

REQUEST FOR QUOTATION

To,
GAIL WEBSITE VENDOR,
India
Vendor Code : 101019938

RFQ No.
:GAIL/AG/09/0402/3200052395/KKD/C&P
Date:09.04.2009
RFQ Due on : 05.05.2009 at 14:00 Hrs IST
Tender Opening Date : 05.05.2009 at 15.00 Hrs IST

Dear Sir(s)/Madam,

GAIL (India) Ltd. invites you to submit your offer in sealed envelope, superscribing RFQ No. & Due date for the following item(s) in complete accordance with enquiry documents/attachments:

Sl. No	MatCode	UOM	QTY	Unit Price
	Description			(in figures & words)

Group : 1

FLOW COMPUTER

MAKE: OTHERS

SUPPLEMENTARY REQUIREMENTS:

ADDITIONAL REQUIREMENTS:

1	8448768023	EACH	4	_____
	FLOW COMPUTER,CONTROL ROOM MOUNTED			
	FLOW COMPUTER			
	CONTROL ROOM MOUNTED			

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FLOW COMPUTERS

(Suitable for USM as well as Turbine Meter application)

1.0. TYPE:

Microprocessor based, with digital display, data entry keyboard. Flow computer electronics shall be tropicalised, protected from industrial interferences; shock and vibration proof and have low power supply consumption. The computer shall be designed to perform accurately from -20°C to 65°C.

Flow computer CPU shall be with minimum 32-bit microprocessor with a separate math co processor, 16 MHz operations, real time clock and RAM battery backup.

Flow computer shall have (RAM # 512KB expandable up to 1MB, EPROM # 1MB expandable up to 2MB) at least data memory 4 MB of RAM, Program memory 4 MB of Flash & set-up & preset memory 1MB of EPROM.

1.1 MOUNTING:

Flush panel mounting

(Flow computers shall be mounted on the existing control panel and cost of installation, cut out making and additional mounting plate if required will be in the scope of vendor). The existing cut out size is 363.8mm x 130.5mm x 440.0mm (LengthxWidthxDepth) in control panel. However other sizes will also be acceptable.

1.2. ENCLOSURE:

(General purpose) Painted, welded steel outer case with plastic front panel.

1.3. POWER SUPPLY:

230 V A.C. $\pm 10\%$, 50 Hz $\pm 3\%$ (UPS)/ 20-32 V DC

1.3. INPUT SIGNAL CAPABILITY:

- * Two HART® inputs each capable of interfacing with up to three separate SMART transmitters.
- * Four 4-20 mA analogue inputs.
- * One PRT temperature input (for 4/3 wire RTD, PT-100).
- * Dual pulse input from Turbine meter HF pulsars (02 nos.)
- * Digital inputs from USM.

The inputs from field shall be intrinsically safe. If the flow computer is not capable to provide intrinsically safe system, then intrinsic safe barriers suitable for the supplied flow computers to be provided for each such inputs, without any financial implication to GAIL.

(a) 4-20 mA D.C. (2 wire) signal from pressure transmitter representing line pressure (2 nos; 1 no. for each metering stream).

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(b) 4-20 mA D.C. (2 wire) signal from temperature transmitter representing line temperature (2 nos; 1 no. for each metering stream).

(c) Provision for Pulse Signals from Turbine Meter

(a),(b) &C shall be a part of intrinsically safe circuits. Transmitters shall have a load driving capability of 600 ohm at 24 V D.C. Vendor to note this while choosing the precision resistor inside the flow computer for converting 4-20 mA signal to voltage signal. Maximum value of this resistor shall not exceed 250 ohm.

(d) Vendor should ensure that Flow Computers must communicate with ENCAL 2000 PGC for accepting gas composition on line for compressibility factor calculation as AGA-8. One RS232 communication port is available.

(e) 4 wire Class A resistance input from PT-100

(f) Other standard inputs available)

1.5 KEYBOARD CAPABILITY:

The data entry keyboard shall have the provision to enter the following:

(a) Pressure and temperature base factor

(b) Atmospheric pressure

(c) Specific gravity and scaling factor

(d) Mol % or composition of the gas to be metered

(e) Report headings, frequency and timing of reports

(f) Selection of parameter to be displayed and on-demand printing of reports

(g) Calorific value

(h) Flow, pressure, temperature and density values and give compensated flow for any external conditions

(i) Gas Compressibility factor.

(j) Other standard features available

(k) The flow computer shall have provision to enter default values of all inputs (inclusive gas chromatograph). Low/high alarms for all inputs (inclusive gas chromatograph) shall be user configurable. The flow computer shall use the default values in case any input goes beyond low/high limit.

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- (l) Provision for local barometric pressure entry should be provided.
- (m) There should be two modes available for in-use gas flow rate
 - a. KEYPAD
 - b. MEASURED

If MEASURED mode is manually selected the mode remains in MEASURED Until KEYPAD mode is manually selected.

1.6 OUTPUT CAPABILITY:

- (a) 4-20 mA compensated volume flow rate, line pressure, line temperature and energy rate (or mass / volume flow rate) etc. (8 Nos.)
- (b) Contact alarms output for unit malfunction/ process alarm like low pressure etc. (3 nos. total).
- (c) At least 05 nos. of RS 232C/485 (exact type to be decided by bidder as per the distances required) serial output links
 - * Operator HMI and one spare.
 - * SCADA Inputs
 - * Inputs from on line GC.
 - * Printer.
 - * Spare

- (d) Other standard outputs available.

(Galvanic/ optical isolation is required for all inputs and outputs. Isolating relays shall be provided for potential free contact generation from switched inputs)

1.7 COMPUTATIONAL CAPABILITY:

- (a) Volume flow rate at operator specified base conditions (Sm³/hr): Pressure -1.01325 Bar A, Temp-15.56 Deg Celsius
- (c) Integrated corrected volume
- (d) Mass flow rate and integrated mass
- (e) Energy flow rate and integrated energy.
- (e) Linearisation of (temperature input) turbine meter error curve.
- (f) Generation of standard and user defined reports at ticket printer. All reports shall be user configurable. Supply of printer will be in the scope of vendor.
- (g) Co-efficient of deviation from ideal gas law as per AGA 8 on the basis of specific gravity, temperature, pressure & mol % of N₂ and CO₂ and other compositions to be entered manually through keyboard.

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(h) Previous day's flow (i.e. yesterday's 6.00 A.M total volume to today's 6.00 A.M total volume) & current running total for the day (i.e. volume totalizer / integrator value at 6.00 A.M from first day) to be stored in a separate location (register) and these shall be user configurable.

(i) Today's accumulated flow (running total since morning 6.00 A.M to current time) and shall be user configurable.

(j) Provision for Energy flow rate, Yesterday total energy and Today's accumulated energy flow is to be made.

(k) The Turbine meter or USM option shall be selectable. If any flow computer needs re-configuration, then both the option shall be configured and made available to user for selection purpose.

All the above data shall be also made available by bidder in the serial link.

1.8 STANDARDS USED:

For the above, applicable standards are:

(a) AGA 7 /AGA-9 for flow rate and total flow.(Selectable)

(b) As per AGA-8 detail characterization method to determine density, compressibility, super compressibility factor etc. Selection for various other options like AGA-8 Gross1 & 2, SGERG etc shall be configured and made available to user for selection purpose.

(c) GPA 2172/ISO 6976 for energy calculations. (Selectable)

(d) (Additional capability for calculating flow using NX-19, AGA-7& AGA-9)

1.9 ENGINEERING UNITS:

Un Corrected Volume flow rate - Nm³/Hr

Corrected Volume Flow Rate # SCM/Hr

Mass - kg/hr

Pressure - kg/cm²g

Temperature - °C

Energy # Kcal / MJ

1.10 MEMORY TYPE:

Non-Volatile

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1.11 A/D AND D/A CONVERTORS:

Shall have at least 12-bit resolution. Calculation accuracy shall be better than $\pm 0.05\%$ of full scale including linearity, hysteresis, repeatability and resolution. Accuracy for analog inputs to be minimum 0.05% while for analog output, accuracy should be $\pm 0.1\%$ of FSD.

1.12 SCAN PROCESSING TIME:

- a. The interval between computer readings of Process variables shall not exceed 1 sec.
- b. The interval between each cycle for computation of instantaneous flow rate and totalized flow shall be less than 1 sec.
- c. Algorithm and rounding off error for computation shall be within $\pm 0.001\%$ of computed value.

1.13 SECURITY:

Key lock/ Software lock (password) shall be provided for prevention of unauthorized data entry. One hardware and three software security levels shall be provided.

- Level 1 for engineer
- Level-2 for technician
- Level-3 for operator

Audit trail facility should be provided for last 100 events like configuration change, Hot Start and Warm start of unit etc.

1.14 DISPLAY CAPABILITY:

Displays and reports shall be configurable type and flow computer shall have following Display capability

The flow computer shall have the capability to display any two of the following parameters at a time:

- (a) Uncompensated volume flow rate
- (b) Compensated volume flow rate
- (c) Integrated volume
- (d) Last 24 Hrs. Cumulative volume (Compensated & Un-compensated)
- (e) This 24 Hrs. Cumulative volume (Compensated & Un-compensated)
- (f) Mass flow rate
- (g) Integrated mass

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- (h) Density/Specific gravity
 - (i) Pressure
 - (j) Temperature
 - (k) Energy rate & total energy
 - (l) Complete gas composition
 - (m) Calculated parameters (compressibility factor etc.)
 - (n) Current accumulation, previous day accumulation
 - (o) Data entry
 - (p) Error codes
 - (q) Selected parameter codes
 - (r) Alarms (process and systems) including diagnostic message
 - (s) Engg. units as per selected parameter
 - (t) Other standard displays available
- All the above data shall be also made available by bidder in the serial link.

1.15 DISPLAY TYPE:

- (a) Alphanumeric LCD display
- (b) LED display for user definable parameters

1.16 DIAGNOSTICS:

Flow computers shall have elaborate and sufficient on-line diagnostics to ascertain accurate and proper functioning of the flow computer. Results of diagnostics/checking shall be displayed. Facility for easy testing of the accuracy shall be provided. Provision for high and low limit check for each input, sensor break, saturation and alarms shall be provided.

1.17 INTERFACE

A) SERIAL LINK INTERFACE CAPABILITY:

The communication of the Flow computer with the existing GAIL RTU will be through a RS232 serial port. The protocol to be used is MODICON MODBUS RTU 32 bit with individual register size of 16 bit.

(Bidder shall provide RS 232/485 (as per the distances required) serial output link for all the

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signals with MODBUS (RTU & other Types) protocol for the followings):

At least 05 nos. of RS 232C/485 serial output links

- * Operator HMI and one spare.
- * SCADA Inputs (RS 232)
- * Inputs from on line GC.
- * Printer.
- * Spare

- i. (Serial link for data transfer to Vijaipur via RTU (SCADA).
- ii. Operator Station #HMI
- iii. Serial link for accepting data from gas chromatograph.)

B) Outputs from the flow computers shall be isolated. Active isolators, if required, shall be included by the bidder, suitable for DIN rail mounting inside bidder's supplied control panel. (24 V DC for powering the isolators shall be distributed by bidder from their power distribution cabinet.)

C) Ethernet (TCP/IP)

D) The flow computers shall be able to communicate with any make of on line GC (For eg. Instromet, Daniel, ABB etc). The same to be established with the existing GC at site.

ALARMS& EVENTS: LED for indication for all alarms & event is provided on front panel and have an Audit trail facility.

A) (Alarms: Value High, Value low # for all input parameters and Hardware fail.

B) Events: Each Mode change, e.g. MEASURED to KEYPAD and Fixed gas flow rate in use.)

1.18 APPROVALS:

Offered Model of Flow Computer shall be approved for custody transfer of natural gas by NMI or PTB or Measurement Canada or Directorate of Legal Metrology (India) under provision of OIML or related guidelines. Vendors has to attach complete certificate along with test certificate (if applicable) along with the offer.

2. INSTALLATION & COMMISSIONING: The Installation, testing & commissioning of the flow computers to be done by the vendor.

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EMD Details : RS.1,20,000/- (RUPEES ONE LAC TWENTY THOUSAND ONLY) IN FORM OF D.D. OR B.G. AS PER FORMAT ATTACHED IN FAVOUR OF M/S GAIL (INDIA) LIMITED, PAYABALE AT AGRA-UP. EMD MUST BE SUBMITTED BY BIDDER ALONGWITH OFFER/BID. WITHOUT EMD OFFER SHALL BE REJECTED.

PLEASE QUOTE YOUR RATE WITHOUT CONSIDERED ANY CONCESSIONAL FORM C & D.

GAIL WILL NOT ISSUE ANY FORM C OR D
BG FORMAT IS ALSO ATTACHED.

Instruction to Bidders : This RFQ is floated under two bid system. Bid shall be submitted in the following manner separately sealed in envelope duly super scribed as below:

Part-I: Techno-commercial bid (Un price bid)
consist of complete tender document duly signed & stamped.
SOR Part (As per RFQ) blanked mentioned "Quoted" against the items, submit your technical specification & filled up terms & conditions in the enclosed format (FORMAT FOR details terms & condition TO BE FILLED BY VENDOR) AND COPIES OF documents as required in BEC.

Part-II: Price bid (consist of complete quoted price/rates against the items)

Part-III: EMD (consist of Demand Draft/BG as per the format)

All the three envelopes containing Part-I, Part-II, Part-III should be enclosed in a larger envelope duly sealed and pasted with super scribed RFQ No. date & due date of opening.

NOTE : THE PRE-BID MEETING SHALL BE HELD ON 24.04.2009 AT 1100 HRS AT GAIL AGRA OFFICE. THE BIDDERS ARE ADVISED TO JOIN THE SAME.

Price Basis : FOT DESTINATION AGRA

Delivery/Completion Schedule : WITHIN 45 DAYS FROM P.O. DATE.

Terms of delivery : DOOR DELIVERY ON FREIGHT PRE-PAID BASIS.

Consignee Address : MANAGER (C&P) GAIL (INDIA) LTD., CITY GATE STATION, TEDI BAGIYA, AGRA-UP

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RFQ No:GAIL/AG/09/0402/3200052395/KKD/C&P
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Terms of payment : 100% WITHIN 15 DAYS AFTER RECEIPT & ACCEPTANCE OF MATERIAL AT SITE SUBJECT TO SUBMISSION OF PBG IN THE FORM OF BG FOR 10% OF TOTAL ORDER VALUE AS PER GAIL's FORMAT. EMD WILL NOT BE ADJUSTED TOWARDS PBG.

Warranties : 12/24 MONTHS. (REFER GCC)

Price Reduction Schedule : 0.5 PER WEEK OR PART THEREOF SUBJECT TO MAX. 5% OF TOTAL ORDER VALUE.

Performance Bank Guarantee : THE PBG FOR 10% OF TOTAL ORDER VALUE AS PER GAIL FORMAT SHALL BE SUBMITTED WITHIN 15 DAYS OF P.O. DATE.

Detailed Desc./Drg./Sample etc : GCC

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- Other contractual stipulations :**
1. BANK CHARGES SHALL BE TO RESPECTIVE ACCOUNTS.
 2. PART DELIVERY IS NOT PERMITTED.
 3. NO ADVANCE PAYMENT IS PERMITTED. THIS SHALL LEADS TO REJECTION OF THE BID. PAYMENT TERM SHALL BE ACCEPTED AS PER RFQ.
 4. OFFER SHALL BE COMPARED ON EX-WORKS PRICE + P&F +ED WITH CESS + CST/LST/VAT WITHOUT FORM-C + TRANSPORTATION CHARGES UP TO DESTINATION.
 5. THE AUTHORISED REPRESENTATIVE ALONGWITH AUTHORITY LETTER MAY BE DEPUTED TO WITNESSED THE UN-PRICE BID OPENING ON DUE DATE & PRICE BID OPENING MAY BE WITNESS BY THE TECHNO-COMMERCIALY ACCEPTABLE BIDDERS AFTER RECEIVING A COMMUNICATION FROM OUR SIDE SUBSEQUENTLY.
 6. WE DO NOT PROVIDE FORM-C, QUOTE YOUR PRICE ACCORDINGLY .
 7. REPEAT ORDER SHALL BE APPLICABLE UPTO 50% OF THE INITIALLY ORDERED QUANTITY OF PO (ITEMWISE BASIS) AS PER TERMS OF RFQ/GCC WITHIN 6 MONTHS OFV THE PO SUBJECT TO ORDERED QUANTITY SHALL BE MORE THAN ONE.
 8. THE TEST CERTIFICATES, WARRANTY CERTIFICATES AND CATOLOGUES SHALL BE SUBMITTED ALONGWITH DELIVERY OF MATERIAL.
 9. TRANSIT INSURANCE IS IN THE SCOPE OF GAIL .
 - 10.THE FREIGHT CHARGES IF APPLICABLE SHALL BE QUOTED IN PERCENTAGE ONLY UP TO OUR DESTINATION. IF NOT QUOTED, WE SHALL PRESUME THAT THE FREIGHT CHARGES ARE INCLUSIVE IN THE QUOTED PRICE AND SAME SHALL BE BINDING ON THE BIDDER. IF FOUND QUOTED EXTRA AT ACTUALS, WE SHALL LOAD THE PRICE BY HIGHEST QUOTED BY ANY OF THE BIDDER AGAINST THIS RFQ.
 - 11.ALL TAX COMPONENT AS APPLICABLE AND P&F CHARGES SHALL ALSO BE QUOTED IN PERCENTAGE ONLY.
 - 12.THE MATERIAL SHALL ONLY BE DESPATCHED THROUGH REPUTED /GOVERNMENT APPROVED TRANSPORTOR.
 13. HOLDING ACCOUNT WITH HDFC/ICICI IS PREFERRED FOR E-PAYMENT.
 14. BIDDERS ARE ADVISED TO SUBMIT THE COMPLETE BID WITHOUT ANY DEVIATION TO THE RFQ. OFFER SHALL BE EVALUATED ON THE BASIS OF DOCUMENT ORIGINALLY SUBMITTED.
 15. REJECTION CRITERIA. NON COMPLIANCE/ SUBMISSION TO THE FOLLOWING SHALL LEAD TO REJECTION OF THE BID.
 - i) FIRM PRICE- PRICES SHOULD BE FIRM WITHOUT ESCALATION.
 - ii) CONDITIONAL OFFER- SUBJECTIVE OFFER SHALL NOT BE ACCEPTED.
 - iii) EMD/BID BOND - NON SUBMISSION OF EMD.
 - iv) TECHNICAL SPECIFICATIONS- TO BE QUOTED AS PER RFQ. DO NOT QUOTE FOR OPTIONAL/ALTERNATE ITEMS.
 - v) PRICE SCHEDULE-- SHOULD BE QUOTED ONLY AS PER RFQ.
 - vi) PERIOD OF VALIDITY OF BID-TO BE ACCEPTED AS PER RFQ.
 - vii) DELIVERY PERIOD - TO BE ACCEPTED AS PER RFQ.
 - viii) PRICE REDUCTION SCHEDULE - TO BE ACCEPTED AS PER RFQ.
 - ix) PERFORMANCE BANK GUARANTEE/ SECURITY DEPOSIT - TO BE ACCEPTED AS PER RFQ/LOA/PO TERMS.
 - x) GUARANTEE/WARANTEE PERIOD --- TO BE ACCEPTED AS PER RFQ.

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xi) ARBITRATION/RESOLUTION OF DISPUTE - TO BE ACCEPTED AS PER RFQ.

xii) FORCE MEJURE - TO BE ACCEPTED AS PER RFQ

xiii) APPLICABLE LAWS - TO BE ACCEPTED AS PER RFQ

16. BIDS ARE INVITED UNDER SINGLE STAGE TWO BID SYSTEM. BIDS SHOULD BE SUBMITTED SEPARATELY IN TWO PARTS IN SEALED ENVELOPES SUPERSCRIBED WITH THE ABOVE RFQ/BID DOCUMENT NUMBER, BID DUE DATE & TIME, ITEMS OF SUPPLY AND NATURE OF BID (UNPRICED, PRICED). BIDS SHOULD BE SUBMITTED SEPARATELY IN SEALED ENVELOPE DULY SUPERSCRIBED WITH THE ABOVE RFQ/BID DOCUMENT NUMBER, BID DUE DATE & TIME.

17. FALL CLAUSE:

THE PRICE CHARGED FOR STORES SUPPLIED UNDER THE CONTRACT BY THE SELLER SHALL IN NO EVENT EXCEED THE LOWEST PRICE AT WHICH THE SELLER OR HIS AGENT, PRINCIPLE, DEALER AS THE CASE MAY BE, SELLS THE STORES OR OFFERS TO SELL STORES OF IDENTICAL DEPARTMENT OF THE CENTRAL GOVT. OR ANY DEPARTMENT OR ANY DEPARTMENT OF A STATE GOVT. OR ANY STATUTORY UNDERTAKING OF THE CENTRAL OR STATE GOVT. AS THE CASE MAY BE DURING THE CURRENCY OF THE CONTRACT. IF AT ANY TIME DURING THE SAID PERIOD, THE CONTRACTOR OR HIS AGENT/PRINCIPLE/DEALER AS THE CASE MAY BE, REDUCES THE SALE PRICE, SELLS OR OFFERS TO SELL SUCH STORES TO ANY PERSONS/ORGANIZATION INCLUDING THE PURCHASE OR ANY DEPARTMENT OF CENTRAL GOVERNMENT OR ANY DEPARTMENT OF A STATE GOVERNMENT OR ANY STATUTORY UNDERTAKING OF THE CENTRAL OR STATE GOVERNMENT AS THE CASE MAY BE, AT A PRICE LOWER THAN THE PRICE CHARGEABLE UNDER THE CONTRACT, HE SHALL FORTHWITH NOTIFY SUCH REDUCTION OR SALE OR OFFER OF SALE TO THE PURCHASER AND THE PRICE PAYABLE UNDER THE CONTRACT FOR THE STORES SUPPLIED AFTER THE DATE OF THE COMING INTO FORCE OF SUCH REDUCTION OR SALE OR OFFER OF SALE SHALL STAND CORRESPONDINGLY REDUCED. THE ABOVE STIPULATION WILL, HOWEVER, NOT APPLY TO:

a) EXPORTS BY THE CONTRACTOR/ SUPPLIER OR

b) SALE OF GOODS AS ORIGINAL EQUIPMENT AT PRICES LOWER THAN THE PRICES CHARGED FOR NORMAL REPLACEMENT.

c) SALES OF GOODS, WHICH HAVE EXPIRY, DATE.

9) THE BIDDERS ARE ADVISED TO GO THROUGH THE DOCUMENT COMPLETELY AND IF THERE IS ANY QUERY, THE SAME MAY BE RAISED/GET CLARIFIED THROUGH MAIL OR FAX. GAIL SHALL NOT RAISE AND SHALL NOT ACCEPT ANY QUERY AFTER SUBMISSION OF BID AND THE OFFER SHALL BE EVALUATED ON THE BASIS OF QUOTED PARAMETERS.

18. THE P&F AND FREIGHT CHARGES IF APPLICABLE ARE ALSO TO BE MENTIONED SEPARATELY IN PERCENTAGE (%) ONLY.

19. EMD EXEMPTION : THE EMD EXEMPTION SHALL BE GRANTED AS PER GOVT. DIRECTIVES/GUIDELINES.

20. THE GCC IS ATTACHED IN OUR TENDER DOCUMENT/RFQ POSTED ON WEBSITE. OUR WEBSITE IS gailonline.com. THE BIDDERS ARE ADVISED TO DOWNLOAD THE GCC & SUBMIT THE SAME ALONG WITH THEIR OFFER DULY ACCEPTED SIGNED & STAMPED WITHOUT ANY DEVIATION.

21. IF ANY OF THE BIDDER DOES NOT MENTION ANY TAXES, DUTIES ETC., IT SHALL BE PRESUMED THAT THE PRICES ARE INCLUSIVE OF ALL.

22. THE OFFERS SHALL BE EVALUATED ON ITEMWISE BASIS FOR THE PURPOSE OF

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PLACEMENT OF ORDER.

23. THE BID SHALL BE SUBMITTED TO;

MANAGER (C&P), GAIL (INDIA) LTD., G-10/08, PADAMDEEP TOWER,
IIIRD FLOOR, SANJAY PLACE, AGRA-282002 (UP)

E_mail ID: kkdhiran@gail.co.in

24. VENDOR/CONTRACTOR REGISTRATION : THE VENDORS/CONTRACTOR WHO HAVE NOT BEEN SENT/ISSUED THE HARD COPY OF THE RFQ/TENDER DOCUMENT AND ARE SUBMITTING THEIR OFFERS THROUGH GAIL'S WEBSITE REFERENCE SHALL PROVIDE THE FOLLOWING INFORMATION ON THEIR LETTERHEAD ALONGWITH A BLANK CANCELLED CHEQUE:

A) PARTY NAME:

B) BANK'S NAME

C) BRANCH NAME

D) BRANCH CODE

E) ACCOUNT TYPE

F) ACCOUNT NO.

G) PAN NO.

H) CST/LST NO.

I) TIN NO

J) ECC NO

K) FAX NO

L) E-MAIL ID

M) TELEPHONE NO.

25. PAYMENT TERMS: 100% WITHIN 15 DAYS AFTER RECEIPT & ACCEPTANCE OF MATERIAL AT SITE AND STATUATORY DEDUCTIONS AS APPLICABLE. IF THE LD IS APPLICABLE, THE SUPPLIER SHALL RAISE THE INVOICE OF REDUCED VALUE. IF THE INVOICE VALUE IS NOT REDUCED INCASE OF LD APPLICABILITY, GAIL SHALL NOT BE RESPONSIBLE FOR DELAY IN RELEASING THE PAYMENT.

26. BG TOWARDS BID SECURITY/BG TOWARDS PBG AS PER GAIL'S FORMAT SHALL BE SUBMITTED FROM ANY INDIAN SCHEDULED BANK OR A BANCH OF AN INTERNATIONAL BANK SITUATED IN INDIA AND IS REGISTERD WITH RBI AS SCHEDULED FOREIGN BANK IN CASE OF INDIAN BIDDER AND FROM ANY REPUTED INTERNATIONAL BANK OR INDIAN SCHEDULED BANK IN CASE OF FOREIGN BIDDER. IN CASE, THE BG IS FROM SCHEDULED BANK, THE NETWORTH OF THE BANK MUST BE MORE THAN 100 CRORES AND A DECLARATION TO THIS EFFECT SHOULD BE MADE BY SUCH SCHEDULED BANK IN THE BANK GAURRANTEE ITSELF OR SEPARATELY ON A LETTER HEAD. THE SCHEDULED BANK MUST BE A COMMERCIAL BANK.

27. THE VENDORES WHO ARE NOT INTERESTED TO QUOTE ARE ADVISED TO INTIMATE US THE REASON FOR NOT SUBMITTING THE BID THROUGH E-MAIL . OUR E-MAIL ID : kkdhiran@gail.co.in, jbs03537@gail.co.in

28. THE BIDDERS WHO HAVE HAD WORKED WITH GAIL OR WORKING PRESENTLY WITH GAIL ALSO NEEDS TO SUBMIT COMPLETE DOCUMENTS REQUIRED IN BEC, FAILING WHICH THEIR OFFER SHALL BE REJECTED.

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29. IF THE BID DUE DATE HAPPENS TO BE AN HOLIDAY, THE NEXT WORKING DAY SHALL BE CONSIDERED AS DUE DATE FOR SUBMISSION OF BID.
30. INCOMPLETE BIDS SHALL BE REJECTED. INCOMPLETENESS OF DOCUMENTS MEANS THAT IF THERE IS ANY ABSENCE OF ANY DOCUMENT WHICH MAKES THE BID INCOMPLETE, THEN THE BID IS INCOMPLETE AND IS LIABLE FOR REJECTION.
31. WORK/JOB EXECUTED BY THE BIDDER FOR IT'S OWN CONCERN SHALL NOT BE CONSIDERED FOR THE PURPOSE OF MEETING QUALIFICATION CRITERIA .
32. SUBMISSION OF ANY FAKE/FORGED DOCUMENTS WILL LEAD TO EMD FORFIETURE, CANCELLATION OF PO WITHOUT ANY FINANCIAL IMPLICATION ON GAIL, BLACKLISTING OF BIDDER AND LEGAL PROCEEDINGS AGAINST THE BIDDER AS PER LAW OF COURT.
33. UNDER THE SINGLE ENVELOPE TWO BID SYSTEM, IF THE BIDDER HAS SUBMITTED THE PRICE & UN-PRICED BIDS TOGETHER (NOT SEPARATELY) THEN THEIR OFFER SHALL BE REJECTED. UNDER THE TWO BID SYSTEM, PRICE & UN-PRICE BID ARE TO BE SEALED SEPARATELY AND THEN SHALL BE PUT IN BIG SEALED ENVELOPE.
34. THE BIDDERS WHO ARE NOT INTRESTED TO SUBMIT THEIR BID , MUST INFORM US THE REASON FOR NOT SUBMITTING THE BID ON OUR email ID: kkdhiran@gail.co.in OR jbs03537@gail.co.in IF NO RESPONSE/ COMMUNICATION IS RECEIVED WITHIN THE DUE DATE & TIME, GAIL SHALL NOT ISSUE ANY TENDER ENQUIRY TO THEM IN FUTURE.
35. BIDDERS ARE INSTRUCTED NOT TO OFFER ANY OPTIONAL OR ALTERNATE ITEM AND MUST QUOTE ONLY FOR TENDERED ITEM. THE OPTIONAL OR ALTERNATE ITEM SHALL NOT BE CONSIDERED FOR EVALUATION AND PLACEMENT OF ORDER.
36. THE BIDDERS ARE ADVISED TO SUBMIT THEIR BID WITHIN THE DUE DATE & TIME . GAIL SHALL NOT BE RESPONSIBLE FOR ANY POSTAL DELAY IN RECEIVING THE TENDER WHATSOEVER MAY BE THE REASON.
37. IF THERE IS ANY TECHNICAL/COMMERCIAL QUERY OR CLARIFICATION RELATED TO TENDER DOCUMENT TERMS & CONDITIONS, THE SAME SHALL BE RAISED BY THE BIDDER TO MANAGER (C&P) GAIL AGRA AT LEAST 10 DAYS PRIOR TO THE BID DUE DATE. ANY QUERY/CLARIFICATED RAISED/ SOUGHT LATER ON SHALL NOT BE ACCEPTED.
38. THE PRICE PREFERENCE AS APPLICABLE WILL BE GIVEN TO SSS.
39. OUR CST NO- AG 5381231 DT 11.09.1996 , UPSTT NO.AG0497285 DT. 11.09.1996. AND TIN NO 09602102912
40. MORE THAN ONE OFFER FROM ONE BIDDER INCLUDING PARENT/SISTER CONCERN WILL NOT BE ACCEPTED. THE BIDDER HAS TO WITHDRAW THE OTHER OFFER(S) IN WRITING BEFORE THE DUE DATE. HOWEVER IF THE BIDDER DOES NOT WITHDRAW THE SAME, THEIR OFFER/OFFERS SHALL BE REJECTED.

General Conditions of Contract : ATTACHED.

REQUEST FOR QUOTATION (Cont.)

RFQ No:GAIL/AG/09/0402/3200052395/KKD/C&P
Date: 09.04.2009

Bid Evaluation Area : 01) THE BIDDER OR HIS FOREIGN PRINCIPAL HAVE SUPPLIED AT LEAST 02 NOS OF FLOW COMPUTER IN ANY OF THE PRESCEDING 5 YEAR ENDING WITH DUE DATE OF RFQ FOR SUBMISSION OF OFFER. COPY OF P.O. SHALL BE SUBMITTED.

02) THE BIDDER SHALL EITHER BE A MANUFACTURER OF THE OFFERED ITEM OR AUTHORIZED DEALER/DISTRIBUTOR OF THE OFFERED ITEM. IN CASE OF AUTHORIZED DEALER/DISTRIBUTOR, THE DEALERSHIP/DISTRIBUTERSHIP CERTIFICATE IS TO BE SUBMITTED ALONG WITH THE OFFER. FOR THE MANUFACTURER, NISC REGISTRATION CERTIFICATE/ISO CERTIFICATE/EXCISE REGISTRATION CERTIFICATE IS TO BE SUBMITTED.

NOTE: THE BEC POINT NO.02 SHALL NOT BE APPLICABLE ON FOREIGN BIDDERS.

THE ABOVE DOCUMENTS SHALL BE SUBMITTED DULY ATTESTED BY G.O./NOTARY PUBLIC.

Techno-Comm Bid Evaluation : ON FOT SITE BASIS INCLUDING TAXES AND DUTIES.

Agreed upon Terms & Conditions : ATTACHED.

Important :

1. Percentage of Taxes, Duties, P&F, Freight charges etc. of quoted basic price should be clearly mentioned in the quotation.
2. Please go through the General Purchase Conditions (GPC) enclosed as Annexure. Deviations to GPC shall liable for rejection of your offer.
3. Please submit Catalogue/Specification Details, Test Certificates/Traceability Certificate for accuracy along with your quotation.

**Yours truly,
For and on behalf of
GAIL (India) Ltd.**

(Authorized signatory)

REQUEST FOR QUOTATION (Cont.)

RFQ No.:GAIL/AG/09/0402/3200052395/KKD/C&P
Date:09.04.2009

Format for Details of Terms & Conditions to be Filled By Vendor

Offer Ref . & Date Price Basis: Ex-Works.....
Telephone No FOT Site of Plant.....
Fax No.
E-Mail

Delivery Schedule
Offer validity for: 90 days/120 days/180 days
Payment Terms

1. Discount % on basic Unit price, if any
.....
2. Packing & Forwarding, if applicable.....
.....
3. Excise Duty % (if applicable).....
.....
4. LST/CST (with/without concessional Form), if applicable
.....
5. Freight, if applicable
.....
6. Other Charges, if any.....
.....

Signature of Vendor with Office Seal



1. Definitions

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

- 1.0 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.
- 1.1 CONSULTANT *[if engaged]* shall mean M/s.having its registered office at..... The term consultant includes successors, assigns of M/s.
- 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 up to 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/CONSULTANT 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/CONSULTANT through



CONSULTANT 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 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 CONSULTANT/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, performance and efficiency of equipment or part thereof.
- 1.23 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 twelve (12) 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/CONSULTANT consequent to furnishing of incorrect data/drawings.
- 5.6 All dimensions and weight should be in metric system.
- 5.7 All equipment to be supplied and work to be carried out under the CONTRACT shall conform to and comply with the provisions of relevant regulations/Acts(State Government or Central Government) as may be applicable to the type of equipment/work carried out and necessary certificates shall be furnished.
- 5.8 The 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 remain property of PURCHASER/CONSULTANT or its assigns and are subject to recall by PURCHASER/CONSULTANT. 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/CONSULTANT. 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 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/CONSULTANT.
 - b. All the work shall be carried out under the direction of and to the satisfaction of PURCHASER/CONSULTANT.
 - c. All communications including technical/commercial clarifications and/or comments shall be addressed to CONSULTANT in quintuplicate with a copy 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, etc.
- 8. Contract Obligations**
- 8.1 If after award of the contract, the Seller does not acknowledge the receipt of award or fails to furnish the performance guarantee within the prescribed time limit, the PURCHASER reserves the right to cancel the contract and apply all remedies available to him under the terms and conditions of this contract.
- 8.2 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/CONSULTANT by issuing amendment to the CONTRACT. Issuance of acceptance or otherwise in such cases shall not be any ground for extension of agreed delivery date and also shall not affect the performance of contract in any manner except to the extent mutually agreed through a modification of contract.
- 9.2 PURCHASER/CONSULTANT 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/CONSULTANT's prior written consent, disclose the CONTRACT or any provision thereof, or any specification, plan, drawing, pattern, sample or information furnished by or on behalf of the PURCHASER in connection therewith, to any person other than a person employed by the 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.
- 10.1 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 and/or CONSULTANT 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. Performance Guarantee**
- 12.1 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.
- 12.2 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.

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

12.4 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 warranty 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 & Progress Reporting

14.1 Time Schedule Network/Bar Chart

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.

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

14.1.4 The time schedule network/bar chart shall be updated at least every second month.

14.2 Progress Trend Chart/Monthly Report

14.2.1 SELLER shall report monthly to PURCHASER, on the progress of the execution of CONTRACT and achievement of targets set out in time bar chart.

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

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

14.3.1 PURCHASER's/CONSULTANT'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 CONSULTANT, with copy to 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/CONSULTANT 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/CONSULTANT 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/CONSULTANT, the PURCHASER/CONSULTANT 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/CONSULTANT shall not be responsible for any loss that the SELLER may incur and SELLER shall not be entitled to any gain. PURCHASER/CONSULTANT shall, in addition, have the right to encash Performance Guarantee in full or part.
- 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/Consultant 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/CONSULTANT. Any request concerning delay will be void unless accepted by PURCHASER/CONSULTANT through a modification to the CONTRACT.
- 15.4 Delivery time shall include time for submission of drawings for approval, incorporation of comments, if any, and final approval of drawings by PURCHASER/



CONSULTANT.

- 15.5 In the event of delay in delivery, Price Reduction Schedule as stipulated in 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 jeopardised. The Seller shall furnish the cost of materials against each equipment.
- 16.2 **PURCHASER's Insurance Agent :**
[The name and address-as mentioned under SCC]
- 17. Transportation**
- 17.1 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 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 warrantee/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.

19. Spare Parts, Maintenance Tools, Lubricants

- 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 warrantee obligations under the Contract, and
 - 19.1.2 In the event of termination of production of the spare parts:
 - i) Advance notification to the Purchaser of the pending termination, in sufficient time to permit the Purchaser to procure 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.
- 19.8 Lubricants
 - 19.8.1 Whenever lubricants are required, Seller shall indicate the quantity of lubricants required for the first filling, the frequency of changing, the quantity of lubricants required for the one year's continuous operation and the types of recommended lubricants indicating the commercial name (trade-mark), quality and grade.
 - 19.8.2 If Seller is unable to recommend specific oil, basic recommended characteristics of the lubricants shall be given.
 - 19.8.3 Seller shall indicate various equivalent lubricants available in India.

20. Guarantee

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

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



If any trouble or defect, originating with the design, material, workmanship or operating characteristics of any materials, arises at any time prior to twelve(12) months from the date of the first commercial operation of the Plant for which the materials supplied under the Contract form a part thereof, or twenty four (24) months from the date of last shipment 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/CONSULTANT may, at his option, remove such defective materials, at SELLER'S expense in which event SELLER shall, without cost to PURCHASER/CONSULTANT 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/CONSULTANT 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/CONSULTANT, the action required to correct the deficiency. Should the SELLER fail to attend meeting at Site within the time specified above, PURCHASER/CONSULTANT 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/CONSULTANT shall



have the option to take over the EQUIPMENT and rectify, if possible, the EQUIPMENT to fulfil the guarantees and/or to make necessary additions to make up the deficiency at Seller's risk and cost. All expenditure incurred by the PURCHASER/CONSULTANT 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 along with exchange rates used in such calculations these exchange rates shall be maintained.

General Notes:

- i) All foreign currency payments to foreign bidder shall be released through an irrevocable Letter of Credit, which shall be opened through Government of India Nationalised Bank and hence shall not be confirmed. In case any bidder insists on confirmation, charges towards confirmation shall be borne by him. L/C shall be established within 30 days after receipt of unconditional acceptance of Letter/Fax of Intent together with Performance Guarantee for 10% of total order/Contract value.
- ii) 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.
- iii) Payment shall be released within 30 days after receipt of relevant documents complete in all respects.
- iv) 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.
- v) Unless otherwise specifically stated in bid document, all payments shall be made in the currency quoted.
 - vi) No interest charges for delay in payments, if any, shall be payable by PURCHASER.
 - vii) 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 along with invoicing itself.
 - viii) 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:
- i) hire for period of delay from elsewhere goods which in PURCHASER's opinion will meet the same purpose as the goods which are delayed and SELLER shall be liable without limitation for the hire charges; or
 - ii) 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

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

25.1 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, 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 ½ % (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.
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

27.1 Preliminary inspection at SELLER's works by INSPECTOR shall not prejudice PURCHASER's/CONSULTANT'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/CONSULTANT shall be entitled to reject the EQUIPMENT/MATERIAL or part thereof and ask free replacement within reasonable time failing which obtain his requirements from elsewhere at 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/CONSULTANT 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

28.2.1 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/CONSULTANT 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/CONSULTANT 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 exceeding the period of delay attributable to the causes of Force Majeure and neither PURCHASER/CONSULTANT 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.

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| 31. Governing Language | 31.1 | The Contract shall be written in English language as specified by the PURCHASER/CONSULTANT in the Instruction to Bidders. All literature, correspondence and other documents pertaining to the Contract which are exchanged by the parties shall be written in English language. Printed literature in other language shall only be considered, if it is accompanied by an English translation. For the purposes of interpretation, English translation shall govern and be binding on all parties. |
| 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 paid by PURCHASER.
- 33.4 Any income tax payable in respect of supervisory services rendered by foreign 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/CONSULTANT 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 and/or CONSULTANT harmless from liability or penalty which might be imposed by reason of any asserted or established violation of such laws, regulations, ordinances or other rules. PURCHASER will provide necessary permits for 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/CONSULTANT 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/CONSULTANT 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/CONSULTANT 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.
- 36.4 Cut-off Dates
- No claims or correspondence on this Contract shall be entertained by the PURCHASER/Consultant 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 License**
- 37.1 No import license is required for the imports covered under this document.
- 38. Fall Clause**
- 38.1 The price charged for the materials supplied under the order by the supplier shall in no event exceed the lowest price at which the supplier or his agent/principal/dealer, as the case may be, sells the materials of identical description to any Persons/Organizations including the Purchaser or any Department of the Central Govt. or any Department of a State Govt. or any Statutory Undertaking of the Central or State Govt. as the case may be, during the currency of the order.
- 38.2 If at any time during the said period, the supplier or his agent/principal/dealer, as the case may be, reduces the sale price, sells or offers to sell such materials to any persons/organizations including the Purchaser or any Deptt. Of Central Govt. or State Govt. as the case may be, at a price lower than the price chargeable under the order, he shall forthwith notify such reduction or sale or offer of sale to the Purchase Authority who has issued this order and the price payable under the order for the materials supplied after the date of coming into force of such reduction or sale or offer of sale shall stand



correspondingly reduced.

The above stipulation will, however, not apply to:

- a) Exports by the Contractor/Supplier or
- b) Sale of goods as original equipment at prices lower than the prices charged for normal replacement
- c) Sale of goods such as drugs which have expiry dates.

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

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

Such a certificate shall be obtained, except for quantity of items/goods/materials categories under sub-clause (a), (b) & (c) of sub-para 38.2 above, of which details shall be furnished by the supplier.

39. Publicity & Advertising

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

40. Repeat Order

40.1 PURCHASER reserves the right, within 6 months of order to place repeat order upto 50% of the total order value without any change in unit price or other terms and conditions.

41. Limitation of Liability

41.1 Notwithstanding anything contrary contained herein, the aggregate total liability of 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.