

**CLAUSE REGARDING PROVISION FOR PROCUREMENT FROM A BIDDER WHICH  
SHARES A LAND BORDER WITH INDIA**

1. Order (Public Procurement No. 1) dated 23.07.2020, Order (Public Procurement No. 2) dated 23.07.2020 and Order (Public Procurement No. 3) dated 24.07.2020, Department of Expenditure, Ministry of Finance, Govt. of India refers. The same are available at website <https://doe.gov.in/procurement-policy-divisions>.

2. Any bidder from a country which shares a land border with India will be eligible to bid in this tender only if the bidder is registered with the Competent Authority. For details of competent authority refer to Annexure I of Order (Public Procurement No. 1) dated 23.07.2020.

Further the above will not apply to bidders from those countries (even if sharing a land border with India) to which the Government of India has extended lines of credit or in which the Government of India is engaged in development projects. Updated lists of countries to which lines of credit have been extended or in which development projects are undertaken are given in the website of the Ministry of External Affairs, Govt. of India

3. **"Bidder"** (including the term 'tenderer', 'consultant' 'vendor' or 'service provider' in certain contexts) **for purpose of this provision** means any person or firm or company, including any member of a consortium or joint venture (that is an association of several persons, or firms or companies), every artificial juridical person not falling in any of the descriptions of bidders stated hereinbefore, including any agency, branch or office controlled by such person, participating in a procurement process.

4. **"Bidder from a country which shares a land border with India"** for the purpose of this:

- a. An entity incorporated, established or registered in such a country; or
- b. A subsidiary of an entity incorporated, established or registered in such a country; or
- c. An entity substantially controlled through entities incorporated, established or registered in such a country; or
- d. An entity whose beneficial owner is situated in such a country; or
- e. An Indian (or other) agent of such an entity; or
- f. A natural person who is a citizen of such a country; or
- g. A consortium or joint venture where any member of the consortium or joint venture falls under any of the above.

5. **"Beneficial owner"** for the purpose of above (4) will be as under:

i. In case of a company or Limited Liability Partnership, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person(s), has a controlling ownership interest or who exercises control through other means.

Explanation—

- a) "Controlling ownership interest" means ownership of, or entitlement to, more than twenty-five per cent of shares or capital or profits of the company;
- b) "Control" shall include the right to appoint the majority of the directors or to control the management or policy decisions, including by virtue of their

shareholding or management rights or shareholders agreements or voting agreements;

- ii) In case of a partnership firm, the beneficial owner is the natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of entitlement to more than fifteen percent of capital or profits of the partnership;
  - iii) In case of an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more than fifteen percent of the property or capital or profits of such association or body of individuals;
  - iv) Where no natural person is identified under (i) or (ii) or (iii) above, the beneficial owner is the relevant natural person who holds the position of senior managing official;
  - v) In case of a trust, the identification of beneficial owner(s) shall include identification of the author of the trust, the trustee, the beneficiaries with fifteen percent or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.
6. "Agent" for the purpose of this Order is a person employed to do any act for another, or to represent another in dealings with third persons

7. **SUBMISSION OF CERTIFICATE IN BIDS:**

Bidder shall submit a certificate in this regard as Form-I.

If such certificate given by a bidder whose bid is accepted is found to be false, this would be a ground for immediate rejection of the bid/termination and further action as per "Procedure for Action in case of Corrupt/Fraudulent/ Collusive / Coercive Practices" of tender document.

8. The registration, wherever applicable, should be valid at the time of submission of bids and at the time of acceptance of bids. In respect of supply otherwise than by tender, registration should be valid at the time of placement of order. If the bidder was validly registered at the time of acceptance / placement of order, registration shall not be a relevant consideration during contract execution.

9. **PROVISION TO BE IN WORKS CONTRACTS, INCLUDING TURNKEY CONTRACTS:**

The successful bidder shall not be allowed to sub-contract works to any contractor from a country which shares a land border with India unless such contractor is registered with the Competent Authority. The definition of "contractor from a country which shares a land border with India" shall be as in Para 4 herein above. A Certificate to this regard is to be submitted by bidder is placed at Form-II

**UNDERTAKING ON LETTERHEAD**

To,  
M/s Bhagyanagar Gas Limited

SUB:

TENDER NO: (

Dear Sir

We have read the clause regarding Provisions for Procurement from a Bidder which shares a land border with India, we certify that, bidder M/s \_\_\_\_\_ (*Name of Bidder*) is :

- (i) Not from such a country [       ]
- (ii) If from such a country, has been registered [       ]  
with the Competent Authority.  
(Evidence of valid registration by the  
Competent Authority shall be attached)

*(Bidder is to tick appropriate option (✓ or X) above).*

We hereby certify that bidder M/s \_\_\_\_\_ (*Name of Bidder*) fulfills all requirements in this regard and is eligible to be considered against the tender.

Place:

Date:

[Signature of Authorized Signatory of Bidder]

Name:

Designation:

Seal:

**CERTIFICATE FOR TENDERS FOR WORKS INVOLVING POSSIBILITY OF SUB-  
CONTRACTING**

To,

M/s Bhagyanagar Gas Limited

SUB:

TENDER NO:

Dear Sir

We have read the clause regarding Provisions for Procurement from a Bidder of a country which shares a land border with India and on sub-contracting to contractors from such countries; we certify that, bidder M/s \_\_\_\_\_ (*Name of Bidder*) is:

- (i) not from such a country [       ]
- (ii) if from such a country, has been registered [       ]  
with the Competent Authority.  
(Evidence of valid registration by the  
Competent Authority shall be attached)

*(Bidder is to tick appropriate option (✓ or X) above).*

We further certify that bidder M/s \_\_\_\_\_ (**Name of Bidder**) will not sub-contract any work to a contractor from such countries unless such contractor is registered with the Competent Authority.

We hereby certify that bidder M/s \_\_\_\_\_ (**Name of Bidder**) fulfills all requirements in this regard and is eligible to be considered.

Place:

[Signature of Authorized Signatory of Bidder]

Date:

Name:

Designation:

Seal:

Annexure

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

1	BANK GUARANTEE NO	:					
2	VENDOR NAME / VENDOR CODE	:	<table border="1"><tr><td>NAME</td><td></td></tr><tr><td>VENDOR CODE</td><td></td></tr></table>	NAME		VENDOR CODE	
NAME							
VENDOR CODE							
3	BANK GUARANTEE AMOUNT	:					
4	PURCHASE ORDER/ LOA NO	:					
5	NATURE OF BANK GUARANTEE (Please Tick (√) Whichever is Applicable	:	<table border="1"><tr><td>PERFORMANCE BANK GUARANTEE</td><td>SECURITY DEPOSIT</td><td>EMD</td><td>ADVANCE</td></tr></table>	PERFORMANCE BANK GUARANTEE	SECURITY DEPOSIT	EMD	ADVANCE
PERFORMANCE BANK GUARANTEE	SECURITY DEPOSIT	EMD	ADVANCE				
6	BG ISSUED BANK DETAILS	:					
	(A) EMAIL ID	:					
	(B) ADDRESS	:					
	(C) PHONE NO/ MOBILE NO.	:					



Bhagyanagar Gas Ltd.

**BHAGYANAGAR GAS LIMITED**

**CITY GAS DISTRIBUTION PROJECT  
SUPPLY OF GI PIPES**

**Bid Document No.: MEC/23VX/01/51/D2/T03/SU/6536**



## **PART-II – CONDITIONS OF CONTRACT**



Bhagyanagar Gas Ltd.

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## **Section 2**

# **GENERAL CONDITIONS OF CONTRACT – GOODS (GCC - GOODS)**

**BHAGYANAGAR GAS LIMITED**



Bhagyanagar Gas Ltd.

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**General Conditions of Contract-GOODS**

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<b>1</b>	<b>Definitions</b>	<p>In this document, General Conditions of Contract (GCC-Goods), the following terms shall have the following respective meanings:</p> <p>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.</p> <p>1.1 CONSULTANT <i>[if engaged]</i> shall mean M/s _____ having its registered office at _____. The term consultant includes successors, assigns of M/s _____.</p> <p>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.</p> <p>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.</p> <p>1.4 COMPLETION DATE shall mean the date on which the goods are successfully commissioned by the Seller and handed over to the PURCHASER.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>1.9 FINAL ACCEPTANCE shall mean the</p>
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		<p>PURCHASER's written acceptance of the Works performed under the Contract after successful completion of performance and guarantee test.</p> <p>1.10 GOODS shall mean articles, materials, equipment, design and drawings, data and other property to be supplied by Seller to complete the contract.</p> <p>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.</p> <p>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.</p> <p>1.13 PURCHASER shall mean M/s Bhagyanagar Gas Limited (BGL) having its registered office at 2nd Floor, APIDC Building, Parishram Bhavan, Basheer Bagh, Hyderabad – 500004. The term PURCHASER includes successors, assigns of Bhagyanagar Gas.</p> <p>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.</p> <p>PROJECT designates the aggregate of the Goods and/or Services to be provided by one or more Contractors.</p> <p>Quantities – Bills of quantities</p> <p>Bills of quantities</p> <p>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.</p> <p>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.</p>
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		<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>
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<b>2</b>	<b>Seller to Inform</b>	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.
<b>3</b>	<b>Application</b>	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.
<b>4</b>	<b>Country of Origin</b>	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.
<b>5</b>	<b>Scope of Contract</b>	<p>5.1 Scope of the CONTRACT shall be as defined in the PURCHASE ORDER/CONTRACT specifications, drawings and Annexure thereto.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>5.5 The documents once submitted by the SELLER shall be firm and final and not subject to subsequent</p>



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		<p>changes. The SELLER shall be responsible for any loss to the PURCHASER/CONSULTANT consequent to furnishing of incorrect data/drawings.</p> <p>5.6 All dimensions and weight should be in metric system.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>5.10 SELLER shall pack, protect, mark and arrange for despatch of EQUIPMENT as per instructions given in the CONTRACT.</p>
6	<b>Standards</b>	<p>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.</p>
7	<b>Instructions, Direction &amp; Correspondence</b>	<p>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</p>



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		<p>enclosed with the contract, unless any or all of them have been modified or cancelled in writing as a whole or in part.</p> <p>a. All instructions and orders to SELLER shall, excepting what is herein provided, be given by PURCHASER/CONSULTANT.</p> <p>b. All the work shall be carried out under the direction of and to the satisfaction of PURCHASER/CONSULTANT.</p> <p>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.</p> <p>d. Invoices for payment against CONTRACT shall be addressed to PURCHASER.</p> <p>e. The CONTRACT number shall be shown on all invoices, communications, packing lists, containers and bills of lading, etc.</p>
<b>8</b>	<b>Contract Obligations</b>	<p>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.</p> <p>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.</p>
<b>9</b>	<b>Modification In Contract</b>	<p>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.</p> <p>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.</p>



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<b>10</b>	<b>Use of Contract Documents &amp; Information</b>	<p>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.</p> <p>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.</p>
<b>11</b>	<b>Patent Rights, Liability &amp; Compliance of Regulations</b>	<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>
<b>12</b>	<b>Performance Guarantee</b>	<p>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</p>



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		<p>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.</p> <p>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.</p> <p>12.3 The performance guarantee shall be denominated in the currency of the CONTRACT.</p> <p>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.</p>
13	<b>Inspection, Testing &amp; Expediting</b>	<p>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.</p> <p>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.</p> <p>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.</p>





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		<p>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.</p> <p>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.</p> <p>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.</p> <p>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).</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>13.11 If on receipt of this notice, PURCHASER should</p>
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		<p>waive the right to witness the test, timely information will be given accordingly.</p> <p>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.</p> <p>13.13 Nothing in Article-13 shall in any way release the SELLER from any warrantee or other obligations under this CONTRACT.</p> <p>13.14 Arrangements for all inspections required by Indian Statutory Authorities and as specified in technical specifications shall be made by SELLER.</p> <p>13.15 <b>Inspection &amp; Rejection of Materials by consignees</b>  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.</p>
14	<b>Time Schedule &amp; Progress Reporting</b>	<p>14.1 Time Schedule Network/Bar Chart</p> <p>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.</p> <p>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.</p> <p>14.1.3 The original issue and subsequent revisions of</p>



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		<p>SELLER's time schedule shall be sent to PURCHASER.</p> <p>14.1.4 The time schedule network/bar chart shall be updated at least every second month.</p> <p>14.2 Progress Trend Chart/Monthly Report</p> <p>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.</p> <p>14.2.2 The progress will be expressed in percentages as shown in the progress trend chart attached to the Time Schedule specification.</p> <p>14.2.3 The first issue of the Progress Trend Chart will be forwarded together with the time bar chart alongwith CONTRACT confirmation.</p> <p>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.</p> <p>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.</p> <p>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</p>
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		the right to encash Performance Guarantee in full or part.
<b>15</b>	<b>Delivery &amp; Documents</b>	<p>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.</p> <p>15.2 Delivery shall be deemed to have been made :</p> <p>a) In the case of FOB, CFR &amp; 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.</p> <p>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.</p> <p>c) In case of FOT site (for Indian bidders) on receipt of goods by PURCHASER/Consultant at the designated site(s).</p> <p>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.</p> <p>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.</p> <p>15.5 In the event of delay in delivery, Price Reduction Schedule as stipulated in Article – 26 shall apply.</p> <p>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.</p> <p>15.7 The additional copies of final drawings and instructions will be included in the package of goods, properly enveloped and protected.</p> <p>15.8 The SELLER should comply with the Packing, Marking and Shipping Documentation Specifications enclosed.</p>



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<b>16</b>	<b>Transit Risk Insurance</b>	<p>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.</p> <p>16.2 Where delivery is on FOB or CFR basis, marine insurance shall be the responsibility of the Purchaser. Insurance Requirements :</p> <p>Indigenous Bidders: Transit risk insurance from F.O.T. despatch point onwards shall be arranged and borne by BHAGYANAGAR GAS.</p> <p>Foreign Bidders : Marine insurance as well as transit insurance in Purchaser's country shall be arranged and borne by BHAGYANAGAR GAS.</p> <p>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.</p> <p>16.3 <b>PURCHASER's Insurance Agent :</b> [The name and address-as mentioned under SCC]</p>
<b>17</b>	<b>Transportation</b>	<p>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.</p> <p>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.</p>
<b>18</b>	<b>Incidental Services</b>	<p>18.1 The Seller may be required to provide any or all of the following services:</p> <p>18.1.1 Performance or supervision of onsite assembly and/or start-up of the supplied Goods:</p>



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		<p>18.1.2 Furnishing tools required for assembly and/or maintenance of the supplied Goods:</p> <p>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.</p> <p>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 &amp; personal expenses of Trainees.</p> <p>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.</p> <p>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.</p> <p>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.</p>
<b>19</b>	<b>Spare Parts, Maintenance Tools, Lubricants</b>	<p>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.</p> <p>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</p> <p>19.1.2 In the event of termination of production of the spare parts:</p> <ul style="list-style-type: none"> <li>i) Advance notification to the Purchaser of the pending termination, in sufficient time to permit the Purchaser to procure needed requirements, and</li> <li>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.</li> </ul> <p>19.2 Seller shall supply item wise list with value of each</p>



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		<p>item of spare parts and maintenance tools requirements, along with full details of manufacturers/vendors for such spares/maintenance tools for :</p> <p>19.2.1 The construction, execution and commissioning.</p> <p>19.2.2 2 years operation and maintenance.</p> <p>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.</p> <p>19.4 Type and sizes of bearings shall be clearly indicated.</p> <p>19.5 Spare parts shall be packed for long storage under tropical climatic conditions in suitable cases, clearly marked as to intended purpose.</p> <p>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.</p> <p>19.7 Bidders should note that if they do not comply with Clause 19.2 above, their quotation may be rejected.</p> <p>19.8 Lubricants</p> <p>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.</p> <p>19.8.2 If Seller is unable to recommend specific oil, basic recommended characteristics of the lubricants shall be given.</p> <p>19.8.3 Seller shall indicate various equivalent lubricants available in India.</p>
20	<b>Guarantee</b>	<p>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.</p> <p>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</p>



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		<p>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 fulfill in all respects all operating conditions, if any, specified in the Contract.</p> <p>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 fulfill the foregoing guarantees.</p> <p>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.</p> <p>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.</p>
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		<p>20.2 PERFORMANCE GUARANTEE OF EQUIPMENT</p> <p>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.</p> <p>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.</p> <p>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 fulfill 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.</p>
<p><b>21</b></p>	<p><b>Terms of Payment</b></p>	<p>21.1 The method of payment to be made to the SELLER under this CONTRACT shall be specified in the Special Conditions of Contract.</p> <p>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.</p> <p>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.</p> <p>21.4 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.</p>



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		<p>General Notes:</p> <ol style="list-style-type: none"> <li>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 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.</li> <li>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.</li> <li>3. Payment shall be released within 30 days after receipt of relevant documents complete in all respects.</li> <li>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.</li> <li>5. Unless otherwise specifically stated in bid document, all payments shall be made in the currency quoted.</li> <li>6. No interest charges for delay in payments, if any, shall be payable by PURCHASER.</li> <li>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.</li> <li>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.</li> </ol>
22	<b>Prices</b>	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	<b>Subletting &amp;</b>	23.1 The contractor shall not without previous consent in



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	<b>Assignment</b>	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.
<b>24</b>	<b>Time As Essence of Contract</b>	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.
<b>25</b>	<b>Delays In The Seller's Performance</b>	<p>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:</p> <ul style="list-style-type: none"> <li>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</li> <li>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</li> <li>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.</li> </ul> <p>25.2 Any inexcusable 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.</p>
<b>26</b>	<b>Price Reduction Schedule For Delayed Delivery</b>	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.



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		<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>
27	<b>Rejections, Removal of Rejected Equipment &amp; Replacement</b>	<p>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.</p> <p>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.</p> <p>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.</p> <p>27.4 EQUIPMENT rejected by the PURCHASER/CONSULTANT shall be removed by</p>



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		<p>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.</p> <p>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).</p>
<p><b>28</b></p>	<p><b>Termination of Contract</b></p>	<p>28.1 Termination for Default</p> <p>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:</p> <ul style="list-style-type: none"> <li>A) If the SELLER fails to deliver any or all of the GOODS within the time period(s) specified in the CONTRACT; or</li> <li>B) If the SELLER fails to perform any other obligation(s) under the CONTRACT, and</li> <li>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.</li> </ul> <p>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.</p> <p>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 BHAGYANAGAR GAS LIMITED Against any type of tender nor their offer will be considered by BHAGYANAGAR GAS against any ongoing tender (s) where contract between BHAGYANAGAR GAS and that particular VENDOR (as a bidder) has not been finalized] for three years from the date of termination by BHAGYANAGAR GAS LIMITED to such VENDOR.</p> <p>28.2 Termination for Insolvency The PURCHASER, may at any time, terminate the CONTRACT by giving written notice to the SELLER,</p>



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		<p>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.</p> <p>28.3 Termination for Convenience</p> <p>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.</p> <p>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:</p> <ol style="list-style-type: none"> <li>to have any portion completed and delivered at the CONTRACT terms and prices, and /or</li> <li>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.</li> </ol>
29	<b>Force Majeure</b>	<p>29.1 Shall mean and be limited to the following:</p> <ol style="list-style-type: none"> <li>War/hostilities</li> <li>Riot or Civil commotion</li> <li>Earthquake, flood, tempest, lightening or other natural physical disaster.</li> <li>Restrictions imposed by the Government or other Statutory bodies which prevents or delays the execution of the Contract by the SELLER.</li> </ol> <p>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.</p> <p>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</p>



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		<p>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.</p> <p>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.</p>
<p><b>30</b></p>	<p><b>Resolution of Disputes/Arbitration</b></p>	<p>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.</p> <p>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.</p> <p>30.3 <b>Legal Construction</b>  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 Hyderabad.</p> <p>30.4 <b>Arbitration</b>  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 (BHAGYANAGAR GAS 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.</p> <p>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</p>



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		<p>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.</p> <p>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 Hyderabad, India.</p> <p>Subject to the above, the provisions of (Indian) Arbitration &amp; Conciliation Act, 1996 and the rules framed there under shall be applicable. All matters relating to this contract are subject to the exclusive jurisdiction of the Courts situated in Hyderabad (India).</p> <p>Seller may please note that the Arbitration &amp; 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.</p> <p>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.</p>
31	<b>Governing Language</b>	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	<b>Notices</b>	<p>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.</p> <p>32.2 A notice shall be effective when delivered or on the notice's effective date, whichever is later.</p>





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<b>33</b>	<b>Taxes &amp; Duties</b>	<p>33.1 A foreign Seller shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the PURCHASER's country.</p> <p>33.2 A domestic Seller shall be entirely responsible for all taxes, duties, license 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.</p> <p>33.3 Customs duty payable in India for imported goods ordered by PURCHASER on foreign Seller shall be borne and paid by PURCHASER.</p> <p>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.</p>
<b>34</b>	<b>Books &amp; Records</b>	<p>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.</p>
<b>35</b>	<b>Permits &amp; Certificates</b>	<p>35.1 SELLER shall procure, at his expense, all necessary permits, certificates and licenses 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.</p>
<b>36</b>	<b>General</b>	<p>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.</p>



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		<p>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.</p> <p>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.</p> <p>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.</p> <p>36.5 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)</p> <p>36.6 Paragraph heading The paragraph heading in these conditions shall not affect the construction thereof.</p>
37	<b>Import License</b>	37.1 No import license is required for the imports covered under this document.
38	<b>FALL CLAUSE</b>	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 Deptt. Of a State Govt. or any Statutory Undertaking of the



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		<p>Central or State Govt. as the case may be, during the currency of the order.</p> <p>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.</p> <p>The above stipulation will, however, not apply to:</p> <ol style="list-style-type: none"> <li>a) Exports by the Contractor/Supplier or</li> <li>b) Sale of goods as original equipment at prices lower than the prices charged for normal replacement</li> <li>c) sale of goods such as drugs which have expiry dates.</li> </ol> <p>38.3 The supplier shall furnish the following certificate to the concerned Paying Authority alongwith 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 BHAGYANAGAR GAS 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 BHAGYANAGAR GAS under the order."</p> <p>Such a certificate shall be obtained, except for quantity of items/goods/materials categories under sub-clause (a),(b) &amp; (c) of sub-para 38.2 above, of which details shall be furnished by the supplier.</p>
<p><b>39</b></p>	<p><b>Publicity &amp; Advertising</b></p>	<p>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.</p>



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<b>40</b>	<b>Repeat Order</b>	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.
<b>41</b>	<b>Limitation of Liability</b>	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.



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## **SECTION – 3**

# **SPECIAL CONDITIONS OF CONTRACT – GOODS (SCC - GOODS)**

 <p>Bhagyanagar Gas Ltd.</p>	<p><b>BHAGYANAGAR GAS LIMITED</b></p> <p><b>CITY GAS DISTRIBUTION PROJECT</b></p> <p><b>SUPPLY OF GI PIPES</b></p> <p><b>Bid Document No.: MEC/23VX/01/51/D2/T03/SU/6536</b></p>	 <p>मेकॉन ISO 9001 Company</p>
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**Special Conditions of Contract (SCC)**

The Special Condition of Contract shall be read in conjunction with the General Conditions of Contract, Schedule of rates, specifications, drawings and any other documents forming part of tender, wherever the context so requires.

Where any portion of the General Condition of Contract is repugnant to or at variance with any provisions of the Special Conditions of Contract, unless a different intention appears, the provisions of the Special Conditions of Contract shall be deemed to over-ride the provisions of the General Conditions of Contract and shall to the extent of such repugnancy, or variations, prevail. Similarly, provisions of Technical Specifications shall over-ride any such provisions mentioned in SCC & GCC.

**1. SCOPE OF SUPPLY**

1.1 Seller's scope shall include (a) manufacturing of above mentioned items as per Material Requisition technical specifications; (b) preparation of Quality Assurance / Quality control programme; (c) obtaining Owner's approval; (d) arranging Inspection and Testing certification; (e) Inspection and obtaining Inspection Release Note; (f) obtaining dispatch clearance; (g) Packing; (h) Transit Insurance, Loading on truck / trailer including and Unloading of materials at Bhagyanagar Gas's store / site.

**2. PACKING, MARKING AND SHIPMENT**

2.1. The Seller, wherever applicable shall after proper painting, pack and crate all goods for sea / air / road / rail transportation in a manner suitable to tropical humid climatic region in accordance with the internationally accepted practices and in such a manner so as to protect it from damage and deterioration, in transit by sea or air or road or rail and during storage at the storehouse. The Seller shall be held responsible for all damages due to improper packing. The Seller shall ensure sizing or packing of all oversized consignments in such a way that availability of carrier and/or road/rail route is properly taken into consideration. ***Transit insurance shall be arranged by the supplier for the material in transit and copy of transit insurance policy shall be furnished by the supplier.***

**3. EVALUATION AND COMPARISON OF BIDS WILL BE AS PER SECTION 1.2.**

**4. DELIVERY SCHEDULE**

4.1 All goods under the scope of the seller shall be as given below:

Item Description	Completion period
Manufacture, Inspection, Testing, Supply (on FOT Site basis) including packaging forwarding, transportation, etc.	<p><b>The contract period shall be on 1 (One) year ARC basis. The completion period for supply shall be as follows:</b></p> <p>Lot – 1: 25% of the total ordered quantity shall be delivered within 4 weeks from the date of FOA.</p> <p>Lot – 2: 25% of the total ordered quantity shall be delivered within 8 weeks from the date of FOA.</p> <p>Lot – 3 : Balance 50% of the ordered quantity shall be delivered within 8 weeks from the date of intimation / release order.</p>

The basis of delivery will be FOT site, Hyderabad, Vijayawada & Kakinada basis.



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All material shall be delivered at Purchaser's designated stores / storage yard at Hyderabad, Vijayawada and Kakinada.

**4.2 BGL reserves the right to change the delivery locations within the three cities at the time of despatch to site.**

**5. DESPATCH INSTRUCTIONS**

**5.1.** Seller shall obtain dispatch clearance from the Purchaser prior to each dispatch.

**5.2.** Copy of Inspection Release Certificate, Dispatch Clearance and Statement showing the name of the vessel / transporter, description and weight of material and shipping marks etc. to be submitted along with the documents.

**6. INDEPENDENT SELLER**

**6.1.** It is expressly understood and agreed that Seller is an independent party and that neither the Seller/ its personnel are servants, agents or employees of Purchaser nor the Seller has any kind of interest in other sellers.

**7. LIEN**

**7.1.** Seller shall ensure that the Scope of Supply under the Agreement shall be free from any claims of title/liens from any third party. In the event of such claims by any party, Seller shall at his own cost defend, indemnify and hold harmless Purchaser or its authorised representative from such disputes of title/liens, costs, consequences etc.

**8. DELETED**

**9. REJECTION**

**9.1.** Any materials/goods covered under scope of supply, which during the process of inspection by appointed third party, at any stage of manufacture/fabrication and subsequent stages, prior to dispatch is found not conforming to the requirements/specifications of the Purchase Requisition/Order, shall be liable for immediate rejection.

**9.2.** Supplier shall be responsible and liable for immediate replacement of such material with acceptable material at no extra cost or impact on the delivery schedule to OWNER.

**10. LIMITATION OF LIABILITY**

**10.1.** Notwithstanding anything contrary contained herein, the aggregate total liability of Supplier under the Contract or otherwise shall be limited to 100% of contract value. However, neither party shall be liable to the other party for any indirect and consequential damages, loss of profits or loss of production.

**11. DELETED**

**12. GOVERNING LAW**

**12.1.** Laws of India will govern the Agreement and Hyderabad courts will have exclusive jurisdiction on all matters related to Agreement.



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**13. OWNER'S RIGHTS AND REMEDIES**

- 13.1.** Without prejudice to Owner's right and remedies under Agreement, if SUPPLIER fails to commence delivery as per agreed schedule and/or in reasonable opinion of the OWNER, CONTRACTOR is not in a position to makeup the delay to meet the intended purpose, the OWNER may terminate the AGREEMENT in full or part at SUPPLIER's default and may get supplies from other sources at SUPPLIER's risk and cost.

**14. GUARANTEE**

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, commissioning of the equipment or twenty-four (24) months from the date of last shipment whichever is earlier, 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 fulfill the foregoing guarantees

**15. PRICE REDUCTION SCHEDULE (PRS)**

In case of delay in delivery of Material beyond the contractual delivery period PRS will be applicable. PRS will be @½% (half percent) per complete week of delay or part thereof for the unsupplied portion of that particular delivery LOT, subject to maximum of 5% of the total order value.

- 15.1.** For PRS purpose the date of delivery at FOT site, Hyderabad, Vijayawada & Kakinada basis will be considered.
- 15.2.** The value referred in PRS clause is excluding GST.
- 15.3.** PRS is the reduction in the consideration/contract value for the goods/services covered under this contract. In case of delay in supply/ execution of the contract, the supplier/contractor/service provider should raise invoice for reduced value as per Price Reduction Schedule Clause (PRS clause). If the supplier/ contractor/ service provider has raised the invoice for the full value, then the supplier/contractor/service provider should issue Credit Note towards the applicable PRS amount with applicable taxes.
- 15.4.** In such cases, if supplier/ contractor/ service provider fails to submit the invoice with reduced value or does not issue credit note as mentioned above, BHAGYANAGAR Gas will release the payment to supplier/ contractor/ service provider after giving the effect of the PRS clause with the corresponding reduction of taxes charged on vendor's invoice, to avoid delay in delivery/collection of material.
- 15.5.** In case any financial implication arises on BHAGYANAGAR Gas due to issuance of invoice without reduction in price or non-issuance of Credit Note, the same shall be to the account of supplier/ contractor/ service provider. BHAGYANAGAR Gas shall be entitled to deduct /setoff / recover such GST amount (CGST & SGST/UTGST or IGST) together with penalties and interest, if any, against any amounts paid or becomes payable by BHAGYANAGAR Gas in future to the Supplier/Contractor under this contract or under any other contract.

**16. TERMS AND MODE OF PAYMENT**

- 16.1.** The terms and mode of payment shall be as per Section III C.

**17. REPEAT ORDER**

CLAUSE NO. 40.1 OF GCC (GOODS) SHALL BE MODIFIED TO THE FOLLOWING EXTENT:-





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

**18. FALL CLAUSE**

Fall Clause under Clause 38 of Bhagyanagar Gas's GCC Goods stand deleted

**19. DELETED**

**20. QUALITY ASSURANCE/QUALITY CONTROL**

**20.1.** The Bidder shall prepare a detailed quality assurance plan for the execution of Contract for the various supplies for approval of BHAGYANAGAR GAS/ MECON.

**20.2.** The Bidder shall establish document and maintain an effective quality assurance system outlined in recognized codes.

**20.3.** The Purchaser, while agreeing to a quality assurance plan shall mark the stages for witness of Tests, review at any or all stages of work at shop/site as deemed necessary for quality assurance.

**21. PURCHASE AGAINST EXISTING RATE CONTRACT:**

BGL reserves the right to place order up to maximum 50% of the original quantity, during currency of Rate contract, on the Supplier on whom the order was originally placed, on the same terms and conditions of the original order. This shall be in addition to quantities ordered earlier & such order can be resorted for any city.

**22. FORCE MAJEURE (FOR COVID-19) :** Shall be as Per Government of India Guide Lines.



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## **SECTION – III C**

### **PAYMENT TERMS AND MODE OF PAYMENT**



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**23. TERMS OF PAYMENT**

The following shall be read in conjunction with Clause no. 21 of GCC (Goods)

**1.1 SUPPLY:**

1.1.1 100 % (Hundred percent) payment of the supplied portion along with freight including taxes & duties will be paid on receipt & acceptance of goods at FOT site after adjustment of PRS, if any along with submission of following documents: -

- i) Invoice in triplicate in compliance with GST law in force
- ii) Inspection Release note by Owner or his appointed or approved agency.
- iii) Original GR / LR
- iv) Packing List

**For FINAL BILL, following documents are to be provided:**

- v) No Claim Certificate
- vi) Statement of Completion
- vii) Extended BG period, in case supply is delayed beyond contractual time period

**Note:** Documents related to point no. v) and vi) shall be submitted in company letter head duly signed and stamped.

**24. MODE OF PAYMENT**

24.1. Payment will be released through E-payment as detailed in clause 20 of Section 1.

**25. For Price Reduction Schedule (PRS) refer clause no. 15 of SCC.**

**4 DEDUCTION AT SOURCE**

4.1 Purchaser will release the payment to the Seller after effecting deductions as per applicable law in force.

4.2 Purchaser will release payments to the Contractor after offsetting all dues to the Purchaser payable by the Contractor under the Contract.

**5 PAYING AUTHORITY:**

In-charge (Finance)  
M/s Bhagyanagar Gas Limited  
2nd Floor, APIDC Building,  
Parishram Bhavan,  
Basheer Bagh, Hyderabad – 500004



Bhagyanagar Gas Ltd.

# **BHAGYANAGAR GAS LIMITED**

{A joint venture of M/s GAIL (India) Ltd. and M/s Hindustan Petroleum Corporation Ltd.}  
HYDERABAD (INDIA)

## **CITY GAS DISTRIBUTION PROJECT AT HYDERABAD, VIJAYAWADA AND KAKINADA**

### **BID DOCUMENT FOR**

**SUPPLY OF GI PIPES (ANNUAL RATE CONTRACT FOR  
PERIOD OF ONE YEAR)**

### **OPEN DOMESTIC COMPETITIVE BIDDING**

***Bid Document No.: MEC/23VX/01/51/D2/T03/SU/6536***

### **PART – III**



**PREPARED AND ISSUED BY**

**MECON LIMITED**

(A Govt. of India Undertaking)

Bengaluru, India

**January, 2020**



Bhagyanagar Gas Ltd.

BHAGYANAGAR GAS Ltd.

## **Bhagyanagar Gas Limited**

### **CITY GAS DISTRIBUTION PROJECT**

Tender for Procurement of GI Pipes

*Bid Document No.:* MEC/23VX/01/51/D2/T03/SU/6536



MECON LIMITED

## **PART - III**

### **CONTENT**

- Section-I** : Material Requisition (MR)
- Section-II** : Technical Specification



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## **SECTION -I**

# **MATERIAL REQUISITION (MR)**



Bhagyanagar Gas Ltd.

BHAGYANAGAR GAS Ltd.

## Bhagyanagar Gas Limited

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**Tender for Procurement of GI PIPES**  
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MECON LIMITED

### MATERIAL REQUISITION

**Project** : City Gas Distribution project a Hyderabad, Vijayawada & Kakinada  
**Tender** : Procurement of GI Pipes & Fittings for City Gas Distribution project  
**Client** : M/s Bhagyanagar Gas Limited  
**Items** : Powder coated GI Pipes  
**Tender No.** : MEC/23VX/01/51/D2/T03/SU/6536  
**Scope of Supply**

This tender deals with supply of GI Pipes for Bhagyanagar Gas Limited at Hyderabad, Vijaywada & Kakinada. The Scope includes manufacturing & supply of Powder Coated GI Pipes on FOT site / warehouse basis conforming to IS: 13871-Heavy (latest edition) specifications and Meeting other technical requirements as specified in tender document. The scope includes getting approvals from Purchaser /Consultant for QAP / documents, procurement of raw material, manufacturing, testing & Inspection (includes manufacturer appointed TPI inspection), packing, forwarding & transportation, unloading and stacking of all Powder Coated GI pipes to the designated warehouse / Storage yard, as per tender terms & conditions.

Item No.	Description				Destination			
	GI Pipes along with polyester powder coating of following size, schedule & specifications as indicated below:  Pipes Shall confirm IS:1239 (Part-I) Heavy Duty, Continuous Welded with Min. Tensile Strength of 30 kgf/sq.mm & Galvanised Protective Coating to protect from corrosion as per IS:4736/ ASTM A53 or by Electro Galvanising with Plain End of following sizes as per Technical specification of this tender. The GI pipes to be coated with polyester powder coating.				<b>Quantity (Running meters.)</b>			
	<b>Pipe Size, NB (Inch)</b>	<b>Schedule</b>	<b>End</b>	<b>Type</b>	<b>Hyderabad</b>	<b>Vijayawada</b>	<b>Kakinada</b>	<b>Total</b>
1.A	1/2"	Heavy	Plain	Galvanized	3,00,000	1,25,000	75,000	5,00,000



Bhagyanagar Gas Ltd.

BHAGYANAGAR GAS Ltd.

**Bhagyanagar Gas Limited**  
**CITY GAS DISTRIBUTION PROJECT**  
**Tender for Procurement of GI PIPES**  
**Bid Document No.: MEC/23VX/01/51/D2/T03/SU/6536**



MECON LIMITED

**Note:**

1. Bidder has to quote for full quantity against quoted SOR item(s), else bidder's offer shall not be considered for evaluation.
2. Pipe Inspection shall be carried out as per applicable code & approved QAP by manufacturer appointed TPI and Owner / Owner's representative.
3. Owner reserves the right to increase / decrease the quantities at various locations as per location specific requirement.
4. Proposed location of Storage / Warehouse are: Hyderabad Vijayawada and Kakinada.
5. Manufacturing of GI Pipe as per latest IS 1239 (Part 1), Galvanizing process as Per Latest IS: 4736 and Powder Coating as per Latest IS 13871 shall be followed.

**1. Quality Assurance/ Quality Control**

Bidder shall include in his offer the Quality Assurance Plan containing the overall quality management and procedures, which is required to be adhered to during the execution of contract. After the award of the contract detailed quality assurance plan shall be prepared by the Bidder for the execution of contract, meeting the Tender requirements.

The Bidder shall establish document and maintain an effective quality assurance system outlined in recognized codes.

Quality Assurance System plans/ procedures of the Bidder shall be furnished in the form of a QA manual. This document should cover details of the personnel responsible for the Quality Assurance, plans or procedures to be followed for quality control in respect of Design, Engineering, Procurement, Supply, Inspection, Testing and Commissioning. The quality assurance system should indicate organizational approach of quality control and quality assurance of at all stages of work at manufacture's works and dispatch of materials.

**2. Materials**

The raw materials required to be procured by the Bidder for completing supply under this contract shall be procured and for this complete detail/ information shall furnish to Owner/ Consultant well in advance.

Other requirements in respect of supply shall be as follows:-

The manufacturer shall be required to establish and maintain quality assurance system in accordance with ISO: 9001 or equivalent. CLIENT / PMC reserve the right to audit manufacturer's quality system.

**4. Work associated with Ware House / Storage Yards.**

Bidder will be responsible for making suitable arrangements for unloading & stacking of Powder Coated GI pipes at Storage yard/warehouse.





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**CITY GAS DISTRIBUTION PROJECT**

**Tender for Procurement of GI Pipes**

**Bid Document No.: MEC/23VX/01/51/D2/T03/SU/6536**



MECON LIMITED

**TECHNICAL SPECIFICATION**

**FOR**

**GI PIPES (with Powder Coating)**



Bhagyanagar Gas Ltd.

BHAGYANAGAR GAS Ltd.

## Bhagyanagar Gas Limited

### CITY GAS DISTRIBUTION PROJECT

#### Tender for Procurement of GI Pipes

**Bid Document No.: MEC/23VX/01/51/D2/T03/SU/6536**



MECON LIMITED

### TECHNICAL SPECIFICATION FOR GI PIPES / SLEEVES

#### **SCOPE:**

This specification covers the requirements for Galvanized Iron Pipes for providing the Piped Natural Gas connections. Unless modified by this specification, requirement of IS: 1239 (Part-I), Heavy Duty, shall be valid. The material should also meet the Technical Standards / Specifications notified by Petroleum Natural Gas Regulatory Board (PNGRB)

Service	:	Natural Gas
Working Pressure	:	up to 7 bar (g)
Test Pressure	:	10.5 bar (g)
Working Temperature	:	0°C to 50°C
Material Description	:	IS: 1239 (Part-I) Heavy Duty, Continuous Welded
Min. Tensile Strength	:	30 kgf/sq.mm
Min. Elongation	:	6%
Tolerance	:	+ Not limited, - 10%
Galvanizing	:	Galvanised uniformly to protect from corrosion as per IS: 4736/ ASTM A53 or by Electro Galvanising
Ends of Pipes	:	Plain End
Inspection	:	100% Pressure Testing shall be carried out at factory
Powder coating	:	CANARY YELLOW coloured coating of polyester powder coating.

#### **1.0 GENERAL NOTES**

- 1.1 All pipes and their dimensions, tolerance, chemical composition, physical properties, heat treatment, hydro test and other testing and marking shall conform to the codes and standards.
- 1.2 Material test certificates (physical property, chemical composition & heat treatment report) shall also be furnished for the pipes supplied.
- 1.3 Pipe shall be supplied in random lengths of 6 to 7 meters only.  
The dimensions and nominal mass of tubes shall be in accordance with Table 3, 4 & 5 subject to the tolerances permitted in CL 8.1 and 9 of IS 1239 (Part -1)
- 1.4 Galvanised pipes shall be coated with zinc by hot dip process conforming to IS: 4736/ ASTM AS3 or by electro galvanising.
- 1.5 Zinc conforming to any grade specified in IS 13229-1991 with latest amendment shall be used for the purpose of galvanizing
- 1.6 **Galvanizing bath:** The molten metal in the galvanizing bath shall contain not less than 98.5 % by mass of zinc.
- 1.7 **Mass of zinc coating:** Minimum mass of zinc coating determined as per IS: 6745 shall be 360 gms/m<sup>2</sup>.



Bhagyanagar Gas Ltd.

BHAGYANAGAR GAS Ltd.

## Bhagyanagar Gas Limited

### CITY GAS DISTRIBUTION PROJECT

#### Tender for Procurement of GI Pipes

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MECON LIMITED

- 1.8 **Uniformity of galvanized coating:** The galvanized coating when determined on a 100mm long test piece in accordance with IS 2633: 1986 with latest amendments shall withstand 5 one minute dips
- 1.9 **Freedom from defect:** The zinc coating on internal and external surfaces shall be uniform adhered reasonably smooth and free from such imperfection as flux, ash and drop inclusion, bare patches, black spots, lumpiness runs, rust stains, bulky white deposits and blisters. Rejection and acceptance of these defects shall be in accordance with Appendix A of IS 2629: 1985 with latest amendments.
- 1.10 **Powder Coating**
- The GI pipe shall be CANARY YELLOW colored protective coatings by applying a polyester powder coating over hot dip galvanized pipe as per the standard powder coating procedures.

## 2.0 MARKING AND DESPATCH

- 2.1 All pipes shall be marked in accordance with the applicable codes, standards and specifications.
- 2.2 Paint or ink for marking shall not contain any harmful metal or metallic salts, such as zinc lead or copper which causes corrosive attack in heat.
- 2.3 Pipes shall be dry, clean and free from moisture, dirt and loose foreign materials of any kind.
- 2.4 Pipes shall be protected from rust, corrosion and mechanical damage during transportation, shipment and storage.
- 2.5 Both ends of the pipe shall be protected with the following material.
- |              |   |                               |
|--------------|---|-------------------------------|
| Plain End    | : | Plastic Cap                   |
| Bevel End    | : | Wood, Metal or Plastic Cover  |
| Threaded End | : | Metal or Plastic Threaded Cap |
- 2.6 Steel end protectors to be used on galvanised pipes, shall be galvanised.
- 2.7 Client logo shall be marked / embossed on the pipes.

## 3.0 SPECIFICATION FOR PURE POLYESTER POWDER COATING OF GI PIPES

This Specification specifies the requirements for powder coating (Pure Polyester) of GI Pipes suitable to use for carrying Natural Gas directly exposed to sunlight.

### Specification For Powder coating:

Powder Material	:	Pure Polyester.
Application	:	Electrostatic Spraying. (40 & 90 kV, Manual / Automatic)
Baking Schedule	:	180°C to 200°C for 10 minutes (Metal Temperature)
Coating Thickness	:	50 – 60 Microns (For GI Pipes) 70 – 80 Microns (For ERW Pipes (Heavy Class))*

\*ERW pipes are generally obtained from the manufacturers with a protective layer like a



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MECON LIMITED

varnish applied on the pipe, to prevent corrosion. In order to obtain a proper application of pure polyester powder coating on the ERW pipes, the varnish has to be removed by use of a suitable method, but with prior approval of BGL / PMC.

#### TESTING:

Film Type	:	Glossy / Satin
Gloss 60 <sup>0</sup> (ASTM D-523- 60)	:	86 & 95%
Cross Hatch Adhesion (ASTM D-5870)	:	GT = 0/100.
Cylindrical bending Test (ASTM D-522) 5 mm rod dia.	:	Passes.
Erichsen cupping (minimum):	:	8 Passes.
Pencil Hardness (minimum) :	:	2H.
Scratch Resistance (Kg. Min)	:	3
Impact Resistance Kg. Min (ASTM D-2794)	:	Direct – 150 Indirect – 150
Salt Spray Resistance (ASTM B-117)	:	1000 hours (minimum).
Porosity (DIN -53161)	:	Passes.
Humidity Resistance (ASTM D-2247)	:	1000 hours (minimum).
Weathering Gloss retention after 1000 hours (Sun test with water immersion, Xenon 150 K.lux)	:	60 – 70%
Color	:	CANNERY YELLOW

Bidder should use powder of reputed manufacturers only (like Berger, Southfield, etc.) and the same should be approved by CLIENT / PMC prior to commencement of the powder coating activity.



Bhagyanagar Gas Ltd.

BHAGYANAGAR GAS Ltd.

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### CITY GAS DISTRIBUTION PROJECT

#### Tender for Procurement of GI Pipes

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#### 4.0 INSPECTION / DOCUMENTS

- i) Inspection shall be carried out as per Technical Specification and Inspection Plan / QAP.
- ii) Third party inspection agency appointed by Manufacturer may carry out stage wise inspection during manufacturing / final inspection.

Contractor shall appoint at their cost anyone of the following TPIA for inspection purpose.:

1. Lloyd Register of Industrial Services
2. Technische Ulierwachungs Verein(TUV)
3. Det Norske Veritas (DNV)
4. AB-Vincotte
5. Bureau Veritas
6. SGS
7. American Bureau Services
8. Velosi Certification Services
9. Certification Engineers International Limited(CEIL)
10. Dr. Amin Controllers Pvt. Limited
11. International Certification Services Limited
12. BVQI
13. TUV SUD South Asia Limited

Apart from inspection by TPIA, inspection may also be performed by BGL / MECON personnel.

- iii) Vendor shall furnish all the material test certificates, proof of approval / license from specified authority as per specified standard, if relevant, internal test / inspection reports as per Technical Specification and specified code for 100% material, at the time of final inspection of each supply lot of material.
- iv) Even after third party inspection, CLIENT / PMC reserves the right to select a sample of tube randomly from each manufacturing batch and have these independently tested. Should the results of these tests fall outside the limits specified in Technical specification, then CLIENT / PMC reserves the rights to reject all production supplied from the batch.
- v) For any control test the date and place of inspection shall be provided by the vendor in writing to the Owner / Owner representative along with Production Schedule.

#### 5.0 PACKING

Packing size to be mentioned to ensure uniformity in delivery condition of the material being procured. Bidder shall submit the packaging details during QAP and also compiled with at the time delivery.

**QUALITY ASSURANCE PLAN FOR GI PIPES POWDER COATED CONF TO IS: 1239 (PART-I)/2004 & IS: 13871-1993**

CLIENT : BHAGYANAGAR GAS LIMITED CONSULTANT : MECON LIMITED PROJECT : CNG & CITY GAS DISTRIBUTION OF HYDERABAD, VIJAYAWADA & KAKINADA							ITEM : ERW GALVANISED PIPES POWDER COATED CONF TO IS: 1239 (PART-I) 2004 & IS: 13871-1993. INSPECTION CATEGORY : FINAL			QAP NO.: REV. NO : DATE : PAGE : 1 OF 2			
S. NO.	COMPONENT/OPERATION	CHARACTERISTICS	CLASS	TYPE OF CHECK	QUANTUM OF CHECK	REFERENCE DOCUMENT	ACCEPTANCE NORMS	FORMAT OF RECORD	INSPECTION BY				
									VENDOR	TPIA	PMC / CLIENT	REMARKS	
1	2	3	4	5	6	7	8	9	10	11	12	13	
1.1	RAW MATERIAL HR COIL	1	Chemical Composition	Major	Chem. Analysis (Max.) C-O 20% Mn-1.30% S&P-0.040%	One Sample Per heat/cast	ISO:10748 & IS:1239 & PTS	IS:1239(PART-I)/PTS	MTR	P	R	R	
		2	Physical Properties (T.S, Y.S % ELONGATION)	Major	Mech. Test	-do-	-do-	-do-	-do-	P	R	R	
		3	Dimensions (Thickness & Width)	Major	Dimensional	100%	-do-	-do-	-do-	P	R	R	
		4	Visual	Major	Visual	100%	-do-	-do-	-do-	P	R	R	
2	In Process MS Tubes	1	Dimensions Diameter Thickness Length, Weight Surface Finish & End Preparation	Major	Dimensional	One Hour Production	IS: 1239	-do-	MTR	P	R	R	
		2	Physical Properties Bend Test Tensile Strength	Major	Mech. Test	Two Sample per shift	-do-	-do-	-do-	P	R	R	
		3	Pressure/Leak Test	Critical	Hydraulic	100%	-do-	-do-	-do-	P	R	R	
		4	End Facing	Major	Visual	100%	-do-	-do-	-do-	P	R	R	
		5	Galvanising Test Zinc Coating Uniformity Adhesion Test	Major Major Major	Galv. Test	2 Sample / Shift	IS: 4736 -do- -do-	IS: 4736 IS: 2633 -do-	MTR	P	R	R	
		6	Marking	Major	Visual	Each Pipe	IS: 1239	IS: 1239	-do-	P	R	R	
		7	Performance of Instruments	Major	Calibration	Each Instrument	IS: 1239	IS: 1239	Calibration Certificate	P	R	R	
3	Powder Coating Test	1	Salt Spray Resistance	Major	Visual	1000hrs (min)	IS: 13871	IS: 13871	MTR	P	R	R	
		2	Porosity	Major	Visual	-----	IS: 13871	IS: 13871	MTR	P	R	R	
		3	Humidity Resistance	Major	Visual	1000hrs (min)	IS: 13871	IS: 13871	MTR	P	R	R	
		4	Weathering Gloss Resistance After 1000hrs (Sun Test With water Impression, Xenon 150 K lux)	Major	Visual	60 – 70%	IS: 13871	IS: 13871	MTR	P	R	R	
		5	Colour	Major	Visual	Canary Yellow	IS: 13871	IS: 13871	MTR	P	R	R	
4	Final Inspection	1	Dimensional	Critical	Measurement And Visual	IS: 4711	IS: 1239	IS: 1239	Dim. Inspection Report	P	W	R	
		2	Physical Properties (Tensile, % elongation & Bend Test as Applicable)	Critical	Mechanical	One Sample per Heat	-do-	-do-	Physical Inspection Report	P	W	R	

CLIENT : BHAGYANAGAR GAS LIMITED CONSULTANT : MECON LIMITED PROJECT : CNG & CITY GAS DISTRIBUTION OF HYDERABAD, VIJAYAWADA & KAKINADA						ITEM : ERW GALVANISED PIPES POWDER COATED CONF TO IS: 1239 (PART-I) 2004 & IS: 13871-1993. INSPECTION CATEGORY : FINAL			QAP NO.: REV. NO : DATE : PAGE : 1 OF 2						
S. NO.	COMPONENT/OPERATION	CHARACTERISTICS	CLASS	TYPE OF CHECK	QUANTOM OF CHECK	REFERENCE DOCUMENT	ACCEPTANCE NORMS	FORMAT OF RECORD	INSPECTION BY						
									VENDOR	TPIA	PMC / CLIENT	REMARKS			
1	2	3	4	5	6	7	8	9	10	11	12	13			
		3	Leak Test (Hydraulic Test)	Critical	Pressure	100% by MFR	-do-	-do-	Hydro Inspection Report	P	5% W	R or 5%W			
		4	End Facing	Major	Visual	As per IS: 4711	-do-	-do-	-	P	R	R			
		5	Mass of Zinc Coating, uniformity & Adhesion Test Free bore test	Major	Galv. Test	As per IS: 4736	IS: 4736	IS: 4736	Galv. Inspection report	P	W	R or W			
		6	Visual Inspection	Major	Visual	100% by MFR & 10% by TPI	IS: 1239	IS: 1239	----	P	W	R or W			
		7	<b>Powder Coating Test</b>												
			Gloss 60 <sup>o</sup>	Major	Visual	As per IS: 4711 / IS: 13871	IS: 13871	IS: 13871	MTR.	P	W	R or W			
			Cross Hatch Adhesion	Major	Visual	As per IS: 13871	IS: 13871	IS: 13871	MTR.	P	W	R or W			
			Cylindrical Bending Test	Major	Visual	As per IS: 13871	IS: 13871	IS: 13871	MTR.	P	W	R or W			
			Enrichsen Cupping	Major	Visual	As per IS: 13871	IS: 13871	IS: 13871	MTR.	P	W	R or W			
			Pencil Hardness	Major	Visual	As per IS: 13871	IS: 13871	IS: 13871	MTR.	P	W	R or W			
			Scratch Resistance	Major	Visual	As per IS: 13871	IS: 13871	IS: 13871	MTR.	P	W	R or W			
			Impact Resistance	Major	Visual	As per IS: 13871	IS: 13871	IS: 13871	MTR.	P	W	R or W			
		8	Identification & Marking	Major	Visual	IS: 4711	IS: 1239/PTS	IS: 1239/PTS	----	P	W	R or W			
		9	Workmanship	Major	-do-	-do-	IS: 1239	IS: 1239	----	P	R	R			
		10	Performance of Instruments	Major	Calibrations	Each Instruments	IS: 1239	IS: 1239/PTS	Calibration Certificate	P	R	R			
		11	Inspection Release Note & Documents	Major	Documents	-	AS per PO & BGL Spec.	AS per PO & BGL Spec.	IRN		H	EACH PIPES ARE STANDAR D			
LEGENDS:		H-HOLD		P-PERFORMANCE		R-REVIEW		W-WITNESS		TC-TEST CERTIFICATE		MTR-MANUFACTURER TEST REPORT		TPIA-THIRD PARTY INSPECTION AGENCY	
<ol style="list-style-type: none"> <li>The above testing and acceptance criteria are minimum requirements however manufacturer shall ensure that the product shall also comply to the additional requirements as per Particular Technical Specification.</li> <li>Owner / Owners respective including TPIA will have the right to inspect any activity of manufacturing at any stage.</li> <li>All reference codes/standards, Documents shall be arranged by vendor/supplier for reference of TPIA/BGL/MECON at the time of Inspection.</li> <li>Only calibrated instrument are used for Inspection.</li> <li>At the time of delivery material to BGL, Vendor shall submit copy of IRN, DCN</li> </ol>															



**PRICE SCHEDULE**

PROJECT : CITY GAS DISTRIBUTION PROJECT AT HYDERABAD, VIJAYAWADA AND KAKINADA

ITEM : SUPPLY OF GI PIPES (ANNUAL RATE CONTRACT FOR PERIOD OF ONE YEAR)

Tender document no. MEC/23VX/01/51/D2/T03/SU/6536

CLIENT : Bhagyanagar Gas Limited

In Rupees

Item Nos.	DESCRIPTION				Location / CITY	QTY (Mtrs)	Harmonized System Nomenclature (HSN) code	Unit Price (INR)				Total FOT - delivered at site, price including Packing & forwarding, GST, Inland transportation charges, transit insurance, unloading, stacking etc.			
								Unit Ex-works Price including Packing & Forwarding but excluding Inland Transportation upto FOT site	Unit Inland transportation charges upto FOT delivered at site including transit insurance, unloading & stacking at site etc. & other costs incidental to delivery of goods	GST (CGST & SGST/UTGST or IGST) on the finished goods and inland transportation etc. Applicable on Col. (6 + 7)				Unit FOT - delivered at site, price per unit including Packing & forwarding, GST, Inland transportation charges, transit insurance, unloading, stacking etc.	
								(INR/Mtr.)	(INR/Mtr.)	%	(INR)	Amount (INR/Mtr.)	Amount in words (INR/Mtr.)	Amount (INR.)	Amount in words (INR.)
(1)	(2)				(3)	(4)	(5)	(6)	(7)	(8) (a)	(8) (b)	(9) = (6 + 7 + 8(b))	(10)	(11) = (4 x 10)	(12)
A	GI Pipes with polyester powder coating of size, schedule & specifications indicated below: Pipes Shall confirm IS: 1239 (Part-I) Heavy Duty, Continuous Welded with Min. Tensile Strength of 30 kgf/sq.mm & Galvanized Protective Coating to protect from corrosion as per IS: 4736 / ASTM A53 or by Electro Galvanising and coated with polyester powder coating with Plain Ends of following sizes as per Technical specification of this tender.				-	-	-	-	-	-	-	-	-	-	-
1.0	1/2"	Heavy	Plain	Galvanized & polyester coated	Hyderabad	3,00,000									
					Vijayawada	1,25,000									
					Kakinada	75,000									
<b>Total Price of 1/2" for Item No.1.0</b>					-	-									

**Note:**

- 1 The Bidder to indicate the Harmonized System Nomenclature (HSN) code against each item.
- 2 The quoted rate / price is inclusive of TPI charges who shall be appointed by Manufacturer
- 3 Refer TIME OF COMPLETION clause no. 4 of SCC.
- 4 If any of the above is left blank, the same will be considered as included in the Total amount.
- 5 Basis of evaluation and placement of order shall be on lowest FOT Site basis (refer SECTION-II)
- 7 The Order/Contract Value is subject to the Price Reduction Schedule clause

Bidders Signature:  
 Company's Name  
 Seal: \_\_\_\_\_