoice describing, as appropriate, the Goods delivered and services performed, and by shipping documents submitted, and upon fulfillment of other obligations stipulated in the Contract. For release of payment, the following documents is to be submitted by supplier/ vendor:

i) Supplier's Invoice indicating, inter alia description and specification of the goods, quantity, unit price, total value;
ii) Packing list;
iii) LR/GR/consignment note;
iv) Manufacturer's guarantee certificate and in-house inspection certificate (wherever applicable);
v) Inspection certificate issued by purchaser's inspector (wherever applicable); and
vi) Any other document(s) as and if required in terms of the contract.

21.4 Payment will be made in the currency or currencies in which the Contract Price has been stated in the Supplier's bid, as well as in other currencies in which the Supplier had indicated in his bid that he intends to incur expenditure in the performance of the Contract and wishes to be paid. If the requirements are stated as a percentage of the bid price alongwith exchange rates used in such calculations these exchange rates shall be maintained.

21.5 Mentioning of PAN no. in Invoice/Bill

As per CBDT Notification No. 95/2015 dated 30.12.2015, mentioning of PAN no. is mandatory for transactions related to procurement of goods / services exceeding Rs. 2 Lakhs per transaction or as amended from time to time.

Accordingly, Supplier should mention their PAN no. in their invoice/ bill for any transaction exceeding Rs. 2 lakhs. As provided in the notification, in case Supplier do not have PAN no., they have to submit declaration in Form 60 along with invoice/ bill for each transaction.

Payment of Supplier shall be processed only after fulfilment of above requirement.

21.6 Foreign Suppliers should ensure submission of Tax Residency Certificate(TRC), Form 10F or Permanent Establishment(PE) information within specified time.

General Notes:

(i) All foreign currency payments to foreign bidder shall be released through Cash against Documents (CAD) through bank, If Supplier insists payment through an irrevocable Letter of Credit, which shall be opened through Government of India Nationalised Bank and hence shall not be confirmed. In case any bidder insists on confirmation, charges towards confirmation shall be borne by him. L/C shall be established within 30 days after receipt of acknowledgement of Letter/Fax of Acceptance/Purchase Order together with Contract Performance Security.

(ii) For dispatches on FOT dispatch point (in India) basis involving payment through bank, the payment shall be through Purchaser's bank. Payment through Bank, wherever applicable, shall be released as per normal banking procedures.

(iii) All bank charges incurred in connection with payments shall be to Supplier's account in case of Indian bidders and to respective accounts in case of Foreign bidder.

(iv) Unless otherwise specifically stated in Bid Document, all payments shall be made in the currency quoted.

(v) No interest charges for delay in payments, if any, shall be payable by Purchaser.

(vi) In case of Indian bidder, variation, if any, on account of customs duty on their built-in- import content, as per terms of bid document, shall be claimed separately by bidder after receipt of goods at site(s). However, any price benefits to the Purchaser, on account of such variation as per terms specified in the Bid Document, shall be passed on to the Purchaser alongwith invoicing itself.

(vii) Agency commission, if any, to Indian agent for Foreign bidders, indicated in prices, shall be paid to the agent in equivalent Indian Rupees on receipt and acceptance of material at site and after completion of its role & responsibility by such agent.

(viii) Wherever buy-back is involved, 5% payment towards supply of new item shall be made only after uplifting the buy-back items.

21.7

Further, after implementation of Vendor Invoice Management (VIM)Supplier/ Vendor to forward the invoice on VIM Collection Center or upload digital invoice on Portal (details of same will be provided in tender/contract). The copy of invoice and all other document mentioned above or in order/ contract is to be forwarded to address provided in order/contract.

22. PRICES

22.1 Prices charged by the Supplier for Goods delivered and Services performed under the Contract shall not, with the exception of any price adjustments authorized by the Contract, vary from the prices quoted by the Supplier in his bid.

23. SUBLETTING & ASSIGNMENT

23.1 The Supplier shall not without previous consent in writing of the Purchaser authority, sublet, transfer or assign the Contract or any part thereof or interest therein or benefit or advantage thereof in any manner whatsoever. Provided, nevertheless, that any such consent shall not relieve the Supplier from any obligation, duty or responsibility under the Contract.

23.2 There is no obligation on part of Purchaser/Consultant to release any payment to Sub-Contractor.

24. TIME AS ESSENCE OF CONTRACT

24.1 The original or extended time of delivery/completion of the Goods/Services as stipulated in the Contract shall be deemed to be the essence of the Contract.

25. DELAYS IN THE SUPPLIER'S PERFORMANCE

25.1 If the specified delivery schedule is not adhered to or the progress of manufacture or supply of the items is not satisfactory or is not in accordance with the progress schedule, the Purchaser has the right to:

i) hire for period of delay from elsewhere goods which in Purchaser's opinion will meet the same purpose as the Goods which are delayed and Supplier shall be liable without limitation for such hire charges plus overhead charges @ 15% thereupon; or

ii) terminate /cancel the Contract in whole or in part without liability for termination/cancellation charges. In that event, Purchaser may procure from elsewhere goods which Purchaser's opinion would meet the same purpose as the Goods for which Contract is cancelled and Supplier shall be liable without limitations for the difference between the cost of such substitution and the price set forth in the Contract for the Goods involved; or

iii) hire the substitute goods vide (i) above and if the ordered goods continue to remain undelivered thereafter, cancel the order in part or in full vide (ii) above.

25.2 Any inexcusable delay by the Supplier or his sub-contractor shall render the Supplier liable, without prejudice to any other terms of the Contract, to any or all of the following sanctions:

- forfeiture of Contract Performance Security,
- imposition of price reduction for delay in delivery and
- termination of the contract for default.

As per Performance Evaluation procedure (Appendix-II), the Supplier's non-performance or poor performance shall affect the future business relationship with GAIL and its PMCs.

26. PRICE REDUCTION SCHEDULE (PRS) FOR DELAYED DELIVERY

26.1 Subject to Clasue-29, if the Supplier fails to deliver any or all of the Goods or performance of the services within the time period (s) specified in the Contract, the Purchaser shall, without prejudice to his other remedies under the Contract, deduct from the Contract Price, a sum calculated on the basis of the Contract Price, including subsequent modifications.

26.1.1 Deductions shall apply as per following formula:

A. For order including only supply of Goods/Equipment/Package

In case of delay in delivery of equipment/materials or delay in completion, PRS shall be applicable ½ % (half percent) of the order value per complete week of delay or part thereof subject to a maximum of 5% (five percent) of the Total Contract Price/ Order Value.

The portion of supply completed in all respect which can be used for commercial operation shall not be considered for applying PRS, if delivered within contractual delivery period. The remaining supplies which are completed beyond the contractual delivery shall attract price reduction schedule @1/2 % of the delayed delivery value maximum up to 5% of total Purchase Order Value.

Decision of the Purchaser in the matter of usage for commercial operation shall be final and binding.

Note: When installation and/or commissioning is in Supplier's scope, the above clause 'A' will not be applicable, in such cases clause 'B' below will be applicable.

B. For order including both supply of Goods and Services (i.e. supervision, installation, erection, commissioning etc.)

For delay in supply:

The PRS shall be applicable @ ½ % (half percent) of price of respective goods/equipment / package (including spares etc. even if prices are indicated separately in the order but excluding value of Services) per week of delay or part thereof subject to maximum 5% (five percent) of Total Contract/ Order Value excluding value of Services.

For delay in Services (i.e. supervision, installation, erection, commissioning etc.):

The PRS shall be applicable @ ½ % (half percent) of Total Contract/ Order Value of respective equipment / package (including value of spares, Services etc. even if prices are indicated separately in the Contract) per week of delay or part thereof subject to maximum 5% (five percent)of Total Contract/ Order Value including value of Services.

In no case, total PRS shall exceed 5% (five percent)of Total Contract/ Order Value (Supply +Services).

However, if the completion of supply and services together are achieved within the overall completion period, no PRS shall be applicable.

For specific provision relating to supervision by Supplier (wherever applicable), refer SCC.

26.2 Both Supplier and Purchaser agree that the above percentages of price reduction are genuine pre estimates of the loss/damage which the Purchaser would have suffered on account of delay/breach on the part of the Supplier and the said amount will be payable on demand without there being any proof of the actual loss/or damage caused by such breach/delay. A decision of the Purchaser/EIC in the matter of applicability of price reduction shall be final and binding.

26.3 In case of delay in delivery on the part of Supplier, the invoice/document value shall be reduced proportionately for the delay and payment shall be released accordingly.

26.4 In the event the invoice value is not reduced proportionately for the delay, the Purchaser may deduct the amount so payable by Supplier, from any amount falling due to the Supplier or by recovery against the Contract Performance Security.

26.5 In case of Annual Rate Contract (ARC), the PRS shall be applicable on the value of Release Order /Individual Order(s) and not on the entire value of ARC.

26.6 In case of FOT Site /dispatch point order, the value referred in PRS clause is the EXW value (i.e. excluding GST and Freight/Inland Transportation) for delay in supply. In case of Import, PRS shall be applicable on FOB amount (except EXW orders) for delay in supply.

26.7 PRS is the reduction in the consideration / contract value for the goods / services covered under this contract. In case of delay in supply/ execution of contract, Supplier should raise invoice for reduced value as per Price Reduction Schedule Clause (PRS clause). If Supplier has raised the invoice for full value, then Supplier shall issue Credit Note towards the applicable PRS amount with applicable taxes.

In such cases if Supplier fails to submit the invoice with reduced value or does not issue credit note as mentioned above, GAIL will release the payment to Supplier after giving effect of the PRS clause with corresponding reduction of taxes charged on vendor's invoice, to avoid delay in delivery/collection of material."

In case any financial implication arises on GAIL due to issuance of invoice without reduction in price or non-issuance of Credit Note, the same shall be to the account of Supplier. GAIL shall be entitled to deduct / setoff / recover such GST amount (CGST & SGST/UTGST or IGST) together with penalties and interest, if any, against any amounts paid or becomes payable by GAIL in future to the Supplier under this contract or under any other contract.

27. REJECTIONS, REMOVAL OF REJECTED EQUIPMENT & REPLACEMENT

27.1 Preliminary inspection at Supplier's works by Inspector shall not prejudice Purchaser's/Consultant's claim for rejection of the Goods / Equipment on final inspection at Site or claims under warranty provisions.

27.2 If the Equipments are not of specification or fail to perform specified duties or are otherwise not satisfactory the Purchaser/Consultant shall be entitled to reject the Equipment/Material or part thereof and ask free replacement within reasonable time failing which obtain his requirements from elsewhere at Supplier's cost and risk.

27.3 Nothing in this clause shall be deemed to deprive the Purchaser and/or Affect any rights under the Contract which it may otherwise have in respect of such defects or deficiencies or in any way relieve the Supplier of his obligations under the Contract.

27.4 Goods/Equipment rejected by the Purchaser/Consultant shall be removed by the Supplier at his cost within 14 days of notice after repaying the amounts received against the Supply. Failure or any delays of Supplier for removal of Goods/Equipment, the Purchaser shall also be entitled to recover handling and storage charges @5% of the estimated value of such Goods for each month or part of a month without relieving the Supplier from any other related liability. In the event of the Supplier's failure to remove the same within a period of 6 months or as decided by the Purchaser, the Purchaser may take action for removal through auction or sale on behalf of the Supplier and at his risk in all respects. The Supplier shall be liable to pay the Purchaser the handling & storage charges as mentioned above plus overhead charges @ 15% of sale value of such materials. The decision of Purchaser w.r.t. such removal and the amount of the proceeds shall be final and binding on the Supplier. The Purchaser shall in no way be responsible for any deterioration or damage to the Equipment under any circumstances whatsoever.

27.5 In case of rejection of Equipment, Purchaser shall have the right to recover the amounts, if any, from any of Supplier's invoices pending with Purchaser or by alternative method(s).

28. TERMINATION OF CONTRACT

28.1 Termination for Default

28.1.1 The Purchaser may, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Supplier, terminate the Contract in whole or in part:

(i) If the Supplier fails to deliver any or all of the Goods within the time period(s) specified in the Contract; or

(ii) If the Supplier fails to perform any other obligation(s) under the Contract, and

(iii) If the Supplier, in either of the above circumstances, does not cure his failure within a period of 30 days (or any such period as the Purchaser may authorize in writing) after receipt of the default notice from the Purchaser.

28.1.2 In the event the Purchaser terminates the Contract in whole or in part, pursuant to clause no. 28.1.1, the Purchaser may procure, upon such terms and in such manner as it deems appropriate, goods similar to those undelivered and the Supplier shall be liable to the Purchaser for any excess costs for such similar Goods. However, the Supplier shall continue performance of the Contract to the extent not terminated.

28.1.3 In case of termination of Contract herein set forth (under clause 28) [except under conditions of Force Majeure (under clause 29)], the Purchaser is entitled to put Supplier on under Suspension and/or Holiday as per provisions of "Procedure for Action in Case of Corrupt/Fraudulent/Collusive/Coercive Practices (Appendix-I)" and "Procedure for Evaluation of Performance of Vendor/ Supplier/ Contractor/ Consultant" of Tender Document (Appendix-II)".

28.2 **Termination for Insolvency**

28.2.1 The Purchaser, may at any time, terminate the Contract by giving written notice to the Supplier, without compensation to the Supplier, if the Supplier becomes bankrupt or otherwise insolvent, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Purchaser.

28.3 **Termination for Convenience including short-closure**

28.3.1 The Purchaser may, by written notice/communication to the Supplier, may short-close/ terminate the Contract, in whole or part, at any time for his convenience. The notice/ communication to the Supplier shall specify that short-closure/termination is for the Purchaser's convenience, the extent to which performance of work under the Contract is short-closed/terminated and the date upon which such short-closure/termination becomes effective.

28.3.2 The Goods that are complete and ready for shipment within 30 days after the Supplier's receipt of notice/communication of termination/short-closure shall be purchased by the Purchaser at the Contract terms and prices. For the remaining Goods, the Purchaser may opt:

(i) to have any portion completed and delivered at the Contract terms and prices, and /or

(ii) to cancel the remainder and pay to the Supplier an agreed amount for partially completed Goods and for materials and parts previously procured by the Supplier.

28.4 Termination of Contract for Corrupt/Fraudulent/ Collusive/Coercive Practices and Non-Performance

If the Bidder/Supplier is found to have indulged in Corrupt/Fraudulent /Collusive/Coercive practices, the Contract shall be terminated and the Bidder/ Supplier shall be banned for future business with GAIL. The detailed procedure for banning including suspension in this regard is attached as Appendix-I to this GCC.

Due to non- performance of the Supplier leading to termination of the Contract, the Supplier shall be put on suspension list and also on holiday list of Purchaser for a period mentioned in the detailed procedure. The detailed procedure for evaluation of performance in this regard is attached as Appendix-II to this GCC.

29. **FORCE MAJEURE**

29.1 Force Majeure shall mean and be limited to the following:

(i) Act of terrorism;
(ii) Riot, war, invasion, act of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection of military or usurped power;
(iii) Ionizing, radiation or contamination, radio activity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel, radioactive toxic explosive or other hazardous properties of any explosive assembly or nuclear component;
(iv) Pandemic, Epidemics, earthquakes, flood, natural fire/wildfire, hurricanes, typhoons or other physical natural disaster, but excluding weather conditions regardless of severity; and
(v) Freight embargo, strikes at national or state-wide level or industrial disputes (more than 7 consecutive days) at a national or state-wide level where supplier's Works is located.

For the avoidance of doubt, inclement weather, third party breach, delay in supply of materials (other than conditions mentioned above at sl. no. (i) to (v)) or commercial hardship shall not constitute a Force Majeure event.

The Supplier shall advise Purchaser/Consultant by a registered letter/courier duly certified by the local Chamber of Commerce or statutory authorities, the beginning and end of the above causes of delay within ten (10) days of the occurrence and cessation of such Force Majeure Conditions.

The extension of time for a period upto the period of delay attributable to the causes of Force Majeure shall be the sole remedy of the Supplier for any delay under this clause and the Supplier shall not be entitled in addition to or in lieu of such extension to claim any damages or compensation on any account whatsoever whether under the law governing contracts or any other law in force, and the Supplier hereby waives and disclaims any and all contrary rights.

In case force majeure conditions persists for period exceeding 02 (Two) Months, the Purchaser reserves the right to cancel the Purchase order or part of it.

Supplier shall categorically specify the extent of Force Majeure Conditions prevalent in their works at the time of submitting their bid and whether the same have been taken into consideration or not in their quotations. In the event of any force majeure cause, the Supplier or the Purchaser shall not be liable for delays in performing their obligations under this order and the delivery dates will be extended to the Supplier without being subject to price reduction for delayed deliveries, as stated elsewhere.

Payment in case of termination due to Force Majeure

In case of termination of Order/contract due to Force Majeure, the Supplier will get payment of goods supplied and/ or services performed as at the date of the commencement of the relevant event of Force Majeure.

The Supplier has no entitlement and Purchaser has no liability for:

(i) Any costs, losses, expenses, damages or the payment of any part of the Order/ Contract Price during an event of Force Majeure; and

(ii) Any delay costs in any way incurred by the Supplier due to an event of Force Majeure.

30. DISPUTE RESOLUTION MECHANISM

30.1 Conciliation

GAIL (India) Limited has framed the Conciliation Rules 2010 in conformity with Part – III of the Arbitration and Conciliation Act 1996 as amended from time to time for speedier, cost effective and amicable settlement of disputes through conciliation. All issue(s)/dispute(s) arising under the Contract, which cannot be mutually resolved within a reasonable time, may be referred for conciliation in accordance with GAIL Conciliation Rules 2010 as amended from time to time. A copy of the said rules have been made available on GAIL's web site i.e. www.gailonline.com.

Where invitation for Conciliation has been accepted by the other party, the Parties shall attempt to settle such dispute(s) amicably under Part-III of the Arbitration and Conciliation Act, 1996 and GAIL (India) Limited Conciliation Rules, 2010. It would be only after exhausting the option of Conciliation as an Alternate Dispute Resolution Mechanism that the Parties hereto shall invoke Arbitration Clause. For the purpose of this clause, the option of 'Conciliation' shall be deemed to have been exhausted, even in case of rejection of 'Conciliation' by any of the Parties.

30.2 Arbitration

All issue(s)/dispute(s) excluding the matters that have been specified as excepted matters and listed at clause no. 30.2.6 and which cannot be resolved through Conciliation, such issue(s)/dispute(s) shall be referred to arbitration for adjudication by Sole Arbitrator.

The party invoking the Arbitration shall have the option to either opt for Ad-hoc Arbitration as provided at Clause 30.2.1 below or Institutionalized Arbitration as provided at Clause 30.2.2 below, the remaining clauses from 30.2.3 to 30.2.7 shall apply to both Ad-hoc and Institutional Arbitration:-

30.2.1 On invocation of the Arbitration clause by either party, GAIL shall suggest a panel of three independent and distinguished persons (Retd Supreme Court & High Court Judges only) to the other party from the Panel of Arbitrators maintained by 'Delhi International Arbitration Centre (DIAC) to select any one among them to act as the Sole Arbitrator. In the event of failure of the other party to select the Sole Arbitrator within 30 days from the receipt of the communication from GAIL suggesting the panel of arbitrators, the right of selection of the sole arbitrator by the other party shall stand forfeited and GAIL shall appoint the Sole Arbitrator from the suggested panel of three Arbitrators for adjudication of dispute(s). The decision of GAIL on the appointment of the sole arbitrator shall be final and binding on the other party. The fees payable to Sole Arbitrator shall be governed by the fee Schedule of ''Delhi International Arbitration Centre'.

OR

30.2.2 If a dispute arises out of or in connection with this contract, the party invoking the Arbitration shall submit that dispute to any one of the Arbitral Institutions i.e. ICADR/ICA/DIAC/SFCA and that dispute shall be adjudicated in accordance with their respective Arbitration Rules. The matter shall be adjudicated by a Sole Arbitrator who shall necessarily be a Retd. Supreme Court/High Court Judge to be appointed/nominated by the respective institution. The cost/expenses pertaining to the said Arbitration shall also be governed in accordance with the Rules of the respective Arbitral Institution. The decision of the party invoking the Arbitration for reference of dispute to a specific Arbitral institution for adjudication of that dispute shall be final and binding on both the parties and shall not be subject to any change thereafter. The institution once selected at the time of invocation of dispute shall remain unchanged.

30.2.3 The cost of arbitration proceedings shall be shared equally by the parties.

30.2.4 The Arbitration proceedings shall be in English language and the seat, venue and place of Arbitration shall be New Delhi, India only.

30.2.5 Subject to the above, the provisions of Arbitration & Conciliation Act 1996 and any amendment thereof shall be applicable. All matter relating to this Contract and arising out of invocation of Arbitration clause are subject to the exclusive jurisdiction of the Court(s) situated at New Delhi.

30.2.6 **List of Excepted matters:**

(i) Dispute(s)/issue(s) involving claims below Rs 25 lakhs and above Rs 25 crores.

(ii) Dispute(s)/issue(s) relating to indulgence of Supplier/Vendor/Bidder in corrupt/fraudulent/collusive/coercive practices and/or the same is under investigation by CBI or Vigilance or any other investigating agency or Government.

(iii) Dispute(s)/issue(s) wherein the decision of Engineer-In-Charge/owner/GAIL has been made final and binding in terms of the Contract.

30.2.7 Disputes involving claims below Rs 25 Lakhs and above Rs. 25 crores:-Parties mutually agree that dispute(s)/issue(s) involving claims below Rs 25 Lakhs and above Rs 25 crores shall not be subject matter of Arbitration and are subject to the exclusive jurisdiction of the Court(s) situated at New Delhi.

30.3 Governing Law and Jurisdiction:

The Contract shall be governed by and construed in accordance with the laws in force in India. The Parties hereby submit to the exclusive jurisdiction of the Courts situated at New Delhi for adjudication of disputes, injunctive reliefs, actions and proceedings, if any, arising out of this Contract.

30.4 Disputes between CPSE's/Government Department's/ Organizations

Subject to conciliation as provided above, in the event of any dispute (other than those related to taxation matters) or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs/ Port Trusts) inter se and also between CPSEs and Government Departments /Organizations), such dispute or difference shall be taken up by either party for resolution only through AMRCD as mentioned in OPE OM No. 4(1)/2013-DPE(GM)/FTS-1835 dated 22-05-2018.

Any party aggrieved with the decision of the Committee at the First level (tier) may prefer an appeal before the Cabinet Secretary at the Second level (tier) within 15 days from the date of receipt of decision of the Committee at First level, through it's administrative Ministry/Department, whose decision will be final and binding on all concerned.

The above provisions mentioned at clause no. 30.1 to 30.4 shall supersede provisions relating to Conciliation, Arbitration, Governing Law & Jurisdiction and Disputes between CPSE's/ Government Department's/ Organizations mentioned elsewhere in tender document.

30.5 Continuance of the Contract:

Notwithstanding the fact that settlement of dispute(s) (if any) may be pending, the parties hereto shall continue to be governed by and perform the work in accordance with the provisions under this Contract and no payment due or payable to the Supplier shall be withheld on account of such proceedings.

30.6 Non-Applicability of Arbitration Clause in Case of Banning of Vendors/ Suppliers / Bidders indulged in Fraudulent/ Coercive Practices

Notwithstanding anything contained contrary in GCC or elsewhere in the Purchase Order, in case it is found that the Bidder/ Supplier indulged in fraudulent/ coercive practices at the time of bidding, during execution of the Contract and/or on other grounds as mentioned in GAIL's "Procedure for action in case Corrupt/ Fraudulent/ Collusive/Coercive Practices" (Appendix-I), the Bidder/Supplier shall be banned (in terms of aforesaid procedure) from the date of issuance of such order by GAIL (India) Ltd., to such Bidder/Supplier.

The Bidder /Supplier understands and agrees that in such cases where Bidder /Supplier has been banned (in terms of aforesaid procedure) from the date of issuance of such order by GAIL, such decision of GAIL shall be final and binding on the Bidder /Supplier and the 'Arbitration Clause' mentioned in the GCC or elsewhere in the Purchase Order shall not be applicable for any consequential issue /dispute arising in the matter.

31. GOVERNING LANGUAGE

31.1 The Contract shall be written in English language as specified by the Purchaser/Consultant in the Instruction to Bidders. All literature, correspondence and other documents pertaining to the Contract which are exchanged by the parties shall be written in English language. Printed literature in other language shall only be considered, if it is accompanied by an English translation. For the purposes of interpretation, English translation shall govern and be binding on all parties. The Supplier shall bear all costs of translation to the governing language and all risks of the accuracy of such translation.

31.2 The Supplier shall ensure that the language/terminology/description of Goods used in Purchase Order/Bill of Lading/Airway Bill/Invoice is verbatim in English and not at variance.

32. NOTICES

32.1 TO THE SUPPLIER: Any notice to be given to the Supplier may be served by the Purchaser/Consultant by facsimile / e-mail or through registered post/Courier at the address/contact information furnished by the Supplier. Proof of issue of any such notice could be conclusive of the Supplier having been duly informed of all contents therein.

32.2 TO THE PURCHASER/CONSULTANT: Any notice to be given to the Purchaser/Consultant under the terms of the Contract may be served by the Supplier, by facsimile / e-mail or delivering the same through registered post /Courier at the concerned site office.

32.3 A notice shall be effective when delivered or on the notice's effective date, whichever is later.

33. TAXES & DUTIES

33.1 A foreign Supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the Purchaser's country.

33.2 A domestic Supplier shall be entirely responsible for all taxes, duties, license fees etc. incurred until the delivery of the contracted goods to the Purchaser. However, GST on finished products shall be reimbursed by Purchaser.

33.3 Customs duty payable in India for imported Goods ordered by Purchaser on foreign Supplier shall be borne and paid by Purchaser.

33.4 Any income tax payable in respect of supervisory services rendered by foreign Supplier under the Contract shall be as per the Indian Income Tax Act and shall be borne by Supplier. It is upto the Bidder/Supplier to ascertain the amount of these taxes and to include them in his Bid price.

33.5 **TDS**

33.5.1 TDS as applicable will be deducted by GAIL under section 194Q of the Income Tax Act, 1961 on Purchases exceeds Rs. 50 Lakhs or limit defined therein from time to time during the financial year.

33.5.2 Since GAIL is liable to deduct Income Tax TDS under section 194Q, the provision of TCS as per section 206C(1H) of the Income Tax Act, 1961 shall not be applicable.

33.5.3 Higher rate of TDS for non-filers of ITR

As per Section 206AB of Income Tax Act, 1961, in case of any vendor/customer who does not filed their Income Tax Return for both of the two previous years preceding to current year and aggregate amount of TDS is more than or equal to Rs. 50,000/- in each of those previous two years (or limit defined by Govt. from time to time), then TDS will be deducted at the higher of following rates:

(i) Twice the rate mentioned in relevant TDS section.

(ii) Twice the rate or rates in force

(iii) 5%

34. BOOKS & RECORDS

34.1 Supplier shall maintain adequate books and records in connection with Contract and shall make them available for inspection and audit by Purchaser/Consultant or their authorized agents or representatives during the terms of Contract until expiry of the Contract Performance Security. Fixed price (lumpsum or unit price) Contract will not be subject to audit as to cost except for cost reimbursable items, such as escalation and termination claims, transportation and comparable requirements.

35. PERMITS & CERTIFICATES

35.1 Supplier shall procure, at his expense, all necessary permits, certificates and licences required by virtue of all applicable laws, regulations, ordinances and other rules in effect at the place where any of the work is to be performed, and Supplier further agrees to hold Purchaser and/or Consultant harmless from liability or penalty which might be imposed by reason of any asserted or established violation of such laws, regulations, ordinances or other rules. Purchaser will provide necessary permits for Supplier's personnel to undertake any work at Site in connection with Contract.

36. GENERAL

36.1 In the event that terms and conditions stipulated in the General Conditions of Contract should deviate from terms and conditions stipulated in the Contract, the latter shall prevail.

36.2 Losses due to non-compliance of Instructions

Losses or damages occurring to the Purchaser owing to the Supplier's failure to adhere to any of the instructions given by the Purchaser/Consultant in connection with the Contract execution shall be recoverable from the Supplier.

36.3 Recovery of sums due

All costs, damages or expenses which the Purchaser/Consultant may have paid, for which under the Contract Supplier is liable, may be recovered by the Purchaser(he is hereby irrevocably authorized to do so) from any money due to or becoming due to the Supplier under this Contract or other Contracts and/or may be recovered by action at law or otherwise. If the sums due to the Supplier be not sufficient to recover the recoverable amount, the Supplier shall pay to the Purchaser, on demand, the balance amount.

36.4 Payments, etc. not to affect rights of the Purchaser

No sum paid on account by the Purchaser nor any extension of the date for completion granted by the Purchaser/Consultant shall affect or prejudice the rights of the Purchaser against the Supplier or relieve the Supplier of his obligation for the due fulfillment of the Contract.

36.5 Cut-off Dates

No claims or correspondence on claims on this Contract shall be entertained by the Purchaser/Consultant after 90 days after expiry of the Contract Performance Security (from the date of final extension, if any)

36.6: Indemnity

The Supplier hereby irrevocably and unconditionally undertakes to indemnify and keep indemnified the Purchaser/GAIL and all its employees, agents and assigns from and against all losses, penalties interests, costs etc., which may arise out of breach of any terms and conditions of this Contract by the Supplier and the employees' /personnel/sub-contractors/agents or any third party appointed by the Supplier for the purpose of implementation of their obligations under this Contract. The Supplier undertakes to compensate the Purchaser/GAIL forthwith on demand without protest any loss suffered by the Purchaser/GAIL together with direct/indirect expenses . This Indemnity shall remain valid and irrevocable for all claims of the Purchaser/GAIL arising from any such case or court case filed for which Purchaser/GAIL or its employees has been made party until now or here -in- after.

36.7 **Paragraph heading**

The paragraph heading in these conditions shall not affect the construction thereof.

36.8 Retired Purchaser's Director

No Director of GAIL is allowed to participate in tender for a period of 1 (one) year after his retirement from the employment of GAIL, without the prior permission of GAIL. The Contract if awarded is liable to be cancelled if the tenderer is found at any time to be such a person and has not obtained the permission of GAIL before submission of the tender. Any tender by a person aforesaid shall carry a disclosure thereof on the tender, and shall be accompanied by a copy of the document by which the requisite consent is given. Such disqualifications shall apply to every partner of a partnership firm.

The tenderer is required to state whether he is a relative of any Director of GAIL, or whether the tenderer is a partnership firm, whether a Director of GAIL or its relative is a partner in the firm, or whether the tenderer is a Company, whether a Director of GAIL or relative of such Director is a substantial member holding more than 10% (ten percent) of the paid up capital in the Company, or a Director of the Company. The definition of relative shall be as per The Companies Act, 2013 and its amendment(s).

37. **IMPORT LICENSE**

37.1 No import license is required for the imports covered under this Contract.

38. **FALL CLAUSE**

The following Fall Clause shall be applicable in the Contract, only if there is a specific mention of its applicability in ITB or SCC of Tender Document.

38.1 The price charged for the Goods supplied under the Contract by the Supplier shall in no event exceed the lowest price at which the Supplier or his agent/principal/dealer, as the case may be, sells the Goods of identical description to any Persons/Organizations including the Purchaser or any Department of the Central Govt. or any Department of a State Govt. or any Statutory Undertaking of the Central or State Govt. as the case may be, during the currency of the Contract.

38.2 If at any time during the said period, the Supplier or his agent/principal/dealer, as the case may be, reduces the sale price, sells or offers to sell such materials to any persons/organizations including the Purchaser or any Deptt. of Central Govt. or State Govt.

as the case may be, at a price lower than the price chargeable under the Contract, he shall forthwith notify such reduction or sale or offer of sale to the Purchase Authority who has issued the Purchase Order and the price payable under the Purchase Order for the materials supplied after the date of coming into force of such reduction or sale or offer of sale shall stand correspondingly reduced.

The above stipulation will, however, not apply to:
(i) Export/Deemed Export by the Supplier or
(ii) Sale of goods as original equipment prices lower than the price charged for normal replacement;
(iii) Sale of goods such as drugs, which have expiry date;
(iv) Sale of goods at lower price on or after the date of completion of sale/placement of order of goods or services by the authority concerned, under the existing or previous Rate Contracts as also under any previous contracts entered into with the Central or State Government Departments including new undertakings (excluding joint sector companies and or private parties) and bodies.

38.3 The Supplier shall furnish the following certificate to the concerned Paying Authority along with each bill for payment for supplies made against this order:-

"I/We certify that there has been no reduction in sale price of the items/Goods/materials of description identical to those supplied to the GAIL under the order herein and such items/Goods/materials have not been offered/sold by me/us to any person/organizations including the Purchaser or any Deptt. of Central Govt. or any Deptt. of State Govt. or any Statutory Undertaking of the Central or State Govt. as the case may be upto the date of bill/during the currency of the Contract whichever is later, at a price lower than the price charged to the GAIL under this Purchase Order".

Such a certificate shall be obtained, except for quantity of items/Goods/materials categories under sub-clause (i), (ii) & (iii) of sub-para 38.2 above, of which details shall be furnished by the Supplier.

39. PUBLICITY & ADVERTISING

39.1 Supplier shall not without the written permission of Purchaser/Consultant make a reference to Purchaser/Consultant or any Company affiliated with Purchaser/Consultant or to the destination or the description of goods or services supplied under the contract in any publication, publicity or advertising media.

40. REPEAT ORDER

40.1 Purchaser reserves the right, within 6 months of order to place repeat order up to 25% of the original quantity without any change in unit price or other terms and conditions.

41. LIMITATION OF LIABILITY

41.1 Notwithstanding anything contrary contained herein, the aggregate total liability of Supplier, excluding his liability towards infringement of patent & trade mark or industrial design rights or willful misconduct or fraud, under the contract or otherwise shall be limited to 100% of value of Purchase order.

However, neither party shall be liable to the other party for any indirect and consequential damages, loss of profits or loss of production.

42. COMPLETION CERTIFICATE AND EXECUTION CERTIFICATE

42.1 No Completion Certificate shall be issued against orders for supply of goods only. However, for these cases, a copy of Good Receipt (GR) duly signed by concerned Store-in-charge will be forwarded to the Supplier.

42.2 Completion Certificate, in case of Purchase Orders for supply of Goods along with associated/incidental Services (like erection, installation, commissioning etc.) should be issued after completion of supplies/services in accordance with Contract.

42.3 Completion of supplies, for issuance of completion certificate, shall be completion of supply and acceptance of Goods in all respect as per provisions of Contract.

42.4 **Application for Completion Certificate**: When the Supplier fulfills his obligation under the Contract he shall be eligible to apply for Completion Certificate. The Purchaser/Consultant shall normally issue to the Supplier the Completion Certificate within one month after receiving any application thereof from the Supplier after verifying from the completion documents and satisfying himself that the supplies have been made in accordance with and as set out in the Contract.

42.5 **Completion Certificate**: Within one month from receipt of application from Supplier after the completion of the Supplies in all respects as specified above at clause no. 42.4, the Supplier shall be furnished with a certificate by the Purchaser/Consultant such completion. Purchaser's/Consultant's certification about completion of supplies in all aspects shall be binding and conclusive.

42.6 **Execution Certificate**: Execution Certificate during currency of Rate contract can be issued by Purchaser/Consultant against written request from Supplier.

43.0 PROVISIONS FOR BUY-BACK ITEMS:

The following provision for Buy-Back shall be applicable in the Contract, only if there is a specific mention of its applicability in ITB or SCC of Tender Document.

43.1 Old materials will be handed over to the Supplier in terms of the contract with proper documentation on “as is where is basis”. The Supplier is required to take away such materials out of GAIL immediately after handing over to them.

43.2 The Supplier will not sell these materials to any Purchaser's employee without written permission of Purchaser/HR Department-Purchaser, to be obtained by the Purchaser employee(s). Even after such permission is obtained by employee(s), the Supplier is free to take decision whether to sell such item(s) to Purchaser employee(s) or not.

43.3 The Supplier will maintain a separate record for such sales to Purchaser employees and will make the same available as and when requited by Purchaser.

43.4 The Supplier will accept payment only by Cheque/Demand Draft/e-banking (NEFT) for sale of old item(s) to GAIL employee(s).

43.5 The Supplier is required to take away the buy-back items out of GAIL premises at his cost within 14 days of notice. Failure or any delays of Supplier for removal of buy-back items, the Purchaser shall be entitled to recover handling and storage charges @5% of the buy-back value of such items for each month or part of a month without relieving the Supplier from any other related liability. In the event of the Supplier's failure to remove the same within a period of 6 months, the Purchaser will take action for removal through auction or sale on behalf of the Supplier and at his risk in all respects. The buy back amount deducted from payment and proceed of such action or sale will be adjusted towards handling, storage and overhead charges of GAIL. The decision of Purchaser w.r.t. such removal and the amount of the proceeds shall be final and binding on the Supplier. The Purchaser shall in no way be responsible for any deterioration or damage to the Equipment under any circumstances whatsoever. Further, such action shall be considered as poor-performance and action will be taken as per procedure in this regard.

44.0 CONFIDENTIALITY:

The Supplier, it's Sub-Contractor and their personnel shall not, either during the term or within two (2) years after the expiration of this Contract, disclose any proprietary or confidential information related to work / Project, this Contract, or Purchaser's business or operations without the prior consent of the Purchaser.

45.0 INTELLECTUAL PROPERTY RIGHT:

The Supplier shall retain the copy right and other intellectual property rights in the Supplier's document and other design documents made by (or on behalf of) the Supplier.

Subject to the confidentiality obligations, by signing the Contract, within the value of Contract, the Supplier shall be deemed to give to the Purchaser a non-terminable, transferable, non-exclusive and royalty-free right to copy, use and communicate the Supplier's documents for the operation, maintenance, repair of the Goods/Work / Plant, training and Statutory purposes, but not for any other purpose. Such documents of the Supplier shall not be used, copied or communicated to a third party by or on behalf of the Purchaser for the purposes other than those permitted, without the Supplier's Consent.

46.0 ACTION IN CASE OF CORRUPT/ FRAUDULENT/ COLLUSIVE/ COERCIVE PRACTICES AND POOR PERFORMANCE:

The procedure for action in case of Corrupt/ Fraudulent/ Collusive/ Coercive Practices containing provisions for putting a Bidder/Supplier on suspension and/or banning list (as the case may be) if such an agency has indulged in Corrupt/ Fraudulent/ Collusive/ Coercive Practices. The Procedure is also enclosed as Appendix-I to this GCC.

Further, Bidder/Supplier accepts and solemnly affirms that they would adhere to the Fraud Prevention Policy of GAIL and shall not indulge themselves or allow others (working in GAIL) to indulge in fraudulent activities and that they would immediately apprise the Owner/GAIL/Employer / Organization(s) of the fraud/ suspected fraud as soon as it comes to their notice. Concealment of facts regarding Bidder/Supplier's involvement in fraudulent activities in connection with the business transaction(s) of GAIL is liable to be treated as crime and dealt with by the procedures of GAIL as applicable from time to time. The Fraud Prevention Policy document is available on GAIL's website (www.gailonline.com).

47.0 VENDOR PERFORMANCE EVALUATION

The procedure for evaluation of performance of Supplier containing provisions for putting a Bidder / Supplier on suspension and/or holiday list (as the case may be) is enclosed as Appendix II to this GCC.

APPENDIX-I

PROCEDURE FOR ACTION IN CASE CORRUPT/FRAUDULENT /COLLUSIVE/COERCIVE PRACTICES

A Definitions:

A.1 "Corrupt Practice" means the offering, giving, receiving or soliciting, directly or indirectly, anything of value to improperly influence the actions in selection process or in contract execution.

"Corrupt Practice" also includes any omission for misrepresentation that may mislead or attempt to mislead so that financial or other benefit may be obtained or an obligation avoided.

A2 "Fraudulent Practice" means and include any act or omission committed by a agency or with his connivance or by his agent by misrepresenting/ submitting false documents and/ or false information or concealment of facts or to deceive in order to influence a selection process or during execution of Contract/ Purchase Order.

A3 "Collusive Practice amongst bidders (prior to or after bid submission)" means a scheme or arrangement designed to establish bid prices at artificial non-competitive levels and to deprive the Purchaser/Employer of the benefits of free and open competition.

A.4 "Coercive practice" means impairing or harming or threatening to impair or harm directly or indirectly, any agency or its property to influence the improperly actions of an agency, obstruction of any investigation or auditing of a procurement process.

A.5 "Vendor/Supplier/Contractor/Consultant/Bidder/Service Provider" is herein after referred in this Appendix as "Agency"

A.6 "Appellate Authority" shall mean Committee of Directors consisting of Director (Finance) and Director (BD) for works centers under Director (Projects). For all other cases committee of Directors shall consist of Director (Finance) & Director (Projects).

A.7 "Competent Authority" shall mean the authority, who is competent to take final decision for Suspension of business dealing with an Agency(ies) and Banning of business dealings with Agency(ies) and shall be the "Director" concerned.

A.8 "Allied Agency" shall mean all concerns which come within the sphere of effective influence of the banned/suspended agency shall be treated as allied agency. In determining this, the following factors may be taken into consideration:

a) Whether the management is common;

b) Majority interest in the management is held by the partners or directors of banned/ suspended agency;

c) Substantial or majority shares are owned by the banned/ suspended agency and by virtue of this it has a controlling voice.

d) Directly or indirectly controls, or is controlled by or is under common control with another bidder.

e) All successor agency will also be considered as allied agency.

A.9 "Investigating Agency" shall mean any department or unit of GAIL investigating into the conduct of Agency/ party and shall include the Vigilance Department of the GAIL, Central Bureau of Investigation, State Police or any other agency set up by the Central or state government having power to investigate.

A.10 "Obstructive practice": materially impede the procuring entity's investigation into allegations of one or more of the above mentioned practices either by deliberately destroying, falsifying, altering; or by concealing of evidence material to the investigation; or by making false statements to investigators and/ or by threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or by impeding GAIL's rights of audit or access to information.

B Actions against bidder(s) indulging in corrupt /fraudulent/ collusive/ coercive practice

B.1 Irregularities noticed during the evaluation of the bids:

If it is observed during bidding process/ bids evaluation stage that a bidder has indulged in corrupt/fraudulent /collusive/coercive practice, the bid of such Bidder(s) shall be rejected and its Earnest Money Deposit (EMD) shall be forfeited.

Further, such agency shall be banned for future business with GAIL for a period specified in para B 2.2 below from the date of issue of banning order.

B.2 Irregularities noticed after award of contract

(i) **During execution of contract:**

If an agency, is found to have indulged in corrupt/fraudulent/ collusive/coercive practices, action shall be initiated for putting the agency on banning list.

After conclusion of process and issuance of Speaking order for putting party on banning list, the order (s)/ contract (s) where it is concluded that such irregularities have been committed shall be terminated and Contract cum Performance Bank Guarantee (CPBG) submitted by agency against such order (s)/ contract (s) shall also be forfeited. Further such order/ contract will be closed following the due procedure in this regard.

The amount that may have become due to the contractor on account of work already executed by him shall be payable to the contractor and this amount shall be subject to adjustment against any amounts due from the contractor under the terms of the contract. No risk and cost provision will be enforced in such cases.

Suspension of order/ contract:

Further, only in the following situations, the concerned order (s)/ contract(s) (where Corrupt/Fraudulent/ Collusive/ Coercive Practices are observed) and payment shall be suspended after issuance of Suspension cum Show Cause Notice:

(i) Head of Corporate Vigilance Department/CVO based on the investigation by them, recommend for specific immediate action against the agency.

(ii) Head of Corporate Vigilance Department/CVO based on the input from investigating agency, forward for specific immediate action against the agency.

Suspension cum Show Cause Notice being issued in above cases after approval of the competent authority (as per provisions mentioned under Clause no. D) shall also include the provision for suspension of Order (s)/ Contract (s) and payment. Accordingly, after issuance of Suspension cum Show Cause Notice, the formal communication for suspension of Order (s)/ Contract (s) and payment with immediate effect will be issued by the concerned person of GAIL.

During suspension, Contractor/ Service Providers will be allowed to visit the plant/ site for upkeep of their items/ equipment, GAIL's issued materials (in case custody of same is not taken over), demobilizing the site on confirmation of EIC, etc.

In addition to above, Recovery of payments (other than due payments) including balance advance payments, if any, made by along with interest thereon at the prevailing rate shall be recovered.

(ii) After execution of contract and during Defect Liability Period (DLP)/ Warranty/Guarantee Period:

If an Agency is found to have indulged in corrupt/fraudulent/ collusive/coercive practices, after execution of contract and during DLP/ Warranty/Guarantee Period, the Agency shall be banned for future business with GAIL for a period specified in para B 2.2 below from the date of issue of banning order.

Further, the CPS submitted by agency against such order (s)/ Contract (s) shall be forfeited.

(iii) After expiry of DLP/ Warranty/Guarantee Period

If an Agency is found to have indulged in corrupt/fraudulent/ collusive/coercive practices, after expiry of DLP/ Warranty/Guarantee Period, the agency shall be banned for future business with GAIL for a period specified in para B 2.2 below from the date of issue of banning order.

B.2.2 Period of Banning

The period of banning of agencies indulged in Corrupt/Fraudulent/Collusive/Coercive Practices shall be as under and to be reckoned from the date of banning order:

S. No.	Description	Period of banning from the date of issuance of Banning order
1	Misrepresentation/False information other than pertaining to BEC of tender but having impact on the selection process. For example, if an agency confirms not being in holiday in GAIL/PSU's PMC or banned by PSUs/ Govt. Dept., liquidation, bankruptcy & etc. and subsequently it is found otherwise, such acts shall be considered in this category.	06 Months
2	Corrupt/Fraudulent (except mentioned at sl. no. 1 above) /Collusive/Coercive Practices	01 year
2.1	If an agency again commits Corrupt/Fraudulent (except mentioned at sl. no. 1 above) /Collusive/ Coercive Practices in subsequent cases after their banning, such situation of repeated offense to be dealt with more severity.	2 years (in addition to the period already served)
3	Indulged in unauthorized disposal of materials provided by GAIL	2 years
4	If act of vendor/ contractor is a threat to the National Security	2 years

C Effect of banning on other ongoing contracts/ tenders

C.1 If an agency is put on Banning, such Agency should not be considered in ongoing tenders/future tenders.

C.2 However, if such an Agency is already executing other order (s)/ contract (s) where no corrupt/fraudulent/ collusive/coercive practice is found, the agency should be allowed to continue till its completion without any further increase in scope except those incidental to original scope mentioned in the contract.

C.3 If an agency is put on the Banning List during tendering and no irregularity is found in the case under process:

C.3.1 after issue of the enquiry /bid/tender but before opening of Technical bid, the bid submitted by the agency shall be ignored.

C.3.2 after opening Technical bid but before opening the Price bid, the Price bid of the agency shall not be opened and BG/EMD submitted by the agency shall be returned to the agency.

C.3.3 After opening of price, BG/EMD made by the agency shall be returned; the offer of the agency shall be ignored & will not be further evaluated. In case such agency is lowest (L-1), next lowest bidder shall be considered as L-1.

D. Procedure for Suspension of Bidder

D.1 Initiation of Suspension

Action for suspension business dealing with any agency/(ies) shall be initiated when

(i) Corporate Vigilance Department, GAIL based on the fact of the case gathered during investigation by them recommend for specific immediate action against the agency.

(ii) Corporate Vigilance Department, GAIL based on the input from investigating agency, forward for specific immediate action against the agency.

(iii) Non-performance of Vendor/Supplier/Contractor/Consultant leading to termination of Contract/ Order.

D.2 Suspension Procedure:

D.2.1 The order of suspension would operate initially for a period not more than six months and shall be communicated to the agency and also to Corporate Vigilance Department. Period of suspension can be extended with the approval of the Competent Authority by one month at a time with a ceiling of six months pending a conclusive decision to put the agency on banning list.

D.2.2 During the period of suspension, no new business dealing shall be held with the agency.

D.2.3 Period of suspension shall be accounted for in the final order passed for banning of business with the agency.

D.2.4 The decision regarding suspension of business dealings shall also be communicated to the agency.

D 3 Effect of Suspension of business:

Effect of suspension on other on-going/future tenders will be as under:

D.3.1 No enquiry/bid/tender shall be entertained from an agency as long as the name of agency appears in the Suspension List.

D.3.2 If an agency is put on the Suspension List during tendering:

D.3.2.1 after issue of the enquiry /bid/tender but before opening of Technical bid, the bid submitted by the agency shall be ignored.

D.3.2.2 after opening Technical bid but before opening the Price bid, the Price bid of the agency shall not be opened and BG/EMD submitted by the agency shall be returned to the agency.

D.3.2.3 After opening of price, BG/EMD made by the agency shall be returned; the offer of the agency shall be ignored & will not be further evaluated. In case such agency is lowest (L-1), next lowest bidder shall be considered as L-1.

D.3.3 The existing contract (s)/ order (s) under execution shall continue.

D.3.4 Bidder confirms/undertakes that (i) neither the bidder themselves nor their allied agency/(ies) are on banning list of GAIL or the Ministry of Petroleum and Natural Gas and (ii) bidder is not banned by any Government department/ Public Sector.

F. Appeal against the Decision of the Competent Authority:

F.1 The agency may file an appeal against the order of the Competent Authority for putting the agency on banning list. The appeal shall be filed to Appellate Authority. Such an appeal shall be preferred within one month from the of receipt of banning order.

F.2 Appellate Authority would consider the appeal and pass appropriate order which shall be communicated to the party as well as the Competent Authority.

F.3 Appeal process may be completed within 45 days of filing of appeal with the Appellate Authority.

G. Wherever there is contradiction with respect to terms of 'Integrity pact', GCC and 'Procedure for action in case of Corrupt/Fraudulent/ Collusive/Coercive Practice', the provisions of 'Procedure for action in case of Corrupt/Fraudulent/ Collusive/Coercive Practice' (Appendix I) shall prevail.

APPENDIX-II

PROCEDURE FOR EVALUATION OF PERFORMANCE OF VENDORS/ SUPPLIERS/ CONTRACTORS/ CONSULTANTS

1.0 GENERAL

A system for evaluation of Vendors/Suppliers/Contractors/ Consultants*(referred elsewhere as "Seller*) and their performance is a key process and important to support an effective purchasing & contracting function of an organization.

Performance of all participating Seller need to be closely monitored to ensure timely receipt of supplies, completion of an assignment or complete execution of order by Seller within scheduled completion period. For timely execution of projects and meeting the operation & maintenance requirement of operating plants, it is necessary to monitor the execution of order or Contracts right from the award stage to completion stage and take corrective measures in time.

2.0 OBJECTIVE

The objective of Evaluation of Performance aims to recognize, and develop reliable Vendors/ Suppliers/Contractors/ Consultants so that they consistently meet or exceed expectations and requirements.

The purpose of this procedure is to put in place a system to monitor performance of Vendors/ Suppliers/Contractors/ Consultants associated with GAIL so as to ensure timely completion of various projects, timely receipt of supplies including completion of works & services for operation and maintenance of operating plants and quality standards in all respects.

3.0 METHODOLOGY

i) Preparation of Performance Rating Data Sheet (PRDS)

Performance rating data Sheet for each and every Vendor/ Supplier/Contractor/Consultant for all orders/Contracts with a value of Rs. 50 Lakhs and above is recommended to be drawn up. Further, Performance rating data Sheet for orders/contracts of Vendor/Supplier/Contractor/ Consultant who are on watch list/holiday list/ banning list shall be prepared irrespective of order/ contract value. These data sheets are to be separately prepared for orders/ contracts related to Projects and O&M. Format, Parameters, Process, responsibility for preparation of Performance Rating Data Sheet are separately mentioned.

ii) Measurement of Performance

Based on the parameters defined in Data Sheet, Performance of concerned Seller would be computed and graded accordingly. The measurement of the performance of the Seller would be its ability to achieve the minimum scoring of 60% points in the given parameters.

iii) Initiation of Measures:

Depending upon the Grading of Performance, corrective measures would be initiated by taking up the matter with concerned Seller. Response of Seller would be considered before deciding further course of action.

iv) Implementation of Corrective Measures:

Based on the response of Seller, concerned Engineer-in-Charge/Purchaser for the Projects and/or OIC in case of O&M would recommend for continuation or discontinuation of such Seller from the business of GAIL.

v) Orders/Contracts placed on Proprietary/OEM basis for O&M will be evaluated and, if required, corrective action will be taken for improvement in future.

4.0 EXCLUSIONS:

The following would be excluded from the scope of evaluation of performance of Vendors/ Suppliers/Contractors/ Consultants :

i) Orders/Contracts below the value of Rs. 50 Lakhs if Vendor/ Supplier/Contractor/ Consultant is not on watch list/ holiday list/ banning list.

ii) Orders for Misc./Administrative items/ Non stock Non valuated items (PO with material code ending with 9).

However, concerned Engineer-in-Charge /OICs will continue to monitor such cases so as to minimize the impact on Projects/O&M plants due to non performance of Vendors/ Suppliers/Contractors/ Consultants in all such cases.

5.0 PROCESS OF EVALUATION OF PERFORMANCE OF VENDORS/ SUPPLIERS/ CONTRACTORS/ CONSULTANTS

5.1 FOR PROJECTS

i) Evaluation of performance of Seller in case of PROJECTS shall be done immediately with commissioning of any Project.

ii) On commissioning of any Project, EIC (Engineer-in-charge)/ Project-in-charge of Purchaser shall prepare a PRDS (Format at Annexure-1) for all Orders and Contracts.

iii) Depending upon the Performance Rating, following action shall be initiated by Engineer-in-charge/Project-in-charge:

Sl.No.	Performance Rating	Action
1	POOR	Seek explanation for Poor performance
2	FAIR	Seek explanation for Fair performance
3	GOOD	Letter to the concerned for improving performance in future
4	VERY GOOD	No further action

iv) Reply from concerned Seller shall be examined. In case of satisfactory reply, PRDS to be closed with a letter to the concerned for improving performance in future.

v) When no reply is received or reasons indicated are unsatisfactory, the following actions need to be taken:

A) <u>Where performance rating is "POOR" (as per Performance Rating carried out after execution of Order/ Contract and where no reply/ unsatisfactory reply is received from party against the letter seeking the explanation from Vendor/Supplier/Contractor/ Consultant along with sharing the performance rating)</u>

Recommend such defaulting Vendor/Supplier/Contractor/ Consultant for the following action:

1. Poor Performance on account of Quality (if marks obtained against Quality parameter is less than 20):

(a) First Instance: Holiday (Red Card) for One Years

(b) Subsequent instance (s) in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: Holiday (Red Card) for Two Years

2. Poor Performance on account of other than Quality (if marks obtained against Quality parameter is more than 20):

(a) **First such instance: Advisory notice(Yellow Card)** shall be issued and Vendor/Supplier/Contractor/ Consultant shall be put on watch list for a period of **Two** (2) Years.

(b) <u>Second such instance in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant:</u> Putting on Holiday (Red Card) for a period of One Year

(c) **<u>Subsequent instances (more than two) in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant</u>: Putting on Holiday (Red Card) for a period of Two Years.**

B) <u>Where Poor/Non-Performance leading to termination of contract or Offloading of contract due to poor performance attributable to Vendor/Supplier/ Contractor/Consultant</u>

(a) **First instance**: **Advisory notice (Yellow Card)** shall be issued and Vendor/Supplier/Contractor /Consultant shall be put on watch list for a period of Two (2) Years.
Further such vendor will not be allowed to participate in the re-tender of the same supply/work/services of that location which has terminated / offloaded. Moreover, it will be ensured that all other action as per provision of contract including forfeiture of Contract Performance Security (CPS) etc. are undertaken.
However, such vendor will be allowed to participate in all other tenders and to execute other ongoing order/ contract (s) or new contract/ order (s).
The Yellow card will be automatically revoked after a period of two years unless the same is converted into Red Card due to subsequence instances of poor/ non-performance in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant.

(b) **Second instances** in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: **Holiday (Red Card)** for period of One Year and they shall also to be considered for Suspension.

(c) **Subsequent instances (more than two)** in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: **Holiday (Red Card) for period of Two Years and they shall also to be considered for Suspension.**

(C) <u>Where Performance rating is "FAIR":</u>
Issuance of warning to such defaulting Vendor/ Supplier/Contractor/ Consultant to improve their performance.

5.2 <u>DELETED</u>.

5.3 <u>FOR OPERATION & MAINTENANCE</u>

i) Evaluation of performance of Seller in case of Operation and Maintenance shall be done immediately after execution of order/ Contract.

ii) After execution of orders a PRDS (Format at Annexure-2) shall be prepared for Purchaser Orders by Site C&P and for Services by respective Engineer-In-Charge.

iii) Depending upon Performance Rating, following action shall be initiated:

Sl. No.	Performance Rating	Action
1	**POOR**	Seek explanation for Poor performance
2.	**FAIR**	Seek explanation for Fair performance
3	**GOOD**	Letter to the concerned for improving performance in future.
4	**VERY GOOD**	No further action

iv) Reply from concerned Seller shall be examined. In case of satisfactory reply, PRDS to be closed with a letter to the concerned for improving performance in future.

v) When no reply is received or reasons indicated are unsatisfactory, the following actions need to be taken:

A) <u>Where performance rating is "POOR" (as per Performance Rating carried out after execution of Order/ Contract and where no reply/ unsatisfactory reply is received from party against the letter seeking the explanation from Vendor/Supplier/Contractor/ Consultant along with sharing the performance rating)</u>

Recommend such defaulting Vendor / Supplier / Contractor / Consultant for the following action:

1. Poor Performance on account of Quality (if marks obtained against Quality parameter is less than 20):

   (a) First Instance: Holiday (Red Card) for One Years

   (b) Subsequent instance (s) in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: Holiday (Red Card) for Two Years

2. Poor Performance on account of other than Quality (if marks obtained against Quality parameter is more than 20):

   (b) **First such instance: Advisory notice(Yellow Card)** shall be issued and Vendor/Supplier/Contractor/ Consultant shall be put on watch list for a period of **Two** (2) Years.

   (b) **<u>Second such instance in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/</u>**

<u>Contractor/ Consultant:</u> Putting on Holiday (Red Card) for a period of One Year

(c) **<u>Subsequent instances (more than two) in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant</u>: Putting on Holiday (Red Card) for a period of Two Years.**

B) <u>Where Poor/Non-Performance leading to termination of contract or Offloading of contract due to poor performance attributable to Vendor/Supplier/ Contractor/Consultant</u>

a. **First instance**: **Advisory notice (Yellow Card)** shall be issued and Vendor/Supplier/Contractor /Consultant shall be put on watch list for a period of Two (2) Years.

Further such vendor will not be allowed to participate in the re-tender of the same supply/work/services of that location which has terminated / offloaded. Moreover, it will be ensured that all other action as per provision of contract including forfeiture of Contract Performance Security (CPS) etc. are undertaken.

However, such vendor will be allowed to participate in all other tenders and to execute other ongoing order/ contract (s) or new contract/ order (s).

The Yellow card will be automatically revoked after a period of two years unless the same is converted into Red Card due to subsequence instances of poor/ non-performance in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant.

b. **Second instances** in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: **Holiday (Red Card)** for period of One Year and they shall also to be considered for Suspension.

c. **Subsequent instances (more than two)** in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: **Holiday (Red Card) for period of Two Years and they shall also to be considered for Suspension.**

(C) <u>Where Performance rating is “FAIR”:</u>

Issuance of warning to such defaulting Vendor/ Supplier/Contractor/ Consultant to improve their performance.

6.0 <u>REVIEW & RESTORATION OF SELLER PUT ON HOLIDAY</u>

6.1 An order for Holiday passed for a certain specified period shall deemed to have been automatically revoked on the expiry of that specified period and it will not be necessary to issue a specific formal order of revocation.

Further, in case Seller is put on holiday due to quality, and new order is placed on bidder after restoration of Seller, such order will be properly monitored during execution stage by the concerned site.

7.0 EFFECT OF HOLIDAY

7.1 If a Seller is put on Holiday, such Seller shall not be considered in ongoing tenders/future tenders.

7.2 However, if such Seller is already executing any other order/ contract and their performance is satisfactory in terms of the relevant contract, should be allowed to continue till its completion without any further increase in scope except those incidental to original scope mentioned in the contract. In such a case CPBG/CPS will not be forfeited and payment will be made as per provisions of concerned contract. However, this would be without prejudice to other terms and conditions of the contract.

7.3. Effect on other ongoing tendering:

7.3.1 after issue of the enquiry /bid/tender but before opening of Technical Bid (unpriced bid), the bid submitted by the Seller shall be ignored.

7.3.2 after opening Technical Bid but before opening the Price Bid, the Price Bid of the Seller shall not be opened and BG/EMD submitted by the Seller shall be returned to the party.

7.3.3 after opening of price, BG/EMD made by the party shall be returned; the offer of the party shall be ignored & will not be further evaluated. In case such agency is lowest (L-1), next lowest bidder shall be considered as L-1.

8.0 While putting the Seller on holiday as per the procedure, the holding company, subsidiary, joint venture, sister concerns, group division of the errant Seller shall not be considered for putting on holiday list.

Any Bidder/Seller, put on holiday, will not be allowed to bid through consortium route also in new tender during the period of holiday.

9.0 If an unsuccessful bidder makes any vexatious, frivolous or malicious complaint against the tender process with the intention of delaying or defeating any procurement or causing loss to GAIL or any other bidder, such bidder will be put on holiday for a period of six months, if such complaint is proved to be vexatious, frivolous or malicious, after following the due procedure.

10. APPEAL AGAINST THE DECISION OF THE COMPETENT AUTHORITY:

(a) The party may file an appeal against the order of the Competent Authority for putting the party on Holiday list. The appeal shall be filed to Appellate Authority.

Such an appeal shall be preferred within one month from the receipt of Holiday order.

(b) Appellate Authority would consider the appeal and pass appropriate order which shall be communicated to the party as well as the Competent Authority.

(c) Appeal process may be completed within 45 days of filing of appeal with the Appellate Authority.

(d) "Appellate Authority" shall mean Committee of Directors consisting of Director (Finance) and Director (BD) for works centers under Director (Projects). For all other cases committee of Directors shall consist of Director (Finance) & Director (Projects).

11. **ERRANT BIDDER**

In case after price bid opening the lowest evaluated bidder (L1) is not awarded the job for any mistake committed by him in bidding or withdrawal of bid or modification of bid or varying any term in regard thereof leading to re-tendering, GAIL shall forfeit EMD if paid by the bidder and such bidders shall be debarred from participation in retendering of the same job(s)/item(s).
Further, such bidder will be put on Watch List (Yellow Card) for a period of two years after following the due procedure. However, during the period in watch list such vendor will be allowed to participate in all other tenders and to execute other ongoing order/ contract (s) or new contract/ order (s).

In case of subsequent instances of default in other tender(s) during aforesaid watch list period, the action shall be initiated as per provision of sl. no. 2 of para A of Clause no. 5.1 (v) and 5.3 (v).

The Yellow card will be automatically revoked after specified period unless the same is converted into Red Card

12. In case CBIC (Central Board of Indirect Taxes and Customs)/ any equivalent government agency brings to the notice of GAIL that a Supplier has not remitted the amount towards GST (CGST & SGST/UTGST or IGST) collected from GAIL to the government exchequer, then, that Supplier shall be put under Holiday list of GAIL for period of six months as mentioned in Procedure for Evaluation of Performance of Vendors/ Suppliers/Contractors/ Consultants enclosed with the tender document.

Annexure-1

GAIL (India) Limited
PERFORMANCE RATING DATA SHEET
(FOR PROJECTS)

i) Project/Work Centre :

ii) Order No. & date :

iii) Brief description of Items :

iv) Order value (Rs.) :

v) Name of Supplier/ :

vi) Contracted delivery Schedule :

vii) Actual delivery date :

Performance Parameter	Delivery Performance	Quality Performance	Reliability Performance#	Total
Maximum Marks	40	40	20	100
Marks Allocated				

Note:
Remarks (if any)

PERFORMANCE RATING (**)

Note :

(#) Supplier who seek repeated financial assistance or deviation beyond contract payment term or seeking direct payment to the sub-vendor/sub-contractor due to financial constraints, then '0' marks should be allotted against Reliability Performance.

(*) Allocation of marks should be as per enclosed instructions

(**) Performance rating shall be classified as under :

Sl. No.	Range (Marks)	Rating
1	60 & below	POOR
2	61-75	FAIR
3	76-90	GOOD
4	More than 90	VERY GOOD

Signature of Authorised Signatory:

Name:

Designation:

Instructions for allocation of marks

1. Marks are to be allocated as under :

1.1 DELIVERY PERFORMANCE 40 Marks

Delivery Period	Delay in Weeks	Marks
a) Upto 3 months	Before CDD	40
	Delay upto 4 weeks	35
	” 8 weeks	30
	” 10 weeks	25
	” 12 weeks	20
	” 16 weeks	15
	More than 16 weeks	0
b) Above 3 months	Before CDD	40
	Delay upto 4 weeks	35
	” 8 weeks	30
	” 10 weeks	25
	” 16 weeks	20
	” 20 weeks	15
	” 24 weeks	10
	More than 24 weeks	0

1.2 QUALITY PERFORMANCE 40 Marks

For Normal Cases : No Defects/ No Deviation/ No failure: 40 marks

i) Rejection/Defects	Marks to be allocated on prorata basis for acceptable quantity as compared to total quantity for normal cases	10 marks
ii) When quality failure endanger system integration and safety of the system	Failure of severe nature	0 marks
	- Moderate nature	5 marks
	- low severe nature	10-25 marks
iii) Number of deviations	1. No deviation	5 marks
	2. No. of deviations ≤ 2	2 marks
	3. No. of deviations > 2	0 marks

1.3 RELIABILITY PERFORMANCE **20 Marks**

i)	Submission of order acceptance, PBG, Drawings and other documents within time	5 marks
ii)	Attending complaints and requests for after sales service/ warranty repairs and/ or query/ advice (upto the evaluation period).	5 marks
iii)	Response to various correspondence and conformance to standards like ISO	5 marks
iv)	Submission of all required documents including Test Certificates at the time of supply	5 marks

Annexure-2

GAIL (India) Limited
PERFORMANCE RATING DATA SHEET
(FOR O&M)

i) Location :

ii) Order No. & date :

iii) Brief description of Items :

iv) Order value (Rs.) :

v) Name of Supplier :

vi) Contracted delivery Schedule :

vii) Actual delivery date :

Performance Parameter	Delivery Performance	Quality Performance	Reliability Performance#	Total
Maximum Marks	40	40	20	100
Marks Allocated (*)				

Remarks (if any)

PERFORMANCE RATING (**)

Note :

(#) Supplier who seek repeated financial assistance or deviation beyond contract payment term or seeking direct payment to the sub-vendor/sub-contractor due to financial constraints, then '0' marks should be allotted against Reliability Performance

(*) Allocation of marks should be as per enclosed instructions

(**) Performance rating shall be classified as under :

Sl. No.	Range (Marks)	Rating
1	60 & below	POOR
2	61-75	FAIR
3	76-90	GOOD
4	More than 90	VERY GOOD

Signature of Authorised Signatory:

Name:

Designation:

Instructions for allocation of marks (For O&M)

1. Marks are to be allocated as under :

1.1 DELIVERY PERFORMANCE 40 Marks

Delivery Period **Delay in Weeks** **Marks**

a) Upto 3 months	Before CDD	40
	Delay upto 4 weeks	35
	” 8 weeks	30
	” 10 weeks	25
	” 12 weeks	20
	” 16 weeks	15
	More than 16 weeks	0
b) Above 3 months	Before CDD	40
	Delay upto 4 weeks	35
	” 8 weeks	30
	” 10 weeks	25
	” 16 weeks	20
	” 20 weeks	15
	” 24 weeks	10
	More than 24 weeks	0

1.2 QUALITY PERFORMANCE **40 Marks**

For Normal Cases : No Defects/ No Deviation/ No failure: 40 marks

i) Rejection/Defects	Marks to be allocated on prorata basis for acceptable quantity as compared to total quantity for normal cases	10 marks
ii) When quality failure endanger system integration and safety of the system	Failure of severe nature	0 marks
	- Moderate nature	5 marks
	- low severe nature	10-25 marks
iii) Number of deviations	1. No deviation	5 marks
	2. No. of deviations ≤ 2	2 marks
	3. No. of deviations > 2	0 marks

1.3 RELIABILITY PERFORMANCE **20 Marks**

i)	Submission of order acceptance, PBG, Drawings and other documents within time	5 marks
ii)	Attending complaints and requests for after sales service/ warranty repairs and/ or query/ advice (upto the evaluation period).	5 marks
iii)	Response to various correspondence and conformance to standards like ISO	5 marks
iv)	Submission of all required documents including Test Certificates at the time of supply	5 marks

APPENDIX-III

PROFORMA OF "BANK GUARANTEE" FOR "CONTRACT PERFORMANCE SECURITY / SECURITY DEPOSIT
(ON NON-JUDICIAL STAMP PAPER OF APPROPRIATE VALUE)

To, M/s GAIL (India) Limited ____________________	**Bank Guarantee No.**	
	Date of BG	
	BG Valid up to (expiry date)	
	Claim period up to (There should be three months gap between expiry date of BG & Claim period)	
	Stamp Sl. No./e-Stamp Certificate No.	

Dear Sir(s),
M/s. ____ having registered office at ______________________ (herein after called the "Contractor/Supplier" which expression shall wherever the context so require include its successors and assignees) have been placed/ awarded the job/work of ____ vide PO/LOA /FOA No. ______________________________dated______ for GAIL (India) Limited having registered office at 16, Bhikaiji Cama Place, R.K. Puram, New Delhi (herein after called the "GAIL" which expression shall wherever the context so require include its successors and assignees).

The Contract conditions provide that the Supplier/Contractor shall pay a sum of Rs.[or currency of Contract] ___________________ (Rupees _______________________________________) as full Contract Performance Guarantee in the form therein mentioned. The form of payment of Contract Performance Guarantee includes guarantee executed by Nationalized Bank/Scheduled Commercial Bank, undertaking full responsibility to indemnify GAIL (India) Limited, in case of default.

The said M/s.____ has approached us and at their request and in consideration of the premises we having our office at ____________________________ have agreed to give such guarantee as hereinafter mentioned.

1. We ____ hereby undertake to give the irrevocable & unconditional guarantee to you that if default shall be made by M/s. ________________________________ in performing any of the terms and conditions of the tender/order/contract or in payment of any money payable to GAIL (INDIA) LIMITED we shall on first demand pay without demur, contest, protest and/ or without any recourse or reference to the contractor to GAIL in such manner and at time, as GAIL may direct the said amount of Rupees ___________________________ only or such portion thereof not exceeding the said sum as you may require from time to time.

2. You will have the full liberty without reference to us and without affecting this guarantee, postpone for any time or from time to time the exercise of any of the powers and rights conferred on you under the order/contract with the said M/s. _____________________________ and to enforce or to forbear from endorsing any powers or rights or by reason of time being given to

the said M/s.__________________________ and such postponement forbearance would not have the effect of releasing the bank from its obligation under this debt.

3. Your right to recover the said sum of Rs. ______________________________________ (Rupees _______________________________________) from us in manner aforesaid is absolute & unequivocal and will not be affected or suspended by reason of the fact that any dispute or disputes have been raised by the said M/s. ___________________________ and/or that any dispute or disputes are pending before any officer, tribunal or court or arbitrator or any other authority/forum and any demand made by you in the bank shall be conclusive and binding. The bank shall not be released of its obligations under these presents by any exercise by you of its liberty with reference to matter aforesaid or any of their or by reason or any other act of omission or commission on your part or any other indulgence shown by you or by any other matter or changed what so ever which under law would, but for this provision, have the effect of releasing the bank.

4. The guarantee herein contained shall not be determined or affected by the liquidation or winding up or dissolution or changes of constitution or insolvency of the said supplier/contractor or any change in the legal constitution of the Bank or of GAIL but shall in all respects and for all purposes be binding and operative until payment of all money due to you in respect of such liabilities is paid.

5. The bank undertakes not to revoke this guarantee during its currency without your previous consent and further agrees that the guarantee shall continue to be enforceable until it is discharged by GAIL in writing. However, if for any reason, the supplier/contractor is unable to complete the supply/work within the period stipulated in the order/contract and in case of extension of the date of delivery/completion resulting extension of defect liability period/guarantee period of the supplier/contractor fails to perform the supply/work fully, the bank hereby agrees to further extend this guarantee at the instance of the supplier/contractor till such time as may be determined by GAIL. If any further extension of this guarantee is required, the same shall be extended to such required period on receiving instruction from M/s. ____ (contractor) on whose behalf this guarantee is issued.

6. Bank also agrees that GAIL at its option shall be entitled to enforce this Guarantee against the bank (as principal debtor) in the first instant, without proceeding against the supplier/contractor and notwithstanding any security or other guarantee that GAIL may have in relation to the supplier's/contractor's liabilities.

7. The amount under the Bank Guarantee is payable forthwith without any delay by Bank upon the written demand raised by GAIL. Any dispute arising out of or in relation to the said Bank Guarantee shall be subject to the exclusive jurisdiction of courts at New Delhi.

8. Therefore, we hereby affirm that we are guarantors and responsible to you on behalf of the Supplier/Contractor up to a total amount of __________(amount of guarantees in words and figures) and we undertake to pay you, upon your first written demand declaring the Supplier/Contractor to be in default under the order/contract and without caveat or argument, any sum or sums within the limits of (amounts of guarantee) as aforesaid, without your needing to prove or show grounds or reasons for your demand or the sum specified therein.

9. We have power to issue this guarantee in your favor under Memorandum and Articles of Association and the undersigned has full power to do under the Power of Attorney, dated ___________ granted to him by the Bank.

10. Notwithstanding anything contained herein:

a) The Bank's liability under this Guarantee shall not exceed(currency in figures) . . . . (currency in words only) . . . . .

b) This Guarantee shall remain in force upto___________ (this date should be expiry date of defect liability period / guarantee period of the Contract) and any extension(s) thereof; and

c) The Bank shall be released and discharged from all liability under this Guarantee unless a written claim or demand is issued to the Bank on or before the midnight of ………………….(indicate date of expiry of claim period which includes minimum 03 months from the expiry of this Bank Guarantee) and if extended, the date of expiry of the last extension of this Guarantee. If a claim has been received by us within the said date, all the rights of GAIL under this Guarantee shall be valid and shall not cease until we have satisfied that claim.

Details of next Higher Authority of the Officials who have issued the Bank Guarantee:
Name …………………………….
Designation …………………..

Yours faithfully,

____
Bank by its Constituted Attorney

Signature of a person duly
Authorized to sign on behalf of the Bank

INSTRUCTIONS FOR FURNISHING "CONTRACT PERFORMANCE SECURITY / SECURITY DEPOSIT" BY "BANK GUARANTEE"

1. The Bank Guarantee by successful Bidder(s) will be given on non-judicial stamp paper as per 'stamp duty' applicable. The non-judicial stamp paper should be in name of the issuing bank. In case of foreign bank, the said Bank Guarantee to be issued by its correspondent bank in India on requisite non-judicial stamp paper and place of Bid to be considered as Delhi.

2. The Bank Guarantee by Bidders will be given from bank as specified in Tender.

3. A letter from the issuing bank of the requisite Bank Guarantee confirming that said Bank Guarantee and all future communication relating to the Bank Guarantee shall be forwarded to Purchaser.

4. If a Bank Guarantee is issued by a commercial bank, then a letter to Purchaser and copy to Consultant (if applicable) confirming its net worth is more than Rs. 100,00,00,000.00 [Rupees One Hundred Crores] or its equivalent in foreign currency alongwith documentary evidence.

5. In case claim period is not mentioned or same date is mentioned against validity and claim period, then the date of validity of BG shall be considered as three months prior to such date.

6. Supplier shall submit attached cover letter (Annexure) while submitting Contract Performance Security

MATTER TO BE MENTIONED IN COVERING LETTER TO BE SUBMITTED BY VENDOR ALONG WITH BANK GUARANTEE

1	**BANK GUARANTEE NO**	**:**				
2	**VENDOR NAME / VENDOR CODE**	**:**	**NAME**			
			VENDOR CODE			
3	**BANK GUARANTEE AMOUNT**	**:**				
4	**PURCHASE ORDER/ LOA NO**	**:**				
5	**NATURE OF BANK GUARANTEE**	**:**				
	(Please Tick (√) Whichever is Applicable		**PERFORMANCE BANK GUARANTEE**	**SECURITY DEPOSIT**	**EMD**	**ADVANCE**
6	**BG ISSUED BANK DETAILS**					
		(A)	**EMAIL ID :**			
		(B)	**ADDRESS :**			
		(C)	**PHONE NO :**			

Signature Not Verified
Digitally signed by TWINKLE GOUR
Date: 2024.11.21 11:34:48 IST
Location: eProcurement System for Central PSUs