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GAIL (India) Ltd.
(A Government of India Undertaking-
A Navratna Company)

Notice Inviting Tender
(Limited International Competitive Bidding)

Ref No.: GAIL/PA08/18321/3200048564/SD

November 17, 2008

TO,

NIT SENT TO 06 VENDORS

Sub : Supply of AA STABILIZER (Quantity: 20 MT)

Tender No. : GAIL/PA08/18321/3200048564/SD

Dear Sir (s),

GAIL (India) Limited here-in-after called OWNER/COMPANY/GAIL invites you to submit your bids **UNDER TWO BID SYSTEM** for supply of **AA STABILIZER** as per technical specification enclosed with tender and as detailed below in complete accordance with enclosed tender documents:

- (1) Earnest Money Deposit : **NIL**
- (2) Last Date and Time for Submission of Tender : **1500 Hrs. (IST) on 12.12.2008**
- (3) Date and Time for Opening of Techno-Commercial Bid : **1530 Hrs. (IST) on 12.12.2008**
- (4) Delivery Schedule : Refer Section III of tender document
- (5) Payment Terms : Refer Section III of tender document

Address to which bids are to be sent (by Speed Post/Courier/Reqd. Post/etc.)

Central Receipt Section
Security Main Gate Building, Pata Complex,
GAIL (India) Limited
P.O. - Pata, District - Auraiya (U.P.), Pin – 206 241, INDIA

Tender must be submitted within above stipulated date and time indicating rate as per the tender forms. The tender must be valid for minimum 120 days from the final date of Tender closing. Tender through Fax/E-mail will not be acceptable. GAIL assumes no responsibility for delay, loss or non-receipt of tender document sent by post.

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282446] 011-26185941] osc lkbV% www.gailonline.com
P.O.-Pata, Dist...-Auraiya (U.P.)-206241, Phone: (05683) 282356, 282049, 283403-283405, Fax: (05683) 282446, 011-26185941,
Website: www.gailonline.com

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26182955] QSDI% 011&26185941

Registered Office: 16, Bhikaiji Cama Place, RK Puram, New Delhi - 110 066, Phone: 26182955, Fax: 011-26185941

**izkd`frd xSI & LoPN ÁtkZ] gjr ÁtkZ | Natural Gas – Clean Energy, Green
Energy**

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Energy**



:: 2::

Bids are to be submitted separately in two parts in sealed envelope superscribed with the above tender no., due date, item and nature of bid (priced or un-priced) as follows:

PART-I : UNPRICED BID (TECHNO-COMMERCIAL BID)

The Un-priced bid must be complete with the following:

Technical, commercial details, technical specifications, agreed terms & conditions questionnaire duly filled-in and copy of price schedule with prices blanked out.

Bids not accompanying the above documents will not be considered for evaluation.

PART-II : PRICED BID

It should contain only the prices strictly as per Price Schedule with prices duly filled in and **NO** terms & conditions should be put in price bid. Price bid containing any commercial terms & conditions shall be rejected.

The two envelopes containing Part-I & Part-II of the bid separately should be enclosed in a larger envelope duly sealed and superscribed with tender no., due date and item prominently along-with address of this office and sender's name and address.

Bids complete in all respect must reach this office not later than 1500 hrs on the notified date of closing of the tender. Bids sent by hand delivery should be put in the tender box at this office not later than 1500 hrs on the specified date. All out-station bids, if sent by post, should be sent under registered cover. **Bids received by fax/e-mail will not be considered. Any change in bid after opening of the tender will not be considered.**

GAIL will not be responsible for the loss of Tender form or for delay in postal transit. Bidders are advised in their own interest to ensure that their bids reach this office well before the closing date and time of the tender as the bids received after the closing date and time of the tender will not be considered. GAIL reserves the right to accept or reject any or all tenders received at its absolute discretion without assigning any reason whatsoever.

Thanking You,

Yours faithfully,
for GAIL (India) Limited

(S. DASGUPTA)
Manager (C&P)

E-Mail: sdasgupta@gail.co.in



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गैल (इंडिया) लिमिटेड
(भारत सरकार का उपक्रम)
GAIL (India) Ltd.
(A Government of India Undertaking)

CUT-OUT SLIP

DO NOT OPEN-THIS IS A QUOTATION

ITEM DESCRIPTION : SUPPLY OF AA STABILIZER

BID DOCUMENT NO. : GAIL/PA08/18321/3200048564/SD

**DUE DATE & TIME : 12.12.2008 UPTO 1500 HRS.
OF SUBMISSION OF BID**

FROM

**Name :
Address:**

TO

**Central Receipt Section,
Security Main Gate Building
Pata Complex
GAIL (India) Limited
P.O. - Pata, District - Auraiya (U.P.)
Pin – 206 241, INDIA**

(To be pasted on the envelope)

Tender No. : GAIL/PA08/18321/3200048564/SD



**FORMAT FOR REGRET LETTER TO BE SUBMITTED ON THE LETTER
HEAD OF THE BIDDER
(IN CASE THE BIDDER IS NOT SUBMITTING HIS OFFER)**

REF. NO.:

Dated:.....

To,

M/s GAIL (I) Limited,
P.O. Pata,
District: Auraiya
U.P. – 206241

SUB : REGRET LETTER

**REF. : YOUR TENDER NO. GAIL/PA08/18321/3200048564/SD FOR SUPPLY OF
AA STABILIZER**

Dear Sir,

With reference to subject tender, we are unable to quote due to the reason mentioned below. We are returning the total tender document to you.

- The item/service does not fall in our product/servicing range
- We do not meet BEC (Bid Evaluation Criteria) as specified in tender
- We cannot meet the technical specifications as specified in tender
- There is an order overbooking
- Any other reason (please specify)
- We need some more time for submission of offer and hence request for extension of bid submission date

Yours faithfully,
for(Name of Bidder)

(Bidder's signature with company seal)



IMPORTANT NOTE FOR BIDDERS

1. The TECHNICAL SPECIFICATION SHEET/DATA SHEET (**SECTION VI**) enclosed with tender document must be duly signed and stamped and submitted with the UNPRICED bid.
2. **Discount/Rebate:** No separate discount/rebate shall be indicated anywhere in the tender document. Any discount/rebate offered by the bidders shall be **included in the quoted rates itself**, in the Price Schedule Format, enclosed with tender document. Discount, if any, indicated separately in the offer, will not be considered while evaluating the tender. However, if the tenderer happens to be the lowest evaluated tenderer without considering such discount, then the benefit of discount will be availed at the time of award of order.
3. Bidders to submit their rates **STRICTLY** as per the 'PRICE SCHEDULE/SCHEDULE OF RATES – SECTION V A/B as applicable, enclosed with the enquiry. Rates submitted in any other format will be treated as non-responsive bid and liable for rejection.
4. Bidders will be deemed to have studied the local site conditions before submitting their rates and no change in prices, etc will be entertained under any circumstances.
5. Bidders who are desirous of being present during the tender opening, may come in person or send their authorized representatives (with authorization letter signed by authorized signatory) on the due date of opening.
6. In case of bids invited under TWO-BID SYSTEM, only those bidders, whose bids are found to be techno-commercially acceptable in all respects, shall be called for attending price bid opening
7. **Release of Payments by GAIL through e-payment Mode (FOR DOMESTIC BIDDERS)**

With a view to ensure faster payments to all our vendors/contractors, all payments (including refund of EMD/Security Deposits) will be released by GAIL through e-payment mode. To avail this facility, you are requested to send enclosed Annexures duly filled-up alongwith a cancelled cheque, failing which it would not be possible for GAIL to release payment(s). PLEASE NOTE THAT FORMATS GIVING THE DETAILS OF BANK ACCOUNTS MUST BE ENDORSED BY THE CONCERNED BANK WITH BANK'S SEAL AND SIGNATURE.



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ANNEXURE - C

CHECK LIST FOR BIDDERS

SL NO.	DESCRIPTION	BIDDER' S CONFIRMATION (CONFIRMED/NOT CONFIRMED)
1	Bidder has clearly indicated break-up of all prices as per price schedule (SECTION V Part A/B)	
2	Bidder has signed and stamped the technical specification sheet (duly signed with company seal affixed) and submitted with un-priced bid	
3	Domestic Bidders only: Whether Bidder will submit CENVAT invoice for the full amount of Excise duty quoted in bid to enable GAIL to claim CENVAT benefit	
4	Domestic Bidders only: The <u>Minimum Amount</u> of Cenvat Benefit to be passed on to GAIL on supply portion has been mentioned in Price Schedule	
5	For Foreign bidders only – Bidder has quoted both FOB and CFR (Nhavasheva port) prices.	
6	For Domestic bidders only – Bidder has quoted Freight charges upto Pata separately in the price schedule format	
7	Bidder has submitted the format of AGREED TERMS AND CONDITIONS duly filled-up (Section IV Part A/B) as applicable	
8	Bidder confirms acceptance of Delivery Schedule as per tender	
9	Bidder confirms acceptance of Payment Terms as per tender	
10	For Foreign bidders only: GAIL prefers that foreign bidders accept payment terms of '100% thru' DP at sight'. Bidder to confirm.	
11	Bidder has submitted price schedule (with prices blanked out) with un-priced bid.	
12	All terms and conditions of SCC (Special Conditions of Contract) placed at Section III are acceptable to bidder.	
13	All terms and conditions of GCC (General Conditions of Contract - Goods) placed at Section VII are acceptable to bidder.	
14	Bidder agrees to submit the shipping documents as listed at para 4 of APPENDIX – I of tender.	

NOTE: THIS SECTION IS TO BE FILLED-UP IN ALL RESPECTS AND SUBMITTED WITH BID, OTHERWISE BID WILL BE CONSIDERED AS NON-RESPONSIVE AND LIABLE FOR REJECTION.

SIGNATURE _____
NAME _____
DESIGNATION _____
DATE _____
COMPANY'S SEAL _____

Tender No. : GAIL/PA08/18321/3200048564/SD



गेल (इंडिया) लिमिटेड
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GAIL (India) Ltd.
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ANNEXURE - D

BID EVALUATION CRITERIA (BEC) **FOR THIS TENDER**

“Bidder must be approved by GAIL or their process licensor M/s Mitsui Chemicals, Japan suitable for Mitsui Slurry polymerization process for supply of AA Stabilizer.”



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SECTION I Invitation for Bids

SUB: Tender no. GAIL/PA08/18321/3200048564/SD FOR SUPPLY OF AA STABILIZER

1.0 GAIL (India) Limited invites sealed bids from eligible bidders for subject items.

I. DELIVERY PERIOD :

REFER SPECIAL CONDITIONS OF CONTRACT (SCC) – **SECTION III**

II. EARNEST MONEY: **NIL**

III. PAYMENT TERMS: REFER SPECIAL CONDITIONS OF CONTRACT (SCC) **SECTION III**

2.0 Bid Document is non-transferable. Bids received from bidders in whose name bid document has been issued shall only be considered. In addition, the bid from prospective bidders who download the tender document from GAIL website shall also be considered acceptable, subject to their meeting the BEC as per Annexure 'D'.

3.0 Bids complete in all respect should reach on or before the BID DUE DATE AND TIME. Bids through Fax/ E-mail shall not be considered.

4.0 The Bid Document calls for offers on single point "Sole Bidder" responsibility basis. Order will be placed on the "Sole Bidder" alone (in whose name the bid document has been issued) who will be responsible for all contractual purposes. Further, the bidders are advised to ensure that their offer is on single bidder responsibility basis and in total compliance of scope of supply as specified in Bid Document.

5.0 The bid should be prepared by the "Sole Bidder" and should be sent to GAIL directly. GAIL reserves the right to reject offers made by intermediaries/ representatives.

6.0 This Invitation for Bids (IFB) is an integral and inseparable part of the enclosed Bid Document.

7.0 GAIL reserves the right to accept or reject any or all offers without assigning any reason, whatsoever.

THIS IS NOT AN ORDER

Yours faithfully,
for and on behalf of GAIL (India) Limited

(S. Dasgupta)
Manager (C&P)

Email : sdasgupta@gail.co.in

Tender No. : GAIL/PA08/18321/3200048564/SD



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SECTION - II

INSTRUCTIONS

TO

BIDDERS



गेल (इंडिया) लिमिटेड
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GAIL (India) Ltd.
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INSTRUCTIONS TO BIDDERS

A. INTRODUCTION

1. Scope of Bid

- 1.1 The Purchaser as defined in the General Conditions of Contract-Goods, hereinafter “the Purchaser” wishes to receive bids for the supply of goods as per Technical Specifications enclosed with this tender document.
- 1.2 The successful bidder will be expected to complete the Scope of supply within the period stated in tender document.
- 1.3 Throughout these bidding documents, the terms “bid” and “tender” and their derivatives (“bidder/tenderer”, “bid/tendered”, “bidding/tendering”, etc.) are synonymous, and day means calendar day. Singular also means plural.

2. Eligible Bidders

- 2.1 This Invitation for Bids is open to bidders to whom this tender is issued.
- 2.2 The bidder shall not be under a declaration of ineligibility by Purchaser for corrupt or fraudulent practices as defined in ITB.
- 2.3 Bidder meets BEC of tender.
- 2.4 The bidder is not put on holiday by GAIL

2.5 Bidders Eligibility Criteria (BEC)

APPLICABLE (REFER ANNEXURE ‘D’)

3. One Bid per Bidder

- 3.1 A bidder can submit only one bid in the same bidding process. A bidder who submits or participates in more than one bid will cause all the proposals in which the bidder has participated to be disqualified.

4. Cost of Bidding

- 4.1 The bidder shall bear all costs associated with the preparation and submission of the bid, and PURCHASER (GAIL), will in no case, be responsible or liable for these costs, regardless of the conduct or outcome of the bidding process.

B. BIDDING DOCUMENTS

5. Content of Bidding Documents

- 5.1 The bidding documents are those stated below and should be read in conjunction with any addenda issued in accordance with ITB Clause

Section-I	: Invitation for bids (IFB)
Section-II	: Instructions to Bidders (ITB) & Formats
Section-III	: Special Conditions of Contract & Evaluation/Rejection/Loading criteria
Section- IV (A/B)	: Agreed Terms and Conditions (Foreign and Domestic bidders)
Section-V (A/B)	: Price Schedule
Section-VI	: Technical Specifications
Section-VII	: General Conditions of Contract (GCC)-Goods

- 5.2 The Bidder is expected to examine all instructions, forms, terms and specifications in the bidding documents. The Invitation for Bids (IFB) together with all its attachments thereto, shall be considered to be read, understood and accepted by the bidders. Failure to furnish all information required by the bidding documents or to submit a bid not substantially responsive to the bidding documents in every respect will be at the Bidder’s risk and may result in the rejection of its bid.

6. Clarification of Bidding Documents

- 6.1 A prospective bidder requiring any clarification of the Bidding Documents may notify GAIL in writing

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or by fax or e-mail at GAIL's mailing address indicated in the Invitation for Bids. GAIL will respond in writing to any request for clarification of the Bidding documents which it receives not later than 10 days prior to the deadline for the submission of bids prescribed by GAIL. Written copies of GAIL's response (including an explanation of the query but without identifying the source of the query) will be sent to all prospective bidders who have received the bidding documents. Any Clarification or information required by the bidder but same not received by the Purchaser, ten days prior to the bid due date, the same is liable to be considered as no clarification/information required.

7. Amendment of Bidding Documents

- 7.1 At any time prior to the bid due date, the PURCHASER may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective bidder, modify the bidding documents, by issuing addenda.
- 7.2 Any addendum thus issued shall be part of the Bidding Documents pursuant to ITB Clause-5.1 and shall be notified in writing by fax/post to all prospective bidders who have received the bidding documents. Prospective bidders shall promptly acknowledge receipt of each addendum by fax/post to the Purchaser.
- 7.3 The PURCHASER may, at its discretion, extend the bid due date in order to allow prospective bidders, a reasonable time to furnish their most competitive bid taking into account the amendments issued.

C. PREPARATION OF BIDS

8 Language of Bid

- 8.1 The bid prepared by the bidder as well as all correspondence/drawings and documents relating to the bid exchanged by bidder and the PURCHASER shall be written in English language, provided that any printed literature furnished by the bidder may be written in another language so long as accompanied by an ENGLISH translation, in which case, for the purpose of interpretation of the bid, the ENGLISH translation shall govern.
- 8.2 In the event of submission of any document/certificate by the Bidder in a language other than English, the English translation of the same duly authenticated by Chamber of Commerce of Bidder's country shall be submitted by the Bidder. Metric measurement system shall be applied.

9 Documents Comprising The Bids

- 9.1 The bid prepared by the bidder shall comprise the following components:
9.1.1 Envelope -1: Super scribing Techno-Commercial Un-priced Bid (PART-I)

Part-I: Techno-commercial /Un-priced Bid (to be furnished in original and one copy) and shall contain the following:

- i) EMD of requisite amount as specified in NIT (Notice Inviting Tender) – **NIL in this case**
- ii) Bidder's general details/information as per format F-1
- iii) A confirmation that prices in requisite formats, strictly complying with the requirement, with prices blanked out (similar to the Priced Bid kept in Envelope no. II).
- iv) Confirmation of no deviation as per Format F-5
- v) Any other information/details required as per bid document.
- vi) Details of Agent/ Consultant/ Representative/ Associates as per F-8
- vii) Other details as per F-9.
- viii) Full tender document duly signed and stamped on all pages
- ix) INTEGRITY PACT AGREEMENT duly executed on plain paper (to be signed on all pages and last page should carry signature of witnesses) – **Not applicable in this case**

Note: All pages of the bid to be signed and sealed by authorized person of the bidder.

- 9.1.2 Envelope II : Superscribing "Price Bid- Not to Open"– PART-II, pasted with corresponding "Cut Out Slip"

Part-II shall contain original of Price Schedule duly filled in, in separate sealed envelopes duly

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signed and stamped on each page super scribing on the sealed envelope "Price – Do Not Open" and no conditions what so ever. In case of any correction, the bidders shall put his signature and his stamp.

10. Price Schedule

10.1 The bidders shall complete appropriate Price schedule furnished in the Section V of Bidding Document, indicating the required information for all the goods to be supplied, a brief description of the goods, their country of origin and quantity.

11. Bid Prices

11.1 Indian Bidders shall indicate the following separately (as per Price Schedule)

A) Ex-works Price including packing and forwarding charges (such price to include all costs as well as duties and taxes paid or payable on components and raw materials incorporated or to be incorporated in the goods).

B) Excise Duty & Sales Tax (rates) which will be payable on the finished goods, if this contract is awarded.

NOTE: (i) Inland transportation, other local costs incidental to delivery of the goods to its final destination (FOR Pata) shall be quoted by the Bidder.

(ii) Transit Insurance shall be arranged by Purchaser (GAIL).

11.2 Foreign Bidders shall submit prices separately for the following (as per Price Schedule)

A) FOB port of shipment

B) CFR port of discharge (Nhava Sheva INDIA).

11.3 The bidder's break-up of price components in accordance with above sub-clauses will be solely for facilitating the comparison of bids and will not in any way, limit the PURCHASER's right to contract on different terms.

11.4 Fixed Price : Prices quoted by the bidder shall be firm and fixed during the bidder's performance of the contract and not subject to variation on any account. A bid submitted with an adjustable price quotation will be treated as non-responsive and rejected.

11.5 The delivery terms shall be interpreted as per INCOTERMS 2000.

12 Bid Currencies

12.1 Domestic bidders may submit bid in any currency (including Indian Rupees) and receive payment in such currency at par with foreign bidder.

12.2 Foreign bidders may submit bid in home currency of bidder's country or in US Dollars / EURO or in any other currency.

12.3 A bidder expecting to incur a portion of his expenditure in the performance of Contract in more than one currency (limited to maximum two currencies) (without prejudice to the provisions of ITB Clause 12.2) and wishing to be paid accordingly shall indicate the same in the bid. In such a case, the bid shall be expressed in different currencies with the respective amounts in each currency together making up the total price.

12.4 Currency once quoted will not be allowed to be changed. PURCHASER shall not be compensating for any exchange rate fluctuation.

**13 Documents Establishing Goods' Eligibility and Conformity to Bidding Documents
REFER ANNEXURE 'D'**

14 Period of Validity of Bids

14.1 The bid shall remain valid for acceptance for minimum 120 DAYS from the bid due date.

14.2 In exceptional circumstances, prior to expiry of the original bid validity period, the PURCHASER may

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GAIL (India) Ltd.
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request that the bidder extend the period of bid validity for a specified additional period. The requests and the responses thereto shall be made in writing (by fax / post/ e-mail).

15 Bid Security/ Earnest Money Deposit

NIL FOR THIS TENDER

16 Format And Signing of Bid

- 16.1 The bidder shall prepare one original of the document comprising the bid as per clause 9.0 of ITB marked "original".
- 16.2 The original bid shall be typed or written in indelible ink (in the case of copies, photocopies are also acceptable) and shall be signed by the person or persons duly authorized to sign on behalf of the bidder. The name and position held by each person signing, must be typed or printed below the signature. All pages of the bid, except any catalogues/ literatures shall be signed and sealed by the person or persons signing the bid.
- 16.3 The bid shall contain no alterations, omissions or additions, unless such corrections are initialed by the person or persons signing the bid.

17 Zero Deviation/ Rejection Criteria

- 17.1 DEVIATION TO TERMS AND CONDITIONS OF TENDER DOCUMENT MAY LEAD TO REJECTION OF OFFER. PLEASE NOTE THIS TENDER IS ON "ZERO DEVIATION" BASIS. GAIL WILL ACCEPT OFFERS BASED ON TERMS AND CONDITIONS OF TENDER DOCUMENT ONLY.

17.2 REJECTION CRITERIA:

Following shall constitute 'REJECTION CRITERIA' for this tender. Bidders are requested not to take any deviations to these clauses.

1. Bid Validity less than 120 days from bid closing date
2. Bidder not meeting BEC of tender (refer Annexure 'D')
3. Price submitted in un-priced bid
4. Deviation to delivery schedule
5. Request for advance payment
6. Non-submission of FIRM & FIXED price
7. Non-submission of prices as per price schedule format

18 E-Payment

- 18.1 GAIL (India) Limited has initiated payments to domestic suppliers electronically and to facilitate the payments electronically, the bidder should have an account with HDFC Bank or State Bank of India of ICICI Bank so that the payment through e-banking be made to the bidder, in case order is placed on him. Further, the bidder should give their account number and other details in any one of the above banks to facilitate payment through e-banking. In case bidder does not have an account in any of the above 3 banks, bidder should fill-up the details of the bank in which they have their account (as per prescribed format)

19 Agent/ consultant/ Representative/ Retainer/ Associate

- 19.1 GAIL would prefer to deal directly with the manufacturers/ principals abroad but in case they decide to have their Agent/Consultant/ Representative/Retainer/Associate in India and pay commission for their services against a particular tender it should be bare minimum and the principal would have to certify that such a commission is commensurate with the services rendered to them by such an Agent/ Consultant/ Representative/ Retainer/ Associate in India. The principal will also have to broadly list out services to be rendered by the Agent/Consultant/ Representative/ Retainer/ Associate in India.
- 19.2 In the event bidder is having as Agent/ Consultant/ Representative/ Retainer/ Associate/ servicing facilities in India (who is not an employee of the bidder) the bidder should indicate in their offer the

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name of such an Agent/ Consultant/ Representative /Retainer /Associate, they have for services in India. The bidder must also indicate clearly the commission payable to the Agent/Consultant/ Representative/ Retainer/Associate in rupees in terms of Agreement (enclosing copy of the same). The bidder, in his bid will indicate the nature and extent of service to be provided by such an Agent/Consultant/ Representative/Retainer/Associate on behalf of the bidder and also remuneration therefore provided in the price, as a separate item, quoted by the bidder to GAIL. Such remuneration/commission will be paid by GAIL in non-convertible Indian currency in India. Should it be established at any subsequent point of time that the above statement of the bidder is not correct or that any other amount of remuneration/commission either in India or abroad is being paid to any one (who is not an employee of the bidder), the bidder would be liable to be debarred from participating in the future tenders of GAIL. Failure to give such information will lead to rejection of the offer.

The following particulars will also be furnished by the bidder:

- (i) The precise relationship between the foreign manufacturer/principal and their Agent/Consultant/ Representative/Retainer/Associate in India.
 - (ii) The mutual interest which the manufacturer/principal and the Agent/ Consultant/ Representative/ Retainer/Associate in India have in the business of each other.
 - (iii) Any payment which the Agent/ Consultant/ Representative/ Retainer/ Associate receives in India or abroad from the manufacturer/principal whether as a commission for the contract or as a general fee.
 - (iv) Permanent Income Tax number of Agent/ Consultant/ Representative/ Retainer/ Associate in India.
 - (v) All services to be rendered by the Agent/ Consultant/ Representative / Retainer/Associate.
- Note : Tenders which do not comply with the above stipulations are liable to be ignored.

- 19.3 Quoted Indian Agent Commission (IAC) should be inclusive of all taxes and duties. IAC shall be paid at the foreign exchange rate prevailing as on the date of remittance of payment to the principals (thru' L/C or DP at sight).

D. SUBMISSION OF BIDS

20 Sealing And Marking of Bids

- 20.1 Bid shall be submitted in the following manner in separate sealed envelopes duly superscribed as below:

Part I - Techno-commercial/ un-priced Bid

Part II - Priced Bid

Bid shall be submitted a sealed envelope with 'CUT-OUT SLIP' pasted on the outer cover of the envelope.

- 20.2 Bids must be received at the following Address:

Central Receipt Section
Security Main Gate Building, Pata Complex,
GAIL (India) Limited
P.O. - Pata, District - Auraiya (U.P.), INDIA
Pin – 206 241

Bids carried by hand by bidders are to be dropped in the tender box kept at Security Main gate building, Pata complex. In case of voluminous bids, which cannot be dropped in the tender box, bidder shall contact Sh S. Dasgupta, Manager (C&P) or Sh Kaladhar Narayan, DM (C&P).

- 20.3 If the outer envelope is not sealed and marked as above, the PURCHASER will assume no responsibility for the misplacement or premature opening of the bid. Also Bidder shall ensure that the envelopes used are strong enough to with stand the weight and enroute handling by Postal department/ Courier Services.

21 Deadline for Submission of Bid

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21.1 Bids must be received by the Purchaser at the address specified in Clause 20.2 above not later than the date and time specified in the IFB.

21.2 The PURCHASER may, at its discretion, on giving reasonable notice by fax or any written communication to all prospective bidders who have been issued the bid documents, extend the deadline for the submission of bids in which case all rights and obligations of the PURCHASER and the bidders, previously subject to the bid due date, shall thereafter be subject to the deadline as extended.

22 Late Bids

22.1 All Tenders received after the notified time and date of closing of tenders will be treated as late bids.

22.2 In case there is lack of competition, i.e. not more than one acceptable bid has been received against the tender, GAIL may, at its discretion, open the late bid/(s) provided such late bid/(s) have been received within 72 hours beyond the scheduled closing time for receipt of tenders.

23 Modification And Withdrawal of Bids

23.1 The bidder may modify or withdraw his bid after the bid submission, but before the due date of submission provided that the written notice of the modification, including substitution or withdrawal of the bid is received by the PURCHASER prior to the deadline prescribed for submission of bids.

23.2 The bidder's modification or withdrawal notice shall be prepared, sealed, marked and delivered in accordance with the provisions of ITB Clause-20, with the outer envelopes additionally marked "modification" or "withdrawal" as appropriate. A withdrawal notice may also be sent by fax/post, but followed by a signed confirmation copy post marked not later than the deadline for submission of bids.

23.3 No bid shall be modified after the deadline for submission of bids.

E. OPENING AND EVALUATION OF BIDS

24 Bid Opening

24.1 The Purchaser will open bids (Part-I & II) including withdrawals and modifications made pursuant to Clause 23.0 of ITB), at date, time as stipulated in IFB.

25 Process to be Confidential

25.1 Information relating to the examination, clarifications, evaluation and comparison of bids and recommendations for the order, shall not be disclosed to bidders or any other person officially concerned with such process. Any effort by a bidder to influence the Purchaser in any manner in respect of bid evaluation or award will result in the rejection of that bid.

26 Contacting the Purchaser

26.1 From the time of the bid opening to the time of the release of order, if any bidder wishes to contact the Purchaser for any matter relating to the bid it should do so in writing.

26.2 Any effort by a bidder to influence the Purchaser in any manner in respect of bid evaluation or award will result in the rejection of that bid.

27 Preliminary Examination of Bids

27.1 Techno-Commercial Bid Evaluation

27.1.1 The PURCHASER will examine the bids to determine whether they are complete, whether any computational errors have been made, whether required securities have been furnished, whether the documents have been properly signed and whether the bids are generally in order.

27.1.2 Prior to the detailed evaluation, the PURCHASER will determine whether each bid is of acceptable quality, is generally complete and is responsive to the Bidding Documents. For purposes of this determination, a responsive bid is one which conforms to all the terms, conditions and specification of the bidding document, without deviations, objections, conditionality or reservations.

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- 27.1.3 No deviation, whatsoever, is permitted in the Bidding Documents and the price bids of those bidders whose technical and commercial bids contain any exception to the conditions and stipulations of the Bidding Documents shall not be opened.
- 27.1.4 The Purchaser's determination of a bid's responsiveness is to be based on the contents of the bid itself without recourse to extrinsic evidence. If a bid is non responsive, it will be rejected by the Purchaser and may not subsequently be made responsive by the bidder by correction of the nonconformity.
- 27.1.5 The Purchaser will carry out a detailed evaluation of the bids previously determined to be responsive in order to determine whether the technical aspects are in accordance with the requirements set forth in the Bidding Documents. In order to reach such a determination, the Purchaser will examine and compare the technical aspects of the bids on the basis of the information supplied by the bidders, taking into account the following factors :
- (a) Overall completeness and compliance with the Technical Specifications; quality function and operation of any process control concept included in the bid. The bid that does not meet minimum acceptable standard of completeness, consistency and detail will be rejected as non-responsive.
- (b) Any other relevant factor, if any that the Purchaser deems necessary or prudent to be taken into consideration.

28 Arithmetic Corrections

- 28.1 The bids will be checked for any arithmetical errors as follows :
- 28.1.1 In case of any discrepancy between prices in words and prices in figures, the prices in words shall be valid and binding. In case of any error in total indicated by the Bidder, the unit price alone shall be considered valid and binding on the Bidder.

29 Conversion To Single Currency

- 29.1 To facilitate evaluation and comparison, the PURCHASER will convert all bid prices expressed in the amounts in various currencies in which bid price is payable, to Indian Rupees at the Bills selling exchange rate declared by the State Bank of India on the day prior to price bid opening.

30 Evaluation And Comparison of Bids

- 30.1 The PURCHASER will evaluate and compare the bids previously determined to be substantially responsive, pursuant to ITB Clause – 27.

30.2 Bid Evaluation and Comparison Criteria :

Refer SECTION III

F. AWARD OF CONTRACT

32 Post Qualification

- 32.1 In the absence of prequalification, the PURCHASER will determine to its satisfaction whether the bidder selected as having submitted the lowest evaluated, responsive bid is qualified to satisfactorily perform the contract.
- 32.2 The determination will take into account the bidder's financial, technical and production capabilities as well as such other information as the PURCHASER deems necessary and appropriate.
- 32.3 An affirmative determination will be a prerequisite for award of the contract to the bidder. A negative determination will result in rejection of the bidder's bid.

33 Award Criteria

- 33.1 Purchaser will award the contract to the successful Bidder whose bid has been determined to be substantially responsive and has been determined to be the lowest evaluated bid, provided further that the Bidder is determined to be qualified to perform the contract satisfactorily.



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- 34 PURCHASER's Right to Vary Quantities at Time of Award**
- 34.1 The qty. indicated in tender document is tentative only. GAIL can order part quantity at it's sole discretion
- 35 PURCHASER's Right To Accept Any Bid And To reject Any or All Bids**
- 35.1 PURCHASER reserves the right to accept or reject any bid, and to annul the bidding process and reject all bids, at any time prior to award of contract, without thereby incurring any liability to the affected bidder or bidders or any obligations to inform the affected bidder or bidders of the ground for the PURCHASER'S ACTION.
- 36 Notification of Award / Fax of Intent**
- 36.1 Prior to the expiration of period of bid validity the PURCHASER will notify the successful bidder in writing by fax or e-mail to be confirmed in writing, that his bid has been accepted. The notification of award / Fax of Intent will constitute the formation of the Contract.
- 36.2 Delivery shall be counted from the date of notification of award / Fax of Intent.
- 37 Acceptance of Purchase Order**
- 37.1 PURCHASER will issue the Purchase Order to the successful bidder, who, within 15 days of receipt of the same, shall sign all pages and return the acceptance copy to the PURCHASER.
- 38 Contract cum Performance Bank Guarantee (CPBG)
APPLICABLE (Refer SCC – Section III)**
- 39 Income Tax Liability**
- 39.1 The bidder will have to bear all income tax liability, both Corporate as well as for his personnel.
- 40 Corrupt or Fraudulent Practices**
- 40.1 The Purchaser requires that Bidders/Suppliers observe the highest standard of ethics during the procurement and execution of the order. In pursuance of this policy, the Purchaser :
- a) defines, for the purposes of this provision, the terms set forth below as follows :
- i) "corrupt practice" means the offering, giving, receiving or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution; and
- ii) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Purchaser, and includes collusive practice among Bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the Purchaser of the benefits of free and open competition;
- b) will reject a proposal for award if it determines that the Bidder recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question;
- 40.2 Will declare a firm ineligible, either indefinitely or for a stated period of time, if at any time the Purchaser determines that the firm has engaged in corrupt or fraudulent practices in competing for or in executing a contract.



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SECTION – III

SPECIAL CONDITIONS OF CONTRACT

AND

EVALUATION / REJECTION / LOADING CRITERIA



**SPECIAL CONDITIONS OF CONTRACT AND EVALUATION / REJECTION / LOADING
CRITERIA**

1. The terms and conditions enumerated herein shall supersede the terms and conditions mentioned elsewhere in the tender document.
2. This is a rate contract for supply of AA Stabilizer for a period of 1 year reckoned from the date of award of order.

3. DELIVERY SCHEDULE:

The following delivery schedule for this tender shall be applicable:

A) Foreign Bidders (on 'FOB' basis):

- i) 1st lot of 10 MT within 6 weeks from the date of award of order
- ii) 2nd lot of 10 MT tentatively in the month of July'2009

For 2nd and final lot, advance dispatch intimation of 6 weeks shall be given. Date of Bill of Lading (B/L) shall be considered as date of delivery.

B) Domestic Bidders (on 'Ex-works' basis):

- i) 1st lot of 10 MT within 9 weeks from the date of award of order
- ii) 2nd lot of 10 MT tentatively in the month of August'2009

For 2nd and final lot, advance dispatch intimation of 8 weeks shall be given. Date of L/R shall be considered as date of delivery.

The dispatch advice of the 2nd and final lot (in both the cases) will not exceed 12 months from the date of issuance of order. The validity of contract shall be for a period of 12 months from the date of award of order.

The above lot size is indicative only and both the delivery schedule and qty./lot shall be determined/adjusted according to the requirement of plant to be communicated by the Indenting deptt. from time to time and the standard packing size/ container size/truck size offered by bidders.

4. PAYMENT TERMS:

(A) Foreign Bidders

100% of the total order value (less Indian Agent's Commission, if any) through DP at sight (CAD) or Irrevocable Unconfirmed Letter of Credit, against original shipping documents opened through State Bank of India (lotwise). If bidder insists on confirmed LC, the confirmation charges shall be borne by Seller. In case of LC, the letter of credit shall be opened on receipt of unconditional acceptance of purchase order. Indian Agent commission (IAC), if any, shall be released directly to Indian agent in non-convertible Indian Rupees after receipt and acceptance of items at site through e-banking. TDS, if any, shall be deducted from the payment of IAC

(B) Domestic Bidders

100% payment within 30 days of receipt and acceptance of items at site (lotwise).

5. INSPECTION / CERTIFICATE OF ANALYSIS:

Necessary test certificates confirming the quality of the catalyst the specification to be provided as a part of dispatch document. Certificate of Analysis should be in line with GAIL's required specification.



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6. GUARANTEE / WARRANTY:

Confirmation that the GOODS shall be guaranteed against defective materials/workmanship etc. for a period of 6 months from the date of shipment (for each lot).

7. FIRM & FIXED PRICES:

The price quoted by the bidders shall remain firm and fixed till validity of the contract period. Non-submission of Firm Prices is a 'REJECTION CRITERIA'.

8. SECURITY DEPOSIT-CUM-CPBG:

The successful bidder, within 15 days of the receipt of order/Letter of Intent, will be required to submit Security Deposit/Contract cum Performance Bank Guarantee for 10% of the total contract value (excluding taxes and duties) in the form of Bank Guarantee/Irrevocable Letter of Credit issued by any Indian scheduled bank or a branch of an International bank situated in India and registered with Reserve bank of India as scheduled foreign bank. In case of bank guarantees from banks other than the Nationalized Indian banks, the bank must be a commercial bank having net worth in excess of Rs 100 crores and a declaration to this effect should be made by such commercial bank either in the Bank Guarantee itself or separately on its letterhead.

Contract cum Performance Bank Guarantee may also be acceptable from All India Level Public Financial Institution on case to case basis meeting the following criteria :-

- i) The Institution is All India Level Public Financial Institution.
- ii) It should be rated AAA by any rating agency like CRISIL
- iii) The Institution should be authorized by way of law/its memorandum to issue such guarantee.

The validity of Contract cum Performance Bank Guarantee shall be for 90 days beyond guarantee/warranty period of the goods supplied.

Also refer clause no. 12 of General Conditions of Contract (SECTION VII)

9. PRICE REDUCTION SCHEDULE:

In case of delay in delivery of each lot of materials beyond contractually agreed delivery schedule, price reduction schedule will be applicable @0.5% of total lot value under consideration per week of delay or part thereof. However, total deductions on account of PRS shall not exceed 5% (FIVE PERCENT) of the total order value.

10. REJECTION CRITERIA:

Bidders are advised to submit their bid strictly as per the terms and conditions of the bid document. In the event of deviation(s) stipulated by the bidder their bid shall be considered incomplete/non-responsive and the bid shall be liable for rejection. The following shall constitute REJECTION CRITERIA for this tender –

- 1) Bid Validity less than 120 days from bid closing date
- 2) Bidder not meeting BEC of tender (refer Annexure 'D')
- 3) Price submitted in un-priced bid
- 4) Deviation to delivery schedule
- 5) Request for advance payment
- 6) Non-submission of FIRM & FIXED price
- 7) Non-submission of prices as per price schedule format

11. EVALUATION OF OFFERS:

The evaluation of all the responsive bid for supplies to be arrived at the lowest evaluated offer as under:



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(A) **Indigenous/Domestic Bidder:** The evaluated price of domestic bidder shall include the following:

1. Ex-works price quoted by the bidder
2. Packing & Forwarding (if any)
3. Excise Duty, Educational cess (if any)
4. Sales tax with (against form C) or VAT
5. Commercial/Technical loading, (if any)

Domestic bidders are required to provide Cenvat invoice (if applicable) to enable GAIL to avail Cenvat benefit.

(B) **Foreign Bidders:** The evaluated price of foreign bidder shall include the following:

1. CFR price quoted by bidder including Marine freight (from port of exit to Port of entry i.e. Nhavasheva/Mumbai) [Both FOB & CFR prices to be indicated by the bidder separately in the price schedule].
2. Marine Insurance @ 1% of FOB price.
3. Landing charges @1% of CIF Nhavasheva price
4. Customs Duty and Educational cess (if any)
5. CVD and Educational cess (if any)
6. Additional import duty (if any).
7. Commercial/Technical loading, (if any)

(C) The evaluated price of all the domestic bidders and foreign bidders as above shall be compared together to arrive at the lowest offer as per given below:

i) WHERE INDIGENOUS & FOREIGN BIDS EXIST:

The comparison between indigenous & foreign offers shall be done as enumerated at (A) & (B) above.

ii) WHERE ONLY FOREIGN BIDS EXIST:

The comparison shall be made as enumerated at (B) above.

iii) WHERE ONLY INDIGENOUS BIDS EXIST:

F.O.T. site basis inclusive of all duties and taxes and freight up to Pata site + Commercial/Technical loading, (if any).

(D) The foreign bidders are required to quote FOB and CFR prices strictly as per the price schedule of tender document. However, GAIL may finalize the order on FOB or CFR basis, at the sole discretion of GAIL. In order to obtain clearance from the Ministry of Surface Transport, Govt. of India to convert the order from FOB to CFR basis (if required), the foreign bidders are required to keep the CFR prices valid for 45 days beyond the date of Order.

Note:

- a. All overseas bidders shall be required to quote both FOB prices and CFR prices, failing which bid is liable to be **summarily rejected**
- b. Overseas bidders shall keep the CFR prices valid for a minimum period of 45 days from the date of Fax of Intent/Order, whichever is earlier.
- c. GAIL reserves the right to award the order on FOB basis or CFR basis. GAIL also reserves the right to amend the order issued initially on 'FOB' basis to 'CFR' basis (as quoted). However, such amendment shall be issued within 45 days from the date of award of FOI/order.

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12. PURCHASE PREFERENCE AND PRICE PREFERENCE:

As per Government of India guidelines

13. LOADING CRITERIA FOR BID EVALUATION:

In the event of following specified deviations to the terms & conditions of the Bid Document, loading of the bidders prices shall be done as under:

(A) PRICE REDUCTION SCHEDULE (PRS) FOR DELAYED DELIVERY

	<u>TERMS OFFERED BY THE BIDDER</u>	<u>PRICE LOADING</u>
a)	As per Price Reduction Schedule Clause specified in SCC	No Loading
b)	PRS @ 0.5% of total order value per week of delay (5-X) % or part thereof (for each lot) subject to maximum of X % (specified by bidder) of total order value	
c)	Other than above	Loading by 5%

(B) SUBMISSION OF SD-CUM-CPBG

	<u>TERMS OFFERED BY THE BIDDER</u>	<u>PRICE LOADING(*)</u>
a)	When agreed to submit SD-cum-CPBG for 10% of basic order value	No Loading
b)	When agreed to submit SD-cum-CPBG for less than 10% of basic order value	To be loaded by the percentage by which the quoted % falls short of 10%
c)	Other than above	Loading by 10%

(*) Loading factor shall be calculated on the 'FOB' price quoted by Foreign bidders and 'Ex-works' price quoted by Domestic bidders.



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SECTION - IV

AGREED TERMS AND CONDITIONS



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SECTION-IV Part-A

AGREED TERMS AND CONDITIONS

(For Foreign Bidders Only)

(Bidders must confirm / comment to all points)

SL NO.	DESCRIPTION	BIDDER' S CONFIRMATION, ACCEPTANCE/COMMENTS
1.	Confirmation that the quoted prices are valid for acceptance upto 120 DAYS from the closing date of this enquiry (Bid validity less than 120 days is a rejection criteria)	
2.	Bidder' s name and address with <u>e-mail/fax/phone</u>	
3.	Country of Origin of GOODS offered.	
4.	Currency of Quote	
5.	Bidder confirms that they have quoted both 'FOB' and 'CFR Nhavasheva' prices. Further, GAIL has the option to place order either on FOB or CFR basis at it's sole discretion.	
6.	Bidder confirms that GAIL also reserves the right to amend the order issued initially on ' FOB ' basis to ' CFR Nhavasheva ' basis (as quoted). However, such amendment shall be issued within 45 days from the date of award of FOI/order GAIL can amend the order	
7.	GAIL prefers payment terms of '100% thru CAD/DP at sight' or else thru irrevocable unconfirmed LC	
8.	Confirmation that the quoted prices shall remain FIRM AND FIXED till complete execution of the contract.	
9.	Acceptance of Price Reduction Schedule (PRS) clause as defined in SECTION III.	
10.	Bidder confirms acceptance of Guarantee clause as per tender	
11.	Confirmation that Security Deposit/Contract cum Performance Bank Guarantee for 10% of total order value valid for 3 months beyond the expiry of contractual Guarantee /Warranty period shall be submitted within 30 days of receipt of order	
12.	Confirm whether REPEAT ORDER CLAUSE as per tender is acceptable (refer clause 39 of SECTION VII)	
13.	All Bank Charges and Stamp Duties payable outside India in connection with payments to be made under the Contract shall be borne by the Contractor.	
14.	All taxes, duties and levies of any kind payable up to the stage of putting the material in FOB position shall be borne by the contractor.	
15.	Owner reserves the right to make any changes in the terms and conditions of the Bid Document and to reject or all bids including those received late or incomplete.	
16.	Direct offer will only be considered. In case you have Agent/ Representative/Liaison office in India, please indicate name of your Indian Agent with complete address, Tel No. etc. their role.	
17.	% of FOB prices included in quoted prices to be paid to Indian agent (if any) in non-convertible Indian Rupees upon completion of supplies(%)
18.	Please indicate Seaport of export for shipment.	

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SL NO.	DESCRIPTION	BIDDER' S CONFIRMATION, ACCEPTANCE/COMMENTS
19.	Please indicate the name and address of your Bankers.	
20.	All correspondence must be in English Language only.	
21.	Confirmation that specific deviations, if any to the Bid Document, have been indicated Article wise separately.	
22.	Confirm that all charges/handling charges/taxes and duties (if any) upto FOB port of exit are included in the FOB price quoted by the Seller	
23.	In case bidder requests for payment to be made against irrevocable and confirmed L/C, then the L/C confirmation charges shall be borne by the Seller	
24.	Please indicate the complete name and address of the company on whom order is to be issued (in the event of order)	
25.	Whether bidder accepts PART ORDER/PART QTY (i.e. GAIL can place order for part qty.).	
26.	Bidder accepts the technical specification enclosed with tender	
27.	Material Safety Data sheet has been enclosed with un-priced bid	
28.	Packing in (Pls. specify)	
29.	Weight of each bags (net) in Kg	
30.	No. of bags that can be accommodated in each 20' container	
31.	No. of bags that can be accommodated in each 40' container	
32.	SELLER'S OFFER NO.	

SIGNATURE _____

NAME _____

DESIGNATION _____

DATE _____

OFFICE SEAL _____

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SECTION-IV (Part-B)

AGREED TERMS AND CONDITIONS
(For Indigenous Bidders Only)
(Bidders must confirm / comment to all points)

SL NO.	DESCRIPTION	BIDDER' S CONFIRMATION (CONFIRMED/NOT CONFIRMED)
1	Bidder accepts the technical specification enclosed with tender.	
2	No deviations taken to the Rejection Criteria as referred at Section III	
3	Bidder has submitted their bid only thru GAIL's e-tendering portal	
4	a) Confirm acceptance of price reduction schedule for delay in deliveries specified in Bid document. b) In case of delay, the bills shall be submitted after deducting the price reduction due to delay. Pls. confirm.	
5	Bidder accepts SD-cum-CPBG clause as per tender	
6	Bidder accepts REPEAT ORDER clause as per tender	
7	Whether bidder accepts PART ORDER/PART QTY (i.e. GAIL can place order for part qty.).	
8	Bidder accepts GUARANTEE CLAUSE as per tender (Refer Section-III)	
9	Validity of bid is minimum 120 days (from the final bid closing date)	
10	Confirm transit insurance is excluded from the quoted prices	
11	Confirm that, in case of contradiction between the confirmations provided in this format and terms & conditions mentioned elsewhere in the offer, the confirmations given in this format shall prevail.	
12	Confirm quoted prices will remain firm and fixed till complete execution of the order.	
13	(a) Indicate item wise present rate of excise duty applicable extra on finished products and confirm the same is excluded from quoted price. (b) Statutory variation in Excise Duty on finished products shall be to Owner's account. (c) If there is any variation in Excise duty at the time of supplies for any reasons, other than statutory, including turnover, confirm the same will be borne by bidder. (d) If Excise Duty is presently not applicable confirm the same will be borne by you in case it becomes leviable later. (e) In case (c) or (d) is not acceptable, confirm maximum rate of Excise Duty chargeable	
14	Indicate item wise rate of Sales Tax/VAT on finished products : ii) CST against 'C' form. iii) VAT (in case supplies are made within originating state) against concessional form. iv) Confirm that only statutory variations in CST/VAT shall be to Owner's account.	
15	i) Taxes & duties shall be payable at rates as applicable at the time of supply or contractual delivery date, whichever is earlier. Any reduction in taxes and duties at the time of supply after contractual delivery date shall be passed on to the Owner and any increase shall be borne by bidder. ii) Confirm in case of delay on account of bidder, any new or additional taxes and duties imposed after contractual delivery shall be to bidder's account.	

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गेल (इंडिया) लिमिटेड
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GAIL (India) Ltd.
(A Government of India Undertaking)

SL NO.	DESCRIPTION	BIDDER' S CONFIRMATION (CONFIRMED/NOT CONFIRMED)
16	Whether Bidder will submit CENVAT invoice to enable GAIL to avail CENVAT benefit	
17	Bidder confirms that freight charges upto Pata has been quoted separately or included in the quoted rates (i.e. bidder has quoted prices on F.O.R. Pata basis)	
18	Packing method, packing qty. Shipping net weight and gross weight (THIS IS IMPORTANT, DO NOT LEAVE THIS BLANK)	
19	Offered Net weight of AA STABILIZER (in MT)	
20	Material Safety Data sheet has been enclosed with un-priced bid	
21	As GAIL shall arrange for 'Transit Insurance', Bidder confirms that 'Transit insurance' has been excluded from the scope of SELLER and has not been included in quoted rates	
22	SELLER'S OFFER NO.	

SIGNATURE _____
NAME _____
DESIGNATION _____
DATE _____
COMPANY'S SEAL _____

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SECTION - V

PRICE

SCHEDULE

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SECTION V (A)

PRICE SCHEDULE FOR SUPPLY
(FOR DOMESTIC BIDDERS ONLY)

Sl. No.	Item Description as per enquiry/RFQ	UOM (unit of measure)	Qty	Basic Ex-Works Rate per MT (Rs)	P&F Charges per MT (if any)	Excise Duty (per MT or in % of basic price)	Sales Tax (against form C/3B)/VAT per MT or in % of basic price	Freight up to Pata (per MT)	Unit Rate per MT on F.O.R. Pata basis (5+6+7+8+9)	Total Amount on F.O.R. Pata basis for 20 MT of material (10) x 4
1	2	3	4	5	6	7	8	9	10	11
1	AA STABILIZER TECHNICAL SPECIFICATION ENCLOSED WITH TENDER (SECTION VI).	MT	20							

CENVAT INVOICE WILL BE SUBMITTED ----- YES NO

AMOUNT OF CENVAT BENEFIT TO BE PASSED ON TO GAIL (Rs):

Note:

1. In case of discrepancy between unit price and the total price, the unit price shall prevail.
2. A copy of the above price schedule WITH PRICES BLANKED OUT, should be submitted with un-priced bid.
3. Price schedule filled with price should be submitted with the PRICE BID only.

Date:

Signature of Authorised Signatory

Name:

Designation:

Seal:

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SECTION- V (B)

**PRICE SCHEDULE FOR SUPPLY
(FOR FOREIGN BIDDERS ONLY)**

NAME OF BIDDER:

Sl No.	Item Description	UOM (unit of measure)	Qty.	Currency	Unit Price (per MT)		Total Price (for 28 MT)		Customs Tariff Head No. and % of Customs duty applicable
					FOB Port of Loading (per MT)	CFR Port of Entry, Nhavasheva (per MT)	FOB Port of Loading (3x5)	CFR Port of Entry Nhavasheva (3x5)	
	1	2	3	4	5	6	7	8	10
1	AA STABILIZER TECHNICAL SPECIFICATION ENCLOSED WITH TENDER (SECTION VI).	MT	20						

NOTE :

1. In case of discrepancy between unit price and the total price, the unit price shall prevail.
2. A copy of the above price schedule WITH PRICES BLANKED OUT, should be submitted with un-priced bid.
3. Price schedule filled with price should be submitted with the PRICE BID only.

Place:
Date:

Signature of Authorised Signatory
Name:
Designation:
Seal:

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SECTION - VI

TECHNICAL

SPECIFICATIONS

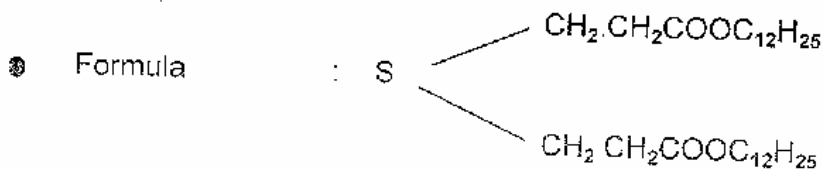


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MPC - CX	STABILIZER : AA - STABILIZER	GAIL - UPPC HDPE PLANT
----------	---------------------------------	---------------------------

SL.NO.	CHARACTERISTICS	UNIT	SPECIFICATION
1	Appearance		white crystalline powder
2	Colour (APHA)		60 max.
3	Freezing point	°C	39.5 to 42.0
4	Volatile matter	wt. %	0.05 max.
5	Acid value (as N /10 KOH ml / 10 g sample)	ml	0.05 max.
6	Saponification value	mg KOH / g	216.4 to 219.4
7	Ash content	wt. %	0.01 max.
8	Fe	wt. ppm	3.0 max.
9	Screen analysis :		
	a) through 16 mesh	wt. %	100
	b) through 32 mesh	wt. %	95 min.

● Chemical name : Dilauryl thiodipropionate [DLDTP]



Handwritten signature
17/04/08



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GAIL (India) Ltd.
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FORMS AND FORMATS



गेल (इंडिया) लिमिटेड
(भारत सरकार का उपक्रम)
GAIL (India) Ltd.
(A Government of India Undertaking)

F-1
BIDDER'S GENERAL INFORMATION

To
GAIL (India) Limited,
P.O.: PATA
DISTT. AURAIYA- 206244
UP., INDIA

1-1 Bidder Name:

1-2 Registered Address:

1-3 Operation Address
if different from above:

1-4 Name of Contact Person:

1.5 Telephone Number

(Country Code) (Area Code) (Telephone Number)

1.6 E-mail address & Web Site

1.7 Telefax Number

(Country Code) (Area Code) (Telephone Number)

1.7.1 ISO Certification, if any

{If yes, please furnish details}

Place:

Date:

Signature of Authorised Signatory

Name:

Designation:

Seal:

Tender No.

Offer No. & Date:

Tender No. : GAIL/PA08/18321/3200048564/SD



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F-5
NO DEVIATION CONFIRMATION

GAIL (India) Limited,
To
GAIL (India) Limited,
P.O.: PATA
DISTT. AURAIYA- 206244
UP., INDIA

Dear Sir,

We understand that any deviation/exception in any form may result in rejection of bid. We, therefore, certify that we have not taken any exceptions/deviations anywhere in the bid and we agree that if any deviation/exception is mentioned or noticed, our bid may be rejected.

Place:
Date:

Signature of Authorised Signatory
Name:
Designation:
Seal:

Tender No.

Offer No. & Date:

Tender No. : GAIL/PA08/18321/3200048564/SD



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F-8

DETAILS OF INDIAN AGENT /CONSULATANT/ REPRESENTATIVE/ RETAINER/ ASSOCIATES

To
GAIL (India) Limited,
P.O.: PATA
DISTT. AURAIYA- 206244
UP., INDIA

1.0 Name of Indian agent/ Consultant/
Representative/ Retainer/ Associates

2.0 Address

3.0 Nature of Services to be rendered

4.0 Name of Contract Person:

5.0 Telephone Number

(Country Code) (Area Code) (Telephone Number)

6.0 E-mail address & Web Site

7.0 Telefax Number

(Country Code) (Area Code) (Telephone Number)

8.0 PAN NO.

9.0 AGENCY COMMISSION INCLUDED _____% (IN FIGURES)

IN QUOTED PRICES AS % OF QUOTED
FOB PRICES (PAYABLE IN EQUIVALENT
INDIAN RUPEES UPON RECEIPT OF
ACCEPTANCE OF ITEMS AT SITE)

_____ % (IN WORDS)

10.0 RELATIONSHIP
(WHETHER AGENT /CONSULATANT/
REPRESENTATIVE/ RETAINER/ ASSOCIATES)

11.0 ACCOUNT NO. IN ANY
SBI/HDFC/ICICI BRANCH WHICH
HAVING E-BANKING FACILITIES OF
INDIAN AGENT
(Payment towards IAC shall be released through
e-banking only)

Branch Code: _____

Account Code: _____

Note: Copy of agreement between principle and agent is to be enclosed along with the bid.

Place:

Date:

Signature of Authorised Signatory

Name:

Designation:

Seal:

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F-9

GENERAL DETAILS

(FOR FOREIGN BIDDER ONLY)

To
GAIL (India) Limited,
P.O.: PATA
DISTT. AURAIYA- 206244
UP., INDIA

- 1.0 PORT/ AIRPORT OF EXPORT
IN BIDDER'S COUNTRY
- 2.0 CURRENCY OF BID
- 3.0 DETAILS OF BANKER
- 4.0 TYPE OF LETTER OF CREDIT: CONFIRMED/ UN-CONFIRMED
(In case confirmed letter of credit is
required, confirmed charges shall be
on bidder's account)
- 5.0 COUNTRY OF ORIGIN:
- 6.0 DETAILS OF PERMANENT
ESTABLISHMENT IN INDIA
IF ANY

Place:
Date:

Signature of Authorised Signatory
Name:
Designation:
Seal:

Tender No.

Offer No. & Date:

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F-9

GENERAL DETAILS

(For Indian Bidder)

To
GAIL (India) Limited,
P.O.: PATA
DISTT. AURAIYA- 206244
UP., INDIA

- 1.0 RATE OF APPLICABLE EXCISE DUTY: _____% (IN FIGURE)
_____% (IN WORDS)
- 2.0 RATE OF CENVAT BENEFIT:
THAT GAIL CAN AVAIL _____% (IN FIGURE)
_____% (IN WORDS)
- 3.0 RATE OF APPLICABLE SALE TAX : _____% (IN FIGURE)
(AGAINST FORM C/ CONSESSIONAL FORM) _____% (IN WORDS)
- 4.0 TIN NO. : _____
- 5.0 ECC NO. : _____
- 6.0 EXCISE CHAPTER ID _____

Place:
Date:

Signature of Authorised Signatory
Name:
Designation:
Seal:

Tender No.

Offer No. & Date:

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गेल (इंडिया) लिमिटेड

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GAIL (India) Ltd.

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FORMAT FOR BID SECURITY FORM

Whereas (hereinafter called "the Bidder") has submitted his bid dated for the supply of

(hereinafter called "the Bid") KNOW ALL MEN these presents that WE of having our registered office at (hereinafter called "the BANK") are bound upto (hereinafter called "the OWNER"). In the sum of for which payment will and truly to be made to the said OWNER, the BANK binds itself, its successors and assigns by these presents. Sealed with the common seal of the said BANK this day of 200

THE CONDITIONS of this obligation are :

1. If the Bidder withdraws his Bid during the period of bid validity specified by the bidder on the Bid Form or
2. If the Bidder, having been notified of the acceptance of his bid by the OWNER during the period of bid validity:
 - a) fails or refuses to execute the contract form, if required of
 - b) fails or refuses to furnish the Performance Security in accordance with the Instructions to Bidder.

We undertake to pay the OWNER upto the above amount upon receipt of its first written demand, without the OWNER having to substantiate its demand, provided that in its demand the OWNER will note that the amount claimed by it is due to it owing to the occurrence of one or both of the two conditions specifying the occurred condition or conditions.

This guarantee will remain in force upto and including 2 months after the period of bid validity, and any demand in respect thereof should reach the BANK not later than the above date.

(Signature of the BANK)

(Signature of the Witness)

Name of Witness :

Date :

Address of Witness :

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GAIL (India) Ltd.

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FORMAT OF BANK GUARANTEE FOR SECURITY DEPOSIT /CONTRACT PERFORMANCE

(To be stamped in accordance with Stamp act)

Ref:

Bank Guarantee no.:

Date:

To,
GAIL (INDIA) LTD.,
U. P. PETROCHEMICAL COMPLEX,
PATA – 206 241
DISTT. AURAIYA (U.P.)

Dear Sir,

In consideration of the GAIL (INDIA) LTD., PATA (here in after referred to as the OWNER/PURCHASER which expression shall unless repugnant to the context or meaning thereof include its successors, administrators, executors and assigns) having awarded to M/s _____ having Principal office at _____ (herein after refer to as the "SELLER" which expression shall unless after repugnant to the context or meaning thereof include their respective successors, administrators, executors and assigns) the supply by issue of OWNER'S / PURCHASER'S Purchase Order No. _____ Dated _____ and the same having been accepted by the SELLER resulting into CONTRACTS for supplies of materials / equipments as per above referred Purchase Order having a total value of Rs. _____ (Rupees _____) for the complete supply of materials / equipments and the SELLER having agreed to provide a Contract Performance and warranty Guarantee for the faithful performance of the aforementioned contract and warranty to quality Rs. _____ (Rupees _____) to OWNER/ PURCHASER.

We, (Bank) _____ having its Head Office at _____ (hereinafter referred to as the "Bank" which expression shall, unless repugnant to the contract or meaning thereof, include its successors, administrators, executors and assign's) do hereby guarantee and undertake to pay the OWNER / PURCHASER, on demand any and all moneys payable by the seller to the extent of 10% (ten percent) of the Contract Price as aforesaid at any time upto _____ without any demur, reservation, context, recourse or protest and / or without any reference to the SELLER. Any such demand made by OWNER / PURCHASER on the Bank shall be conclusive and binding notwithstanding any difference between OWNER/ PURCHASER and SELLER or any dispute pending before any Court, Tribunals, Arbitrator or any other Authority. The Bank undertakes not to revoke this guarantee during its currency without previous consent of OWNER/PURCHASER and further agrees that the guarantee herein contained shall continue to be enforceable till the OWNER / PURCHASER discharges this guarantee OWNER / PURCHASER shall have the fullest liberty without affecting in any way the liability of the BANK under this guarantee form time to time to extend the time for performance by SELLER or any one or more CONTRACTS of all CONTRACTS enumerated above. OWNER / PURCHASER shall have the fullest liberty, without affecting this guarantee, to postpone from time to time the exercise of any powers vested in them or any right which they might have against SELLER to exercise the same at any time in any manner, and either to enforce any covenants contained or implied in the aforementioned Contracts between OWNER / PURCHASER and SELLER or any other course of or remedy or security available to OWNER / PURCHASER. The Bank shall not be released of its obligations under these presents by any exercise by OWNER / PURCHASER of its liability with reference to the matters aforesaid or any of them or by reason or any other acts of omission or commission on the part of OWNER / PURCHASER or any other indulgence shown by OWNER / PURCHASER or any other matter or thing whatsoever which under law would, but for this provision, have the effect of relieving the Bank.

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The Bank also agrees that OWNER / PURCHASER at its option shall be entitled to enforce this Guarantee against the Bank as a Principal Debtor, in the first instance without proceeding against SELLER and notwithstanding any security or other guarantee that OWNER / PURCHASER may have in relation to the SELLER's liabilities.

Notwithstanding anything contained herein above our liability under this Guarantee is restricted to Rs. _____
(Rupees _____) AND it shall remain in force upto and including _____ and shall be extended from time to time for such period as may be desired by the SELLER on whose behalf this Guarantee has been given.

Dated this the date of at _____

WITNESS

Signature

Name

Signature

(Banker Rubber Stamp) Name

(Official address) Designation with Bank Stamp plus Attorney as per power of Attorney
No _____ Date _____

Tender No. : GAIL/PA08/18321/3200048564/SD



**SHIPPING INSTRUCTIONS/DETAILS
FOR IMPORTED CHEMICALS/CATALYSTS ONLY**

1. PACKING & MARKINGS:

Consignment shall be packed air worthy/sea worthy and following markings to appear on packing.

For GAIL

Port/Airport

Destination

Order No.

Item

Net weight

Gross weight

Case No.

(No. of total cases)

Dimension

IMPORTANT:

MOST APPROPRIATE AND SUITABLE PACKING FOR ECONOMICAL AIR/SEA FREIGHT APPLICABILITY AND PROPER DOCUMENTATION FLIGHT/SHIPMENT WISE INVOICE AND AWB/BILL OF LADING & OTHER DOCUMENTS AS PER NORMAL PRACTICE SHALL BE ENSURED.

2. SHIPMENT AND ADVANCE NOTICES:

Immediately after shipment, seller shall send advance information OF SHIPPING/DISPATCH PARTICULARS, by way of telex/fax message by giving following details:

- i) Vessel Name or Flight No.
- ii) Bill of lading No. or AWB No. & Date.
- iii) E.T.A. Bombay.
- iv) Invoice Nos. & Date.
- v) Invoice Value.
- vi) No. of cases
- vii) Gross Weight
- viii) Other details if any

The above shipping details/information shall be sent to :

- a) Deputy General Manager (C&P), GAIL (India) Limited, UPPC, PATA, District. Auraiya - 206241. (Uttar Pradesh) Phone No. 05683- 282053 Fax No. 05683- 282446.
- b) Chief Manager (C&P) GAIL (India) Ltd., BMRDA Bldg., 3rd Floor, Bandra Kurla Complex, Bandra East, Mumbai - 400051, India (Phone:022-26592261, 26592262, Fax: 022-26591363/26592373)

- For expeditious collection and clearance of material from Customs/port authorities.

3. HOW TO ARRANGE SHIPMENT:

All shipments to be made by first class direct flight/vessel.

3.1 Shipment by Air shall be arranged through GAIL's forwarding/consolidation agent on "FREIGHT TO PAY" basis consigned to Mumbai for Mumbai discharge, strictly through Air-India flight only.

3.2 Shipment by sea shall be STRICTLY arranged through our forwarding Agent as detailed below :

- i) M/s SCHENKER INTERNATIONAL
DEUTSCHLAND GMBH,
BEIDEN MUHREN5, D 20457,
PO BOX 110313, HEMBURG, GERMANY
CONTACT PERSONS:
MR. MICHAEL SCHULTZ,
From U.K. including
Northern Ireland (also
Eire) , the North
Continent of Europe
(Germany , Holland ,
Belgium, France, Norway,



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TEL:004940-36135353, FAX:004940-36135566
e-mail: Michael.Schultz@schenker.com

Sweden , Finland and Denmark; Imports on the continental Sea-board of the Mediterranean i.e, French and Western Italian Ports.

M/s Panalpina World Transport
Panalpina Welttransport GmbH
Nagelsweg 37, D-20097,
Hamburg

CONTACT PERSON:

Mr. Lothar von Hacht, Ocean Freight Export)
Tel. : 004940-23771-126
Fax : 004940-23771342 or 344
e-mail: Lothar.Hacht@panalpina.com

- ii) M/s OPT Overseas Project Transport Inc., (A THYSSEN HANIEL LOGISTIC CO) 46, SELLERS STREET, KEARNY N.J. 07032, USA (TEL:201-998-7771, TLX:673-3586 FAX:201-998-7833), USA & CANADA
- iii) The First Secretary (Commercial) Embassy of India, Tokyo, Japan (Cable:INDEMDASSY J 24850), TEL : 262-2391. JAPAN
- iv) The Shipping Corporation of India Ltd., "Shipping House", 245 Madame Cama Road, Mumbai - 400 021
Cable : SHIPINDIA BOMBAY
TLX : 011-2314/2371 SCI IN
TEL : 2026666/2026785
Australia, Algeria, Bulgaria, Romania, Czechoslovakia, Egypt, GDR.
- v) TIANJIN: CHINA OCEAN SHIPPING AGENCY, 5 XUZHOU ROAD, HEXI DISTRICT, TIANJIN 300042, P.R.C. CHINA, SINGAPORE
TEL.(86-0220 23191008/23191009/23310030,
CABLE : PENAVICO TIANJIN, TELEX: 23231 TJPEN CN,
FAX: (86-022)23317906/23301763
YANG ZHAOMING, MANAGER (SHIPPING DEPT.)
TEL: (86-022)25793312-2051 : (86)13902072395
- SHANGHAI PORT: CHINA OCEAN SHIPPING AGENCY,
NO.531, WUSONG ROAD, SHANGHAI, P.R.C.
TEL: (86-021)63647688, www.penavico.sh.cn
TELEX: 33052 PENAV CN FAX: (86-021) 63939681
YE JINGBISO, MANAGER (SHIPPING DEPT.)
TEL: 86-021) 63297600: (86-021) 63290088-136
operation@penavico.sh.cn
MR. CHEN BIN chenbin@penavico.sh.cn

Required details, No. of packages description etc. including port of loading shall be given to the nominated shipping Agents/GAIL by Advance notice of six weeks to arrange shipping space in Indian flag vessels or India-Pakistan-Bangladesh-Ceylon & Burma outward freight Conference line or by the following shipping lines:

- i) Shipping Corporation of India Ltd., Mumbai.
ii) Waterman lines, USA.

In case of supplies from USA, US export license, if any, shall be obtained from the relevant American

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Authority by the supplier at supplier's cost.

4. PREPARATION OF SHIPPING DOCUMENTS:

The Bill of lading/AWB shall indicate the following:

Shipper - Government of India (for FOB/FAS contracts)

Port Consignee

Manager (C&P)
GAIL (India) Limited,
Priyadarshini Building,
7th Floor, B-Wing,
Eastern Express Highway,
Sion,
Mumbai – 400 022

The Bill of lading/AWB shall be made in favour of GAIL, Pata or to the order and blank endorsed wherever applicable. The AWB/Bill of Lading shall also be endorsed by shipper on "FREIGHT TO PAY" basis as per ordered terms.

The conditional or qualified bill of lading/AWB shall not be accepted.

All documents including Bill of lading, packing-list etc. shall be in English language only.

The Bill of lading/AWB, Invoice and packing list specifically must show, Mark & No., contents, case wise, country of origin, consignee, Airport/Port of destination and all other particulars.

The packing list must show apart from other particulars, the actual contents in each case, net & gross weights and dimension with number of packages.

The invoice must show the unit rate and net total CFR Nhavasheva price and should indicate, Mumbai as port consignee.

One set of Shipping Documents should contain minimum following documents. Any additional documents as may be mentioned in P.O. and agreed between Seller/Purchaser in some specific case shall also be made available.

- i) Bill of Lading/AWB
- ii) Invoice
- iii) Packing List
- i) Certificate of Origin (issued by relevant Chamber of Commerce)
- ii) Test reports / Certificate of Analysis
- iii) Copy of Marine Insurance Cover note for the consignment (for order on CFR basis)
- iv) Any other document agreed between Seller and Purchaser

NEGOTIATION OF SHIPPING DOCUMENTS

- a) In case of negotiation thru Bank, vendor shall negotiate the shipping documents thru Bank within 10 days of shipment for sea-shipment and 3 days of shipment for air-shipment. In case of direct documents, the vendor shall send the documents to GAIL immediately after shipment.
- b) 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.
- b) 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.

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c) Original shipping documents should be sent directly to GAIL's Banker, details as under:

State Bank of India
Pata -206241
Distt. : Auraiya
State : Uttar Pradesh
SWIFT code : SBININBB352
Branch Code: 1937
Ph. No. : 91 5683 282391, 91 5683 282356 Extn. 30261
Fax no. :91 5683 283069
E-mail : sbi.01937@sbi.co.in

5. **DISPOSAL OF SHIPPING DOCUMENTS:**

a. **SEA SHIPMENTS:**

The seller shall obtain the shipping documents complete in all respect including three original stamped copies of BILL OF LADING immediately after shipment is made and courier the same as under :

- i) Two copies of original bill of lading with one non-negotiable copy of bill of lading along with three copies each of invoice, packing list, freight memo, all other documents as specified in order and L/C (wherever payment is through L/C) through bank to GAIL, Pata.
- ii) One copy of original bill of lading along with all other specified shipping documents to Manager (C&P), GAIL (India) Limited, Priyadarshini Building, 7th Floor, B-Wing, Eastern Express Highway, Sion, Mumbai – 400 022
- iii) A set of non-negotiable shipping document as mentioned at (a) above to Manager (C&P), GAIL (India) Ltd., UPPC, PATA, District. Auraiya - 206241 . (Uttar Pradesh) Phone No. 05683- 282600 Fax No. 05683- 282446
- iv) **Two copies of non negotiable shipping documents along with bill of lading to Shipping Co-ordination Officer, Ministry of Shipping and Transport, New Delhi-110 001. Attn. Mr. N.C. Jain.**
- v) One set of non-negotiable shipping documents to be sent to **ULTIMATE CONSIGNEE** as specified in the PURCHASE ORDER.



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SECTION – VII

GENERAL

CONDITIONS OF

CONTRACT (GOODS)



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Section – VII

General Conditions of Contract-GOODS

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1 Definitions

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

- 1.1 BIDDER : Designates the individual or legal entity which has made a proposal, a tender or a bid with the aim of concluding a Contract with the PURCHASER.
- 1.2 CONTRACT shall mean Purchase Order/Contract and all attached exhibits and documents referred to therein and all terms and conditions thereof together with any subsequent modifications thereto.
- 1.3 CONTRACT PRICE shall mean the price payable to the Seller under the Contract for the full and proper performance of his contractual obligations.
- 1.4 COMPLETION DATE shall mean the date on which the goods are successfully commissioned by the Seller and handed over to the PURCHASER.
- 1.5 COMMERCIAL OPERATION shall mean the condition of the operation in which the complete 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.
- 1.6 DELIVERY terms shall be interpreted as per INCO TERMS 2000 in case of Contract with a foreign Bidder and as the date of LR/GR in the case of a contract with an Indian Bidder.
- 1.7 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.
- 1.8 ENGINEER or Engineer-in-Charge of the Project SITE shall mean the person designated from time to time by PURCHASER at SITE and shall include those who are expressly authorized by him to act for and on his behalf for operation of this CONTRACT.
- 1.9 FINAL ACCEPTANCE shall mean the PURCHASER's written acceptance of the Works performed under the Contract after successful completion of performance and guarantee test.
- 1.10 GOODS shall mean articles, materials, equipment, design and drawings, data and other property to be supplied by Seller to complete the contract.
- 1.11 INSPECTOR shall mean any person or outside Agency nominated by PURCHASER to inspect equipment, stagewise as well as final, before dispatch, at SELLER's works and on receipt at SITE as per terms of the CONTRACT.
- 1.12 INITIAL OPERATION shall mean the first integral operation of the complete equipment covered under the Contract with sub-systems and supporting equipment in service or available for service.
- 1.13 PURCHASER/ OWNER/GAIL shall mean GAIL (INDIA) LIMITED (GAIL) having its registered office at 16, BHIKAJI CAMA PLACE, R.K.PURAM, NEW DELHI-110066 (INDIA). The term PURCHASER includes successors, assigns of GAIL.
- 1.14 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 Contract documents.
PROJECT designates the aggregate of the Goods and/or Services to be provided by one or more Contractors.
Quantities – Bills of 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.
- 1.15 SELLER shall mean the person, firm or company with whom PURCHASE ORDER/CONTRACT is placed/entered into by PURCHASER for supply of equipment, materials and services. The term Seller includes its successors and assigns.
- 1.16 SERVICE shall mean erection, installation, testing, commissioning, provision of technical assistance, training and other such obligations of the Seller covered under the Contract.
- 1.17 SITE designates the land and/or any other premises on, under, in or across which the Goods and/or Services have to be supplied, erected, assembled, adjusted, arranged and/or commissioned.
- 1.18 SPECIFICATIONS shall mean and include schedules, details, description, statement of technical data, performance characteristics, standards (Indian as well as International) as applicable and specified in the Contract.
- 1.19 SUB-CONTRACT shall mean order placed by the Seller, for any portion of the contracted work, after necessary consent and approval of PURCHASER.
- 1.20 SUB-CONTRACTOR shall mean the person named in the CONTRACT for any part of the work or any person to whom any part of the CONTRACT has been sub-let by the SELLER with the consent in writing of the PURCHASER and will include the legal representatives, successors, and permitted assigns of such person.
- 1.21 START-UP shall mean the time period required to bring the equipments 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 equipment and supporting subsystems, initial operation of the complete equipments 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.
- 1.22 TESTS shall mean such process or processes to be carried out by the Seller as are prescribed in the Contract or considered necessary by PURCHASER or his representative in order to ascertain quality, workmanship,



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1.23 performance and efficiency of equipment or part thereof.
TESTS ON COMPLETION shall mean such tests as prescribed in the Contract to be performed by the Seller before the Works are taken over by the PURCHASER.

2 Seller To Inform

2.1 The Seller 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 Seller of his responsibility to fulfill his obligation under the Contract.

3 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 Country of Origin

4.1 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.

5 Scope of Contract

5.1 Scope of the CONTRACT shall be as defined in the PURCHASE ORDER/CONTRACT specifications, drawings and Annexure thereto.

5.2 Completeness of the EQUIPMENT shall be the responsibility of the SELLER. Any equipment, fittings and accessories which may not be specifically mentioned in the specifications or drawings, but which are usual or necessary for the satisfactory functioning of the equipment (successful operation and functioning of the EQUIPMENT being SELLER's responsibility) shall be provided by SELLER without any extra cost.

5.3 The SELLER shall follow the best modern practices in the manufacture of high grade EQUIPMENT notwithstanding any omission in the specifications. The true intent and meaning of these documents is that SELLER shall in all respects, design, engineer, manufacture and supply the equipment in a thorough workmanlike manner and supply the same in prescribed time to the entire satisfaction of PURCHASER.

5.4 The SELLER shall furnish 2 (two) 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.

5.5 The documents once submitted by the SELLER shall be firm and final and not subject to subsequent changes. The SELLER shall be responsible for any loss to the PURCHASER 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 Seller shall provide cross sectional drawings, wherever applicable, to identify the spare part numbers and their location. The size of bearings, their make and number shall be furnished.

5.9 Specifications, design and drawings issued to the SELLER alongwith RFQ and CONTRACT are not sold or given but loaned. These shall remain property of PURCHASER or its assigns and are subject to recall by PURCHASER The SELLER 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 written permission of PURCHASER. All such details shall be kept confidential.

5.10 SELLER shall pack, protect, mark and arrange for despatch of EQUIPMENT as per instructions given in the CONTRACT.

6 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.

7 Instructions, Direction & Correspondence

7.1 The materials 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

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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.

- a. All instructions and orders to SELLER shall, excepting what is herein provided, be given by PURCHASER.
- b. All the work shall be carried out under the direction of and to the satisfaction of PURCHASER
- c. All communications including technical/commercial clarifications and/or comments shall be addressed to PURCHASER and shall always bear reference to the CONTRACT.
- d. Invoices for payment against CONTRACT shall be addressed to PURCHASER.
- e. The CONTRACT number shall be shown on all invoices, communications, packing lists, containers and bills of lading/LR, etc.

8 Contract Obligations

- 8.1 Once a contract is confirmed and signed, the terms and conditions contained therein shall take precedence over the Seller's bid and all previous correspondence.

9 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 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 PURCHASER shall not be bound by any printed conditions or provisions in the SELLER'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 Use of Contract Documents & Information

- 10.1 The Seller shall not, without the PURCHASER'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 SELLER 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 SELLER shall not, without the PURCHASER's prior written consent, make use of any document or information enumerated in Article 10.1. except for purpose of performing the CONTRACT.

11 Patent Rights, Liability & Compliance of Regulations

- 11.1 SELLER hereby warrants that the use or sale of the materials delivered hereunder will not infringe claims of any patent covering such material and SELLER 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 may have to pay or incur by reason of any such suit or proceedings.
- 11.2 The SELLER shall indemnify the PURCHASER against all third party claims of infringement of patent, trade mark or industrial design rights arising from use of the GOODS or any part thereof in the PURCHASER's country.
- 11.3 SELLER shall also protect and fully indemnify the PURCHASER from any claims from SELLER'S workmen/employees or their heirs, dependants, representatives, etc. or from any other person/persons or bodies/companies etc. for any acts of commissions or omission while executing the CONTRACT.
- 11.4 SELLER 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 Contract cum Performance Bank Guarantee (CPBG)

Within 15 days after the SELLER's receipt of notification of award of the CONTRACT, the SELLER shall furnish Performance Guarantee in the form of Bank Guarantee/irrevocable Letter of Credit to the PURCHASER, in the form provided in the Bidding Documents, for an amount equivalent to 10% of the total value of the CONTRACT.

The proceeds of Performance Guarantee shall be appropriated by the PURCHASER as compensation for any loss resulting from the SELLER'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 Performance Guarantee shall also govern the successful performance of Goods and Services during the entire period of Contractual Warrantee / Guarantee.

The performance guarantee shall be denominated in the currency of the CONTRACT.

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The Performance Guarantee shall be valid for the duration of 90 days beyond the expiry of Warrantee/Guarantee period. The Bank Guarantee will be discharged by PURCHASER not later than 6 months from the date of expiration of the Seller's entire obligations, including any warrantee obligations, under the CONTRACT.

13 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 SELLER 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 SELLER or his sub-contractor(s), at point of DELIVERY and/or at the GOODS' final destination, When conducted on the premises of the SELLER 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 SELLER 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 shall 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.
- 13.6 SELLER shall allow the INSPECTOR to visit, during working hours, the workshops relevant for execution of the CONTRACT during the entire period of CONTRACT validity.
- 13.7 In order to enable PURCHASER's representatives to obtain entry visas in time, SELLER shall notify PURCHASER two months before assembly, testing and packing of main EQUIPMENT. If requested, SELLER shall assist PURCHASER's representatives in getting visas in the shortest possible time (applicable only in case of foreign order).
- 13.8 SELLER 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 SELLER 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 SELLER shall be witnessed by the INSPECTOR. Therefore, SELLER shall confirm to PURCHASER by fax or e-mail about the exact date of inspection with at least 30 days notice. SELLER 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 SELLER'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 Article-13 shall in any way release the SELLER from any warrantee 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 SELLER.
- 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 and cost of the contractor/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, failing which the consignee will either return the materials to the contractor freight to pay or otherwise dispose them off at the contractor's risk and cost. The PURCHASER shall also be entitled to recover handling and storage charges for the period, during which the rejected materials are not removed @ 5% of the value of materials for each month or part of a month till the rejected materials are finally disposed off.

14 Time Schedule

- 14.1 Time Schedule Network/Bar Chart

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- 14.1.1 Together with the Contract confirmation, SELLER 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.
- 14.2 14.3.1 PURCHASER's representatives shall have the right to inspect SELLER's premises with a view to evaluating the actual progress of work on the basis of SELLER's time schedule documentation.
- 14.3.2 Irrespective of such inspection, SELLER shall advise PURCHASER, at the earliest possible date of any anticipated delay in the progress.
- 14.4 Notwithstanding the above, in case progress on the execution of contract at various stages is not as per phased time schedule and is not satisfactory in the opinion of the PURCHASER which shall be conclusive or SELLER shall neglect to execute the CONTRACT with due diligence and expedition or shall contravene the provisions of the CONTRACT, PURCHASER may give notice of the same in writing to the SELLER calling upon him to make good the failure, neglect or contravention complained of. Should SELLER fail to comply with such notice within the period considered reasonable by PURCHASER, the PURCHASER shall have the option and be at liberty to take the CONTRACT wholly or in part out of the SELLER's hand and make alternative arrangements to obtain the requirements and completion of CONTRACT at the SELLER's risk and cost and recover from the SELLER, all extra cost incurred by the PURCHASER on this account. In such event PURCHASER shall not be responsible for any loss that the SELLER may incur and SELLER shall not be entitled to any gain. PURCHASER shall, in addition, have the right to encash Performance Guarantee in full or part (if applicable),.

15 Delivery & Documents

- 15.1 Delivery of the GOODS shall be made by the SELLER in accordance with terms specified in the CONTRACT, and the goods shall remain at the risk of the SELLER until delivery has been completed.
- 15.2 Delivery shall be deemed to have been made :
- a) In the case of FOB, CFR & CIF Contracts, when the Goods have been put on board the ship, at the specified port of loading and a clean Bill of Lading is obtained. The date of Bill of Lading shall be considered as the delivery date.
- b) 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.
- c) In case of FOT site (for Indian bidders) on receipt of goods by PURCHASER/ at the designated site(s).
- 15.3 The delivery terms are binding and essential and consequently, no delay is allowed without the written approval of PURCHASER. Any request concerning delay will be void unless accepted by PURCHASER 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.
- 15.5 In the event of delay in delivery, Price Reduction Schedule as stipulated in Article – 26 shall apply.
- 15.6 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.
- 15.7 The additional copies of final drawings and instructions will be included in the package of goods, properly enveloped and protected.
- 15.8 The SELLER should comply with the Packing, Marking and Shipping Documentation & Specifications enclosed.

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 Where delivery is on FOB or CFR basis, marine insurance shall be the responsibility of the Purchaser.
- Insurance Requirements:
- Indigenous Bidders : Transit risk insurance from F.O.T. despatch point onwards shall be arranged and borne by GAIL.
- Foreign Bidders : Marine insurance as well as transit insurance in Purchaser's country shall be arranged and borne by GAIL.
- The SELLER shall ensure that in effecting despatch of materials, 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 jeopardized. The Seller shall furnish the cost of materials against each equipment.

17. Transportation

17. Where the SELLER is required under the CONTRACT to deliver the GOODS FOB, 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 SELLER and the cost thereof shall be included in

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the Contract price.
17.2 Where the SELLER is required under the CONTRACT to deliver the GOODS CFR or CIF, transport 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 SELLER and the cost thereof shall be included in the Contract price.

18 Incidental Services

18.1 The Seller 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 Seller of any warranty/guarantee obligations under the Contract.

18.1.4 Training of the Purchaser's personnel at the Seller's plant 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 Seller for the preceding incidental services, shall not exceed the prevailing rates charged to other parties by the Seller for similar services.

18.3 When required, Seller shall depute necessary personnel for supervision and/or erection of the Equipment at site for duration to be specified by Purchaser on mutually agreed terms. Seller'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 The cost of incidental services shall not be included in the quoted prices. The cost of applicable incidental services should be shown separately in the price schedules, if asked.

19 Spare Parts and Maintenance Tools

19.1 Seller may be required to provide any or all of the following materials and notification pertaining to spare parts manufactured or distributed by the Seller.

19.1.1 Such spare parts as the Purchaser may opt to purchase from the Seller, provided that his option shall not relieve the Seller of any warranty 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 needed requirements, 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 Seller shall supply item wise list with value of each item of spare parts and maintenance tools requirements, along with full details of manufacturers/vendors for such spares/maintenance tools for

19.2.1 The construction, execution and commissioning.

19.2.2 Two years operation and maintenance.

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 and workmanship and also shall be completely interchangeable with the corresponding parts.

19.4 Type and sizes of bearings 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 Clause 19.2 above, their quotation 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.

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No deviation from such specifications or alterations or of these conditions shall be made without PURCHASER'S agreement in writing which must be obtained before any work against the order is commenced. All materials supplied by the SELLER pursuant to the Contract (irrespective of whether engineering, design data or other information has been furnished, reviewed or approved by PURCHASER) are guaranteed to be of the best quality of their respective kinds (unless otherwise specifically authorized in writing by PURCHASER) 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 fulfill 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 to twelve(12) months from the date of the use for which the materials supplied under the Contract form a part thereof, or twenty four (24) months from the date of shipment (for each lot) whichever period shall first expire, and the SELLER is notified thereof, SELLER 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.

PURCHASER may, at his option, remove such defective materials, at SELLER'S expense in which event SELLER shall, without cost to PURCHASER and as promptly as possible, furnish and install proper materials. Repaired or replaced materials shall be similarly guaranteed by the SELLER for a period of no less than twelve (12) months from the date of replacement/repair.

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 and rectification is required at site, PURCHASER shall notify the SELLER giving full details of differences. The SELLER shall attend the site within seven (7) days of receipt of such notice to meet and agree with representatives of PURCHASER, the action required to correct the deficiency. Should the SELLER fail to attend meeting at Site within the time specified above, PURCHASER shall immediately rectify the work/materials and SELLER shall reimburse PURCHASER all costs and expenses incurred in connection with such trouble or defect.

20.2 PERFORMANCE GUARANTEE OF EQUIPMENT

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

20.2.3 If the SELLER fails to prove the guarantee within a reasonable period, PURCHASER/ 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 Seller's risk and cost. All expenditure incurred by the PURCHASER in this regard shall be to SELLER's account.

21 Terms of Payment

21.1 The method of payment to be made to the SELLER under this CONTRACT shall be specified in the Special Conditions of Contract.

21.2 The type(s) of payment to be made to the SELLER under this CONTRACT shall be specified in the Special Conditions of Contract.

21.3 The SELLER'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.

21.5 Payment will be made in the currency or currencies in which the Contract Price has been stated in the SELLER's bid, as well as in other currencies in which the SELLER 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.

General Notes:

1. All foreign currency payments to foreign bidder shall be released through an irrevocable Letter of Credit, which shall be opened through Government of India Nationalized 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 unconditional acceptance of Letter /Fax of Intent.
2. For dispatches on FOT dispatch point (in India) basis, the payment shall be through PURCHASER's bank. Payment through Bank, wherever applicable, shall be released as per normal banking procedures.
3. Payment shall be released within 30 days after receipt of relevant documents complete in all respects.
4. All bank charges incurred in connection with payments shall be to Seller's account in case of Indian bidders and to respective accounts in case of Foreign bidder.
5. Unless otherwise specifically stated in bid document, all payments shall be made in the currency quoted.
6. No interest charges for delay in payments, if any, shall be payable by PURCHASER.

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7. 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.
8. 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.

22 Prices

- 22.1 Prices charged by the SELLER 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 SELLER in his bid.

23 Subletting & Assignment

- 23.1 The contractor 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 contractor from any obligation, duty or responsibility under the contract.

24 Time As Essence of Contract

- 24.1 The time and date 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 Seller'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:
- 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 SELLER shall be liable without limitation for the hire charges; or
 - cancel the CONTRACT in whole or in part without liability for 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 SELLER 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
 - 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.
- 25.1 Any unexcusable delay by the SELLER or his sub-contractor shall render the SELLER liable, without prejudice to any other terms of the Contract, to any or all of the following sanctions: forfeiture of Contract performance guarantee (if applicable), imposition of price reduction for delay in delivery and termination of the contract for default.

26 Price Reduction Schedule For Delayed Delivery

- 26.1 Subject to Article -29, if the SELLER fails to deliver any or all of the GOODS or performance 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:
In case of delay in delivery of equipment/materials or delay in completion, total contract price shall be reduced by 1/2% (Half percent) of the total contract price per complete week of delay or part thereof subject to a maximum of 5% (Five percent) of the total contract price.
- 26.2 In case of delay in delivery on the part of Seller, the invoice/document value shall be reduced proportionately for the delay and payment shall be released accordingly.
- 26.3 In the event the invoice value is not reduced proportionately for the delay, the PURCHASER may deduct the amount so payable by SELLER, from any amount falling due to the SELLER or by recovery against the Performance Guarantee (if applicable).
Both seller 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 SELLER 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 in the matter of applicability of price reduction shall be final and binding.

27 Rejections, Removal of Rejected Equipment & Replacement

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- 27.1 Preliminary inspection at SELLER's works by INSPECTOR shall not prejudice PURCHASER's claim for rejection of the 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 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 SELLER'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 SELLER of his obligations under the Contract.
- 27.4 EQUIPMENT rejected by the PURCHASER shall be removed by the Seller at his cost within 14 days of notice after repaying the amounts received against the SUPPLY. 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 CONTRACTOR'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 SELLER, terminate the CONTRACT in whole or in part:

- A) If the SELLER fails to deliver any or all of the GOODS within the time period(s) specified in the CONTRACT; or
- B) If the SELLER fails to perform any other obligation(s) under the CONTRACT, and
- C) If the SELLER, in either of the above circumstances, does not cure his failure within a period of 30 days (or such longer 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 Article 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 SELLER shall be liable to the PURCHASER for any excess costs for such similar GOODS. However, the SELLER 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 and termination after expiry of contract, the VENDOR shall be put under holiday [i.e. neither any enquiry will be issued to the party by GAIL (India) Ltd. Against any type of tender nor their offer will be considered by GAIL against any ongoing tender (s) where contract between GAIL and that particular VENDOR (as a bidder) has not been finalized] for three years from the date of termination by GAIL (India) Ltd. to such VENDOR.

28.2 Termination for Insolvency

The PURCHASER, may at any time, terminate the CONTRACT by giving written notice to the SELLER, without compensation to the SELLER, if the SELLER 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

28.3.1 The PURCHASER may, by written notice sent to the SELLER, terminate the CONTRACT, in whole or part, at any time for his convenience. The notice of termination shall specify that termination is for the PURCHASER's convenience, the extent to which performance of work under the CONTRACT is terminated and the date upon which such termination becomes effective.

28.3.2 The GOODS that are complete and ready for shipment within 30 days after the SELLER's receipt of notice of termination shall be purchased by the PURCHASER at the CONTRACT terms and prices. For the remaining GOODS, the PURCHASER may opt:

- a) to have any portion completed and delivered at the CONTRACT terms and prices, and /or
- b) to cancel the remainder and pay to the SELLER an agreed amount for partially completed GOODS and for materials and parts previously procured by the SELLER.

29 Force Majeure

29.1 Shall mean and be limited to the following:

- a) War/hostilities
- b) Riot or Civil commotion
- c) Earthquake, flood, tempest, lightening or other natural physical disaster.
- d) Restrictions imposed by the Government or other Statutory bodies which prevents or delays the execution of the Contract by the SELLER.

The SELLER shall advise PURCHASER by a registered letter duly certified by the local Chamber of Commerce or statutory authorities, the beginning and end of the above causes of delay within seven (7) days of the occurrence and cessation of such Force Majeure Conditions. In the event of delay lasting over one month, if arising out of causes of Force Majeure, PURCHASER reserves the right to cancel the Contract and the provisions governing termination stated under Article 28.0 shall apply.

For delays arising out of Force Majeure, the SELLER shall not claim extension in completion date for a period

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exceeding the period of delay attributable to the causes of Force Majeure and neither PURCHASER nor SELLER shall be liable to pay extra costs provided it is mutually established that Force Majeure Conditions did actually exist.

SELLER 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 SELLER 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 SELLER without being subject to price reduction for delayed deliveries, as stated elsewhere.

30 Resolution of Disputes/Arbitration

30.1 The PURCHASER and the SELLER shall make every effort to resolve amicably by direct informal negotiations any disagreement or dispute arising between them under or in connection with the contract.

30.2 If, after thirty days from the commencement of such informal negotiations, the PURCHASER and the SELLER have been unable to resolve amicably a Contract dispute, either party may require that the dispute be referred for resolution to the formal mechanism as specified hereunder.

30.3 Legal Construction

The Contract shall be, in all respects be construed and operated as an Indian Contract and in accordance with Indian Laws as in force for the time being and is subject to and referred to the Court of Law situated within Union Territory of New Delhi.

30.4 Arbitration

All disputes, controversies, or claims between the parties (except in matters where the decision of the Engineer-in-Charge is deemed to be final and binding) which cannot be mutually resolved within a reasonable time shall be referred to Arbitration by a sole arbitrator.

The PURCHASER (GAIL (India) Limited) shall suggest a panel of three independent and distinguished persons to the Seller to select any one among them to act as the sole Arbitrator.

In the event of failure of the Seller to select the Sole Arbitrator within 30 days from the receipt of the communication suggesting the panel of arbitrators, the right of selection of Sole Arbitrator by the other party shall stand forfeited and the PURCHASER shall have discretion to proceed with the appointment of the Sole Arbitrator. The decision of the PURCHASER on the appointment of Sole Arbitrator shall be final and binding on the parties.

The award of the Sole Arbitrator shall be final and binding on the parties and unless directed/awarded otherwise by the Sole Arbitrator, the cost of arbitration proceedings shall be shared equally by the parties. The arbitration proceeding shall be in English language and the venue shall be at New Delhi, India.

Subject to the above, the provisions of (Indian) Arbitration & Conciliation Act, 1996 and the rules framed thereunder shall be applicable. All matters relating to this contract are subject to the exclusive jurisdiction of the Courts situated in the State of Delhi (India).

Seller may please note that the Arbitration & Conciliation Act 1996 was enacted by the Indian Parliament and is based on United Nations Commission on International Trade Law (UNCITRAL model law), which were prepared after extensive consultation with Arbitral Institutions and centers of International Commercial Arbitration. The United Nations General Assembly vide resolution 31/98 adopted the UNCITRAL Arbitration rules on 15 December 1996.

The WORK under the CONTRACT shall, however, continue during the Arbitration proceedings and no payment due or payable to the Seller shall be withheld on account of such proceedings.

31 Governing Language

31.1 The Contract shall be written in English language as specified by the PURCHASER/ 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.

32 Notices

32.1 Any notice given by one party to the other pursuant to the Contract shall be sent in writing or by telegram or fax, telex/cable confirmed in writing.

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

33 Taxes & Duties

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

33.2 A domestic Seller shall be entirely responsible for all taxes, duties, licence fees etc. incurred until the delivery of the contracted goods to the PURCHASER. However, Sales Tax and Excise duty on finished products shall be reimbursed by PURCHASER.

33.3 Customs duty payable in India for imported goods ordered by PURCHASER on foreign Seller shall be borne and

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- paid by PURCHASER.
- 33.4 Any income tax payable in respect of supervisory services rendered by Seller under the Contract shall be as per the Indian Income Tax Act and shall be borne by SELLER. It is upto the bidder/seller to ascertain the amount of these taxes and to include them in his bid price.
- 34 Books & Records**
- 34.1 SELLER shall maintain adequate books and records in connection with Contract and shall make them available for inspection and audit by PURCHASER or their authorized agents or representatives during the terms of Contract until expiry of the performance guarantee. 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 SELLER 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 SELLER further agrees to hold PURCHASER 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 SELLER's personnel to undertake any work in India 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 SELLER's failure to adhere to any of the instructions given by the PURCHASER in connection with the contract execution shall be recoverable from the SELLER.
- 36.3 Recovery of sums due
All costs, damages or expenses which the PURCHASER may have paid, for which under the CONTRACT SELLER 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 SELLER under this Contract or other Contracts and/or may be recovered by action at law or otherwise. If the same due to the SELLER be not sufficient to recover the recoverable amount, the SELLER 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 shall affect or prejudice the rights of the PURCHASER against the SELLER or relieve the SELLER of his obligation for the due fulfillment of the CONTRACT.
- 36.5 Cut-off Dates
No claims or correspondence on this Contract shall be entertained by the PURCHASER after 90 days after expiry of the performance guarantee (from the date of final extension, if any)
- 36.6 Paragraph heading
The paragraph heading in these conditions shall not affect the construction thereof.
- 37 Import Licence**
- 31.7 No import licence is required for the imports covered under this document.
- 38 FALL CLAUSE**
- Not applicable
- 39 Repeat Order**
- 39.1 PURCHASER reserves the right, within 6 months of order to place repeat order upto 50% of the total order value without any change in unit price or other terms and conditions.
- 40 Limitation of Liability**
- 40.1 Notwithstanding anything contrary contained herein, the aggregate total liability of Seller under the Agreement or otherwise shall be limited to 100% of Agreement / Order price. However, neither party shall be liable to the other party for any indirect and consequential damages, loss of profits or loss of production.

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