spares. Such details will be furnished to the EESL as soon as they are prepared but in any case not later than six months prior to commencement of manufacture of the corresponding main equipment.

- 7.3.1.4 To enable the EESL to finalise the requirement of recommended spares which are ordered subsequent to placement of order for main equipment/plant, in addition to necessary technical details, catalogue and such other information brought-out herein above, the Implementing Partner will also provide a justification in support of reasonableness of the quoted prices of spares which will, inter-alia, include documentary evidence that the prices quoted by the Implementing Partner to the EESL are not higher than those charged by him from other customers in the same period.
- 7.3.1.5 In addition to the spares recommended by the Implementing Partner, if the EESL further identifies certain items of spares, the Implementing Partner will submit the prices and delivery quotation for such spares within thirty (30) days of receipt of such request with a validity period of six (6) months for consideration by the EESL and placement of order for additional spares if the EESL so desires.
- 7.3.1.6 The quality plan and the inspection requirement finalised for the main equipment will also be applicable to the corresponding spares.
- 7.3.1.7 The Contractor or Implementing Partner will provide the EESL with all the addresses and particulars of his sub-suppliers while placing the order on vendors for items/components/equipment covered under the Contract and will further ensure with his vendors that the EESL, if so desires, will have the right to place order for spares directly on them on mutually agreed terms based on offers of such vendors.
- 7.3.1.8 The Contractor or Implementing Partner shall guarantee the long term availability of spares to the EESL for the full life of the equipment covered under the Con-tract. The Implementing Partner shall guarantee that before going out of production of spare parts of the equipment covered under the Contract, he shall give the EESL at least 2 years advance notice so that the latter may order his bulk requirement of spares, if it so desires. The same provision will also be applicable to Sub-Implementing Partners. Further, in case of discontinuance of manufacture of any spares by the Contractor and/or his Sub- Contractor or Implementing Partner, Implementing Partner will provide the EESL, two years in advance, with full manufacturing drawings, material specification and technical information including information on alternative equivalent makes required by the EESL for the purpose of manufacture/procurement of such items.
- 7.3.1.9 The prices of all future requirements of item of spares beyond 3 years operational requirement will be derived from the corresponding ex-works price at which the order for such spares have been placed by EESL as a part of mandatory spares or recommended spares, or from the rates of mandatory spares or recommended spares as quoted by/ negotiated with the Implementing Partner. Ex-works order price of future spares shall be computed in accordance with the price adjustment provisions covered under the main Contract excepting that the base indices will be counted from the scheduled date of Commissioning of the last equipment under the main project and there will be no ceiling on the amount of variation in the prices. The above option for procuring future recommended spares by the EESL shall remain valid for the period of 5 years from the date of Commissioning of the equipment.
- 7.3.1.10 The Implementing Partner will indicate in advance the delivery period of the items of spares, which the EESL may procure in accordance with above sub-clause. In case of emergency requirements of spares, the Contractor would make every effort to expedite the manufacture and delivery of such spares on the basis of mutually agreed time schedule.
- 7.3.1.11 In case the Implementing Partner fails to supply the mandatory, recommended or long term spares in the terms stipulated above, the EESL shall be entitled to purchase the same from the alternate sources at the risk and the cost of the Implementing Partner and recover from the Implementing Partner, the excess amount paid by the EESL over the rates worked on the above basis. In the event of such risk purchase by the EESL, the purchases will be as per the Works and Procurement Policy of the EESL prevalent at the time of such purchases and the EESL at his option may include a representative from the Implementing Partner in finalising the purchases.
- 7.3.1.11 It is expressly understood that the final settlement between the par-ties in terms of relevant clauses of the Contract Documents shall not relieve the Implementing Partner of any of his obligations under the provision of long term availability of spares and such provisions shall continue to be enforced till the expiry of 5 years period reckoned from the scheduled date of Commissioning of the Plant and Equipment unless other-wise discharged



expressly in writing by the EESL. Further, the provisions pertaining to long term availability of spares shall be extended beyond 5 years applicability period mentioned hereinabove if so desired by the EESL and at the mutually acceptable escalation formula.

7.3.1.13 The Implementing Partner shall warrant that all spares supplied will be new and in accordance with the Contract Documents and will be free from de-fects in design, material and workmanship and shall further guarantee as under:

- (i) For 3 years operational spares (both mandatory and recommended)
- For any item of spares ordered or to be ordered by the EESL for 3 years operational requirement of the plant which are manufactured as a continuous operation together with the corresponding main equipment/component, the Defect Liability Period will be twelve (12) months from the scheduled date of commercial operation of main equipment/ plant under the Contract. 'Commercial Operation' shall mean the conditions of operation in which the complete equipment covered under the Contract is officially declared by the EESL to be available for continuous operation at different loads up to and including rated capacity. Such declaration by the EESL, however, shall not relieve or prejudice the Implementing Partner any of his obligations under the Contract. In case of any failure in the original component/equipments due to faulty designs, materials and workmanship, the corresponding spare parts, if any, supplied will be replaced without any extra cost to the EESL unless a joint examination and analysis by the EESL and the Implementing Partner of such spare parts prove that the defect found in the original part that failed, can safely be assumed not to be present in spare parts. Such replaced spare parts will have the same Defect Liability as applicable to the replacement made for the defective original part/component provided that such replacement for the original equipment and the spare replaced are again manufactured together. The discarded spare parts will become the property of the Implementing Partner as soon as they have been replaced by the Implementing Partner.
- b) For the item of spares ordered or to be ordered by the EESL for 3 years operational requirement of the plant, which with the written approval of the EESL, are not manufactured as a continuous operation will be warranted for 7000 hrs of trouble free operation if used within a period of eighteen (18) months reckoned from the date of delivery at site. However, if such spare parts are put to use after eighteen (18) months of the delivery at Site then the guarantee of such spares will stand valid till the expiry of thirty six (36) months from the scheduled date of Commissioning of equipment/plant covered under the contract or 7000 hrs of trouble free operation after such spares are put in service, whichever is earlier.
- c) For long term requirement

For item of spares that may be ordered by the EESL to cover requirements beyond 3 years of Initial Operation of the plant, the warranty will be till the expiry of 7000 hrs of trouble free operation if used within a period of eighteen (18) months from the date of delivery at site. For item of spares that may be used after eighteen (18) months from the date of delivery at site, the warranty period will be 12 months from the date they are put to use or 7000 hrs of trouble free operation, whichever is earlier. In any case the defect liability of spares will expire at the end of forty eight (48) months from the date of their receipt at site.

(ii) The Defect Liability of spares covered in para (b) & (c) above, that are not used within 18 months from the respective date of the delivery at Site will, however, be subject to condition that all such spares being stored/maintained/preserved in accordance with Implementing Partner's standard recommended practice, if any, and the same has been furnished to the EESL.

8. Time for Commencement and Completion

8.1 The Implementing Partner shall commence work on the Facilities from the date of Notification of Award and without prejudice to GCC Sub-Clause 26.2 hereof, the Implementing Partner shall thereafter proceed with the Facilities in accordance with the time schedule specified in Appendix 4 (Time Schedule) to the Contract Agreement or / and as



mentioned in special conditions of contract.

8.2 The Implementing Partner shall attain Completion of the Facilities (or of a part where a separate time for Completion of such part is specified in the Contract) within the time stated in the SCC or within such extended time to which the Implementing Partner shall be entitled under GCC Clause 40 (Extension of Time for Completion) hereof.

9. Contractor or Implementing Partner's Responsibilities

- 9.1 The Contractor or Implementing Partner shall design, manufacture (including associated purchases and/or subcontracting), install and complete the Facilities with due care and diligence in accordance with the Contract.
- 9.2 The Contractor or Implementing Partner confirms that it has entered into this Contract on the basis of a proper examination of the data relating to the Facilities (including any data as to boring tests) provided by the EESL, and on the basis of information that the Contractor or Implementing Partner could have obtained from a visual inspection of the Site (if access thereto was available) and of other data readily available to it relating to the Facilities as at the date twenty-eight (28) days prior to bid submission. The Implementing Partner acknowledges that any failure to acquaint itself with all such data and information shall not relieve its responsibility for properly estimating the difficulty or cost of successfully performing the Facilities.
- 9.3 The Implementing Partner shall acquire in its name all permits, approvals and/or licenses from all local, state or national government authorities or public service undertakings in the country where the Site is located that are necessary for the performance of the Contract, including, without limitation, visas for the Contractor or Implementing Partner's and Sub Contractor or Implementing Partner's personnel and entry permits for all imported Implementing Partner's Equipment. The Implementing Partner shall acquire all other permits, approvals and/or licenses that are not the responsibility of the EESL under GCC Sub-Clause 10.3 hereof and that are necessary for the performance of the Contract.
- 9.4 The Implementing Partner shall comply with all laws in force in the country where the Facilities are installed and where the Installation Services are carried out. The laws will include all national, provincial, municipal or other laws that affect the performance of the Contract and bind upon the Implementing Partner. The Implementing Partner shall indemnify and hold harmless the EESL from and against any and all liabilities, damages, claims, fines, penalties and expenses of whatever nature arising or resulting from the violation of such laws by the Contractor or Implementing Partner or its personnel, including the Contractor or Sub Implementing Partners and their personnel, but without prejudice to GCC Sub Clause 10.1 hereof.
- 9.5 Any Plant, Material and Services that will be incorporated in or be required for the Facilities and other supplies shall have their origin as specified under GCC Clause 3.13 (Country of Origin).

10. EESL's Responsibilities

- 10.1 The EESL shall ensure the accuracy of all information and/or data to be supplied by the EESL as described in Appendix 6 (Scope of Works and Supply by the EESL) to the Contract, except when otherwise expressly stated in the Contract.
- 10.2 The EESL shall be responsible for acquiring and providing legal and physical possession of the Site and access thereto, and for providing possession of and access to all other areas reasonably required for the proper execution of the Contract, including all requisite rights of way, as specified in Appendix 6 (Scope of Works and Supply by the EESL)to the Contract Agreement. The EESL shall give full possession of and accord all rights of access thereto on or before the date(s) specified in Appendix 6.
- 10.3 The EESL shall acquire and pay for all permits, approvals and/or licenses from all local, state or national government authorities or public service undertakings in the country where the Site is located which such authorities or undertakings require the EESL to obtain them in the EESL's name, are necessary for the execution of the Contract (they include those required for the performance by both the Implementing Partner and the EESL of their respective obligations under the Contract), including those specified in Appendix 6 (Scope of Works and Supply by the EESL) to the Contract Agreement.
- 10.4 If requested by the Implementing Partner, the EESL shall use its best endeavours to assist the Implementing Partner in obtaining in a timely and expeditious manner all permits, approvals and/or licenses necessary for the execution of the Contract from all local, state or national government authorities or public service undertakings that such authorities or undertakings require the Contractor or Implementing Partner or Subcontractor or Implementing Partners or the personnel of the Contractor or Implementing Partner or Sub Contractor or Implementing Partners, as the case may be, to obtain.



- 10.5 Unless otherwise specified in the Contract or agreed upon by the EESL and the Implementing Partner, the EESL shall provide sufficient, properly qualified operating and maintenance personnel; shall supply and make available all raw materials, utilities, lubricants, chemicals, catalysts other materials and facilities; and shall perform all work and services of whatsoever nature, to enable the Implementing Partner to properly carry out Pre commissioning, Commissioning and Guarantee Tests, all in accordance with the provisions of Appendix 6 (Scope of Works and Supply by the EESL) to the Contract Agreement at or before the time specified in the program furnished by the Contractor or Implementing Partner under GCC Sub- Clause 18.2 (Program of Performance) hereof and in the manner there-upon specified or as otherwise agreed upon by the EESL and the Contractor or Implementing Partner.
- 10.6 The EESL shall be responsible for the continued operation of the Facilities after Completion, in accordance with GCC Sub-Clause 24.8, and shall be responsible for facilitating the Guarantee Test(s) for the Facilities, in accordance with GCC Sub-Clause 25.2.
- 10.7 All costs and expenses involved in the performance of the obligations under this GCC Clause 10 shall be the responsibility of the EESL save those to be incurred by the Implementing Partner with respect to the performance of Guarantee Tests, in accordance with GCC Sub-Clause 25.2.

C. Payment

11. Contract Price

- 11.1 The Contract Price shall be as specified in Article 2 (Contract Price and Terms of Payment) of the Form of Contract Agreement.
- 11.2 The Contract Price shall be adjusted in accordance with provisions of Appendix-2 (Price Adjustment) to the Contract Agreement, if applicable. It will be mentioned in SCC.
- 11.3 Subject to GCC Sub-Clauses 9.2, 10.1 and 35 (Unforeseen Conditions) hereof, the Implementing Partner shall be deemed to have satisfied itself as to the hereof, correctness and sufficiency of the Contract Price, which shall, expect as otherwise provided for in the Contract, cover all its obligations under the Contract.

12. Terms of Payment

- 12.1 The Contract price shall be paid as specified in Appendix 1 (Terms and Procedures of Payment) to the Contract Agreement. The procedures to be followed in making application for and processing payments shall be those outlined in the same Appendix 1.
- 12.2 No payment made by the EESL herein shall be deemed to constitute acceptance by the EESL of the Facilities or any part(s) thereof.
- 12.3 The currency or currencies in which payments are made to the Implementing Partner under this Contract shall be specified in Appendix 1 (Terms and Procedures of Payment) to the Contract Agreement, subject to the general principle that payments will be made in the currency or currencies in which the Contract Price has been stated in the Contract.

13. Securities

13.1 Issuance of Securities

The Implementing Partner shall provide the securities specified below in favour of the EESL at the times, and in the amount, manner and form specified below.

13.2 Advance Payment Security

- 13.2.1 The Implementing Partner shall, within twenty-eight (28) days of the notification of contract award, provide a security in an amount equalto the advance payment calculated in accordance with Appendix 1 (Terms and Procedures of Payment) to the Contract Agreement, and in the currency or currencies of the contract, with ainitial validity of up to ninety (90) days beyond the schedule dateof Completion of the Facilities in accordance with GCC Clause24. However, in case of delay in completion of facilities underthe package, the validity of the security shall be extended by the period of such delay.
- 13.2.2 The security shall be in the form of an unconditional bank guarantee as per the proforma provided in Section VII (Forms andProcedures)- Form of Advance Payment Security. The Advance payment Security shall be reduced prorata every three (3) monthsafter First Running Account Bill/Stage Payment under the Contract based on the value of equipment/facilities received. The cumulative amount of reduction at any point of time shall not exceed seventy five



percent (75%) of the advance corresponding to cumulative value of the respective equipment Facilities supplied and received as per a certificate issued by the ProjectManager and the balance of 25% released after ninety (90) daysbeyond the Completion of those Facilities. It should be clearly understood that reduction in the value of security for advanceshall not in any way dilute the Implementing Partner's responsibility and liabilities under the Contract including in respect of the Facilities for which the reduction in the value of security is allowed.

13.3 Contract Performance Security

13.3.1 The Implementing Partner shall, within twenty-eight (28) days of the Notification of Award, provide securities for the due performance of theContract for ten percent (10%) of the Contract Price of all the Contracts, with ainitial validity upto ninety (90) days beyond the endof scheduled Defect Liability Period of the last equipment coveredunder the package. If the EESL accepts to enters into 'SecondContract' and/or 'Third Contract' with the Assignee of a foreign Implementing Partner, pursuant to GCC Sub-Clause 3.6, the said Assignee, inaddition to the Contract Performance Securities to be provided bythe foreign Implementing Partner for ten percent (10%) of the value of all the Contracts i.e. First Contract, Second Contract and Third Contract, shall provide within twenty eight (28) days of the Notification of Award, separate Contract Performance Security(ies) equivalent to ten percent (10%) of the value of Contract(s) entered into with the Assignee, for the due performance of Contract, with a intial validity up to ninety (90) days beyond the end of Scheduled Defect Liability period of the last equipment covered under the package. However, in case of delay in completion of the defect liability period, the validity of all the contract performance securities shall be extended by the period of such delay.

13.3.2 The performance security shall be denominated in the currency or currencies of the Contract, or in a freely convertible currency acceptable to the EESL, and shall be in the form of unconditional bank guarantee provided in Section-VII (Forms and Procedures)-Form of Performance Security of the bidding documents.

13.3.3 Unless otherwise stipulated in SCC, the security shall be reduced pro rata to the Contract Price of a part of the Facilities for which a separate time for Completion is provided, twenty one (21) months after Completion of the Facilities or where relevant part thereof, or fifteen (15) months after Operational Acceptance of the Facilities (or the relevant part thereof), whichever occurs first; provided, however, that if the Defects Liability Period has been extended on any part of the Facilities pursuant to GCC Sub-Clause 27.8 hereof, the Implementing Partner shall issue an additional security in an amount proportionate to the Contract Price of that part. The security shall be returned to the Implementing Partner immediately after its expiration, provided, however, that if the Implementing Partner, pursuant to GCC Sub-Clause 27.10, is liable for an extended warranty obligation, the performance security shall be extended for the period and up to the amount agreed upon or as specified in the SCC.

14. Taxes and Duties

14.1 Except as otherwise specifically provided in the Contract, the Implementing Partnershall bear and pay all taxes, duties, levies and charges assessed on theImplementing Partner, its SubImplementing Partners or their employees by all municipal, stateor national government authorities in connection with the Facilities in andoutside of the country where the Site is located.

14.2 Notwithstanding GCC Sub-Clauses 14.1 above, the EESL shall bearand promptly reimburse all customs and import duties, if imposed infuture, on the Plant and Equipment including Type Test and mandatoryspares supplied from abroad and specified in Price Schedule (andon spare parts to be supplied from abroad and specified in Schedule, when awarded) and that are to be incorporated into the Facilities, by the law of the country where the Site is located. However, if the plantand equipment are shipped in Shipper's containers, then the customduty levied on the cost of empty containers shall be borne and paid/reimbursed by the Implementing Partner. The EESL shall also bear and pay/reimburse to the Implementing Partner/Assignee of Foreign Implementing Partner (if applicable) Sales Tax (but not the surcharge in lieu of Sales Tax), Local Tax including Entry Tax / Octroi (if applicable) in respect of direct transactions between the EESL and the Implementing Partner, if imposed on the Plant and Equipment including Type Test and Mandatory Spares manufactured within the EESL's country and specified in Price (and also on locally supplied spares quoted when awarded) to be incorporated in the Facilities, by the law of country where the site is located. For this purpose, the Ex-works price if quoted in foreign currency and so incorporated in the contract, shall be converted to Indian Rupees as per the TT buying exchange rates established by State Bank of India prevailing on the actual date of Ex-works (India) despatch.

All taxes, duties and levies on works contract, if any, shall be to the Implementing Partner's account and no separate claim in this regard will be entertained by the EESL.

14.3 If any tax exemptions, reductions, allowances or privileges is available to the Implementing Partner in the country



where the Site is located, the EESL shall use its best endeavours to enable the Implementing Partner to benefit from any such tax savings to the maximum allowable extent.

14.4 For the purpose of the Contract, it is agreed that the Contract Price specified in Article 2 (Contract Price and Terms of Payment) of the Contract Agreement is based on the taxes, duties, levies and charges prevailing at the date seven (7) days prior to the last date of bid submission in the country where the Site is located (hereinafter called "Tax" in this GCC Sub-Clause 14.4). If any rates of Tax are increased or de-creased, a new Tax is introduced, an existing Tax is abolished, or any change in interpretation or application of any Tax occurs in the course of the performance of Contract, which was or will be assessed on the Implementing Partner in connection with performance of the Contract, an equitable adjustment of the Contract Price shall be made to fully take into account any such change by addition to the Contract Price or deduction there-from, as the case may be, in accordance with GCC Clause 36 (Change in Laws and Regulations) hereof. However, these adjustments would be restricted to direct transactions between the EESL and the Contractor/assignee of Foreign Implementing Partner (if applicable). These adjustments shall not be applicable on procurement of raw materials, intermediary components etc. by the Implementing Partner/assignee and also not applicable on the bought out items despatched directly from sub-vendor's works to site.

D. Intellectual Property

15. Copyright

15.1The copyright in all drawings, documents and other materials containingdata and information furnished to the EESL by the Implementing Partnerhereinshall remain vested in the Implementing Partner or, if they are furnished to the EESL directly or through the Implementing Partner by any third party, including suppliers of materials, the copyright in such materials shall remain vested in such third party. The EESL shall however be free to reproduce all drawings, documents and other material furnished to the EESL for

the purpose of the contract including, if required, for operation and maintenance of the facilities.

16. Confidential Information

16.1 The EESL and the Implementing Partner shall keep confidential and shall not, without the written consent of the other party hereto, divulge to any thirdparty any documents, data or other information furnished directly orindirectly by the other party hereto in connection with the Contract, whether such information has been furnished prior to, during or following termination of the Contract. Notwithstanding the above, the Contractor or Implementing Partnermay furnish to its SubContractor or Implementing Partner(s) such documents, data and otherinformation it receives from the EESL to the extent required for the Sub Contractor or Implementing Partner(s) to perform its work under the Contract, in which eventthelmplementing Partner shall obtain from such SubContractor or Implementing Partner(s) an undertaking of confidentiality similar to that imposed on the Implementing Partner under this GCC Clause 16.

- 16.2 The EESL shall not use such documents, data and other information received from the Implementing Partner for any purpose other than the operationand maintenance of the Facilities. Similarly, the Implementing Partner shall notuse such documents, data and other information received from the EESL for any purpose other than the design, procurement of Plantand Equipment, construction or such other work and services as are required for the performance of the Contract.
- 16.3 The obligation of a party under GCC Sub-Clauses 16.1 and 16.2 above, however, shall not apply to that information which
- (a) now or hereafter enters the public domain through no fault of that party.
- (b) can be proven to have been possessed by that party at the time of disclosure and which was not previously obtained, directly or indirectly, from the other party hereto
- (c) Otherwise lawfully becomes available to that party from a third party that has no obligation of confidentiality.
- 16.4 The above provisions of this GCC Clause 16 shall not in any way modify any undertaking of confidentiality given by either of the parties hereto prior to the date of the Contract in respect of the Facilities or any part thereof.
- 16.5 The provisions of this GCC Clause 16 shall survive termination, for what-ever reason, of the Contract.

E. Work Execution



17. Representatives

17.1 Project Manager

If the Project Manager is not named in the Contract, then within fourteen (14) days of the Effective Date, the EESL shall appoint and notify the Implementing Partner in writing of the name of the Project Manager. The EESL may from time to time appoint some other person as the Project Manager in place of the person previously so appointed, and shall give a notice of the name of such other person to the Implementing Partner without delay. The EESL shall take reasonable care to see that no such appointment is made at such a time or in such a manner as to impede the progress of work on the Facilities. The Project Manager shall represent and act for the EESL at all times during the currency of the Contract. All notices, instructions, orders, certificates, approvals and all other communications under the Contract shall be given by the Project Manager, except as herein otherwise provided.

All notices, instructions, information and other communications given by the Implementing Partner to the EESL under the Contract shall be given to the Project Manager, except as herein otherwise provided.

17.2 Contractor's representative & Construction Manager

17.2.1 If the Implementing Partner's Representative is not named in the Contract, then within fourteen (14) days of the Effective Date, the Implementing Partner shall appoint the Implementing Partner's Representative and shall request the EESL in writing to approve the person so appointed. If the EESL makes no objection to the appointment within fourteen (14) days, the Implementing Partner's Representative shall be deemed to have been approved. If the EESL objects to the appointment within fourteen (14) days giving the reason therefor, then the Implementing Partner shall appoint a replacement within fourteen (14) days of such objection, and the foregoing provisions of this GCC Sub-Clause 17.2.1 shall apply thereto.

17.2.2 The Implementing Partner's Representative shall represent and act for the Implementing Partner at all times during the currency of the Contract and shall give to the Project Manager all the Implementing Partner's notices, instructions, information and all other communications under the Contract.

All notices, instructions, information and all other communications given by the EESL or the Project Manager to the Implementing Partner under the Contract shall be given to the Implementing Partner's Representative or, in its absence, its deputy, except as herein otherwise provided.

The Implementing Partner shall not revoke the appointment of the Implementing Partner's Representative without the EESL's prior written con-sent, which shall not be unreasonably withheld. If the EESL consents thereto, the Implementing Partner shall appoint some other per-son as the Implementing Partner's Representative, pursuant to the procedure set out in GCC Sub-Clause 17.2.1

17.2.3 The Implementing Partner's Representative may, subject to the approval of the EESL (which shall not be unreasonably withheld), at any time delegate to any person any of the powers, functions and authorities vested in him or her. Any such delegation may be revoked at any time. Any such delegation or revocation shall be subject to a prior notice signed by the Implementing Partner's Representa-tive, and shall specify the powers, functions and authorities thereby delegated or revoked. No such delegation or revocation shall take effect unless and until a copy thereof has been delivered to the EESL and the Project Manager.

Any act or exercise by any person of powers, functions and authorities so delegated to him or her in accordance with this GCC Sub-Clause 17.2.3 shall be deemed to be an act or exercise by the Implementing Partner's Representative.

- 17.2.3.1 Notwithstanding anything stated in GCC Sub-clause 17.1 and 17.2.1 above, for the purpose of execution of contract, the EESL and the Implementing Partner shall finalise and agree to a Contract Co-ordination Procedure and all the communication under the Contract shall be in accordance with such Contract Co-ordination Procedure.
- 17.2.4 From the commencement of installation of the Facilities at the Site until Operational Acceptance, the Implementing Partner's Representative shall appoint a suitable person as the construction manager (hereinafter referred to as "the Construction Manager"). The Construction Manager shall supervise all work done at the Site by the Implementing Partner and shall be present at the Site throughout normal working hours except when on leave, sick or absent for reasons connected with the proper performance of the Contract. When-ever the Construction Manager is absent from the Site, a suitable person shall be appointed to act as his or her deputy.



17.2.5 The EESL may by notice to the Implementing Partner object to any representative or person employed by the Implementing Partner in the ex-ecution of the Contract who, in the reasonable opinion of the EESL, may behave inappropriately, may be incompetent or negligent, or may commit a serious breach of the Site regulations provided under GCC Sub-Clause 22.3. The EESL shall provide evidence of the same, whereupon the Implementing Partner shall remove such person from the Facilities.

17.2.6 If any representative or person employed by the Implementing Partner is removed in accordance with GCC Sub-Clause 17.2.5, the Con-tractor shall, where required, promptly appoint a replacement.

18. Work Program

18.1 Contractor or Implementing Partner's Organization

The Implementing Partner shall supply to the EESL and the Project Manager achart showing the proposed organization to be established by the Implementing Partner for carrying out work on the Facilities. The chart shall include theidentities of the key personnel together with the curricula vitae of suchkey personnel to be employed within twenty-one (21) days of the Effective Date. The Implementing Partner shall promptly inform the EESL and the Project Manager in writing of any revision or alteration of such an organization chart.

18.2 Program of Performance

Within twenty-eight (28) days after the date of notification of award of Contract, the Implementing Partner shall prepare and submit to the Project Manager a detailed program of performance of the Contract, made in the form of PERT Network and showing the sequence in which it proposes to design, manufacture, transport, assemble, install and precommission the Facilities, as well as the date by which the Implementing Partner reasonably requires that the EESL shall have fulfilled its obligations under the Contract so as to enable the Implementing Partner to execute the Contract inaccordance with the program and to achieve Completion and Acceptance of the Facilities in accordance with the Contract. The program sosubmitted by the Implementing Partner shall accord with the Time Schedule included in Appendix 4 (Time Schedule) to the Contract Agreement and any other dates and periods specified in the Contract. The Implementing Partnershall update and revise the program as andwhen appropriate or when required by the Project Manager, but without modification in the Timesfor Completion given in the SCC and any extension granted in accordance with GCC Clause 40, and shall submit all such revisions to the Project Manager.

18.3 Progress Report

The Contractor or Implementing Partner shall monitor progress of all the activities specified in the program referred to in GCC Sub-Clause 18.2 (Program of Performance) above, and supply a progress report to the Project Managerevery month.

The progress report shall be in a form acceptable to the Project Manager and shall also indicate: (a) percentage completion achieved compared with the planned percentage completion for each activity; and (b) where any activity is behind the program, giving comments and likely consequences and stating the corrective action being taken.

18.4 Progress of Performance

If at any time the Implementing Partner's actual progress falls behind the program referred to in GCC Sub-Clause 18.2 (Program of Performance), or it becomes apparent that it will so fall behind, the Implementing Partner shall, at the request of the EESL or the Project Manager, prepare and submit to the Project Manager a revised program, taking into account the prevailing circumstances, and shall notify the Project Manager of the steps being taken to expedite progress so as to attain Completion of the Facilities within the Time for Completion under GCC Sub-Clause 8.2 (Time for Commencement and Completion), any extension thereof entitled under GCC Sub-Clause 40.1 (Extension of Time for Completion), or any ex-tended period as may otherwise be agreed upon between the EESLand the Implementing Partner.

18.5 Work Procedures

The Contract shall be executed in accordance with the Contract Documents and the procedures given in the section on Forms and Procedures of the Contract Documents.

If agreed between the EESL and the Implementing Partner, the Implementing Partner may execute the Contract in accordance with its own standard project execution plans and procedures to the extent that they do not conflict with the provisions contained in the Contract.

18.6 Maintenanceof Recordsof Weekly Progress Review meeting at Site

The Contractor shall be required to attend all weekly site progress review meetings organised by the 'Project Manager'



or his authorised representative. The deliberations in the meetings shall interalia include the weekly program, progress of work (including details of manpower, tools & plants deployed by the Contractor vis-a-vis agreed schedule), inputs to be provided by Employer, delays, if any and recovery program, specific hindrances to work and work instructions by Employer. The minutes of the weekly meetings shall be recorded in triplicate in a numbered register available with the Project Manager or his authorised representative. These representative and the Contractor and one copy of the signed records shall be handed over to the Contractor.

19. Subcontracting

19.1 Appendix 5 (List of Approved SubImplementing Partners) to the Contract Agreement specifies major items of supply or services and a list of approved Sub-Implementing Partners against each item, including vendors. Insofar as no SubImplementing Partners are listed against any such item, the Implementing Partner shall prepare a list of SubImplementing Partners for such item for inclusion in such list. The Implementing Partner may from time to time propose any addition to or deletion from any such list. The Implementing Partner shall submit any such list or any modification thereto to the EESL for its approval in sufficient time so as not to impede the progress of work on the Facilities. Such approval by the EESL for any of the SubImplementing Partners shall not relieve the Implementing Partner from any of its obligations, duties or responsibilities under the Contract.

19.2 The Implementing Partner shall select and employ its SubImplementing Partners for such major items from those listed in the lists referred to in GCC Sub-Clause 19.1.

19.3 For items or parts of the Facilities not specified in Appendix 5 (List of Approved SubImplementing Partners) to the Contract Agreement, the Implementing Partner may employ such SubImplementing Partners as it may select, at its discretion.

20. Design and Engineering

20.1 Specifications and Drawings

20.1.1 The Implementing Partner shall execute the basic and detailed design and the engineering work in compliance with the provisions of the Contract, or where not so specified, in accordance with goodengineering practice.

The Implementing Partner shall be responsible for any discrepancies, errorsor omissions in the specifications, drawings and other technicaldocuments that it has prepared, whether such specifications, drawings and other documents have been approved by the ProjectManager or not, provided that such discrepancies, errors oromissions are not because of inaccurate information furnished inwriting to the Implementing Partner by or on behalf of the EESL.

20.1.2 The Implementing Partner shall be entitled to disclaim responsibility forany design, data, drawing, specification or other document, orany modification thereof provided or designated by or on behalfof the EESL, by giving a notice of such disclaimer to the Project Manager.

20.2 Codes and Standards

Wherever references are made in the Contract to codes and standardsin accordance with which the Contract shall be executed, the editionor the revised version of such codes and standards current at the datetwenty-eight (28) days prior to date of bid submission shall apply unlessotherwise specified. During Contract execution, any changes in suchcodes and standards shall be applied after approval by the EESL andshall be treated in accordance with GCC Clause 39 (Changes Originating from Implementing Partner).

20.3 Approval/Review of Technical Documents by Project Manager, where ever applicable

20.3.1 The Implementing Partner shall prepare (or cause its SubImplementing Partners toprepare) and furnish to the Project Manager the documents listedin Appendix 7 (List of Documents for Approval or Review) to the Contract Agreement for its approval or review as specified and asin accordance with the requirements of GCC Sub-Clause 18.2(Program of Performance).

Any part of the Facilities covered by or related to the documents to be approved by the Project Manager shall be executed only after the Project Manager's approval thereof.

GCC Sub-Clauses 20.3.2 through 20.3.7 shall apply to thosedocuments requiring the Project Manager's approval, but not tothose furnished to the Project Manager for its review only.

20.3.2 Within twenty one (21) days after receipt by the Project Managerof any document requiring the Project



Manager's approval in accordance with GCC Sub-Clause 20.3.1, the Project Manager shall either return one copy thereof to the Implementing Partner with its approval endorsed thereon or shall notify the Implementing Partner in writing of its disapproval thereof and the reasons therefor and the modifications that the Project Manager proposes.

20.3.3 The Project Manager shall not disapprove any document, except on the grounds that the document does not comply with some specified provision of the Contract or that it is contrary to good engineering practice.

20.3.4 If the Project Manager disapproves the document, the Implementing Partner shall modify the document and resubmit it for the Project Manager's approval in accordance with GCC Sub-Clause 20.3.2. If the Project Manager approves the document subject to modification(s), the Implementing Partner shall make the required modification(s), and upon resubmission with the required modifications the document shall be deemed to have been approved.

The procedure for submission of the documents by the Implementing Partner and their approval by the Project Manager shall be discussed and finalised with the Implementing Partner.

20.3.5 If any dispute or difference occurs between the EESL and the Implementing Partner in connection with or arising out of the disapproval by the Project Manager of any document and/or any modification(s) thereto that cannot be settled between the parties within a reasonable period, then such dispute or difference may be referred to an Adjudicator for determination in accordance with GCC Sub-Clause 6.1 (Adjudicator) hereof. If such dispute or difference is referred to an Adjudicator, the Project Manager shall give instructions as to whether and if so, how, performance of the Contract is to proceed. The Implementing Partner shall proceed with the Contract in accordance with the Project Manager's instructions, provided that if the Adjudicator upholds the Implementing Partner's view on the dispute and if the EESL has not given notice under GCC Sub-Clause 6.1.2 hereof, then the Implementing Partner shall be reimbursed by the EESL for any additional costs incurred by reason of such instructions and shall be relieved of such responsibility or liability in connection with the dispute and the execution of the instructions as the Adjudicator shall decide, and the Time for Completion shall be extended accordingly.

20.3.6 The Project Manager's approval, with or without modification of the document furnished by the Implementing Partner, shall not relieve the Implementing Partner of any responsibility or liability imposed upon it by any provisions of the Contract except to the extent that any subsequent failure results from modifications required by the Project Manager.

20.3.7 The Implementing Partner shall not depart from any approved documentunless the Implementing Partner has first submitted to the Project Manageran amended document and obtained the Project Manager's approval thereof, pursuant to the provisions of this GCC Sub-Clause 20.3.

If the Project Manager requests any change in any already approved document and/or in any document based thereon, the provisions of GCC Clause 39 (Change in the Facilities) shall apply to such request.

21. Prourement

21.1 Plant and Equipment

Subject to GCC Sub-Clause 14.2, the Implementing Partner shall manufacture or procure and transport all the Plant and Equipment in an expeditious and orderly manner to the Site.

21.2 EESL-Supplied Plant, Equipment, and Materials

If Appendix 6 (Scope of Works and Supply by the EESL) to the Contract Agreement provides that the EESL shall furnish any specificitems of machinery, equipment or materials to the Implementing Partner, the following provisions shall apply:

21.2.1 The EESL shall, at its own risk and expense, transport eachitem to the place on or near the Site as agreed upon by theparties and make such item available to the Implementing Partner at the time specified in the program furnished by the Implementing Partner, pursuant to GCC Sub-Clause 18.2 (Program of Performance), unless otherwise mutually agreed.

21.2.2 Upon receipt of such item, the Implementing Partner shall inspect the samevisually and notify the Project Manager of any detected shortage, defect or default. The EESL shall immediately remedy anyshortage, defect or default, or the Implementing Partner shall, if practicableand possible, at the request of the EESL, remedy such shortage, defect or default at the EESL's cost and expense. After inspection, such item shall fall under the care, custody and control of the Implementing Partner. The provision of this GCC Sub-Clause21.2.2 shall apply to any item supplied to remedy any such shortage or default or to substitute for any defective item, or shallapply to defective items



that have been repaired.

21.2.3 The foregoing responsibilities of the Implementing Partner and its obligations of care, custody and control shall not relieve the EESLofliability for any undetected shortage, defect or default, nor placethe Implementing Partner under any liability for any such shortage, defect ordefault whether under GCC Clause 27 (Defect Liability) or under any other provision of Contract.

21.3 Transportation

21.3.1 The Implementing Partner shall at its own risk and expense transport all the Plant and Equipment and the Implementing Partner's Equipment to the Site by the mode of transport that the Implementing Partner judges most suitable under all the circumstances.

Packing Material

The Contractor shall ensure that all the plant and equipment are suitably packed and protected to prevent damage or deterioration during its transportation to site, handling and storage at site till the time of its installation. The ownership of all such packing material (except empty shipper's containers on which the customs duty has been paid by the Contractor) shall standtransferred to the Employer upon dispatch of the plant and equipment and endorsement of dispatch documentsinfavouroftheEmployer.

- 21.3.2 Unless otherwise provided in the Contract, the Implementing Partner shall be entitled to select any safe mode of transport operated by any person to carry the Plant and Equipment and the Implementing Partner's Equipment.
- 21.3.3 Upon despatch of each shipment of the Plant and Equipment and the Implementing Partner's Equipment, the Implementing Partner shall notify the EESL by telex, cable, facsimile or Electronic Data Interchange (EDI) of the description of the Plant and Equipment and of the Implementing Partner's Equipment, the point and means of dispatch, and the estimated time and point of arrival in the country where the Site is located, if applicable, and at the Site. The Implementing Partner shall furnish the EESL with relevant shipping documents to be agreed upon between the parties.
- 21.3.4 The Implementing Partner shall be responsible for obtaining, if necessary, approvals from the authorities for transportation of the Plant and Equipment and the Implementing Partner's Equipment to the Site. The EESL shall use its best endeavors in a timely and expeditious manner to assist the Implementing Partner in obtaining such approvals, if requested by the Implementing Partner. The Implementing Partner shall indemnify and hold harmless the EESL from and against any claim for damage to roads, bridges or any other traffic facilities that may be caused by the transport of the Plant and Equipment and the Implementing Partner's Equipment to the Site.

21.4 Customs Clearance

The Implementing Partner shall, at its own expense, handle all imported Plant and Equipment and Implementing Partner's Equipment at the point(s) of import and shall handle any formalities for customs clearance, subject to the EESL's obligations under GCC Sub-Clause 14.2, provided that if applicable laws or regulations require any application or act to be made by or in the name of the EESL, the EESL shall take all necessary steps to comply with such laws or regulations. In the event of delays in customs clearance due to fault of the EESL, the Implementing Partner shall be entitled to an extension in the Time for Completion, pursuant to GCC Clause 40.

22. Installation

22.1 Setting Out/Supervision/Labour

- 22.1.1 Bench Mark: The Implementing Partner shall be responsible for the true and proper setting-out of the Facilities in relation to bench marks, reference marks and lines provided to it in writing by or on behalf of the EESL. If, at any time during the progress of installation of the Facilities, any error shall appear in the position, level or alignment of the Facilities, the Implementing Partner shall forthwith notify the Project Manager of such error and, at its own expense, immediately rectify such error to the reasonable satisfaction of the Project Manager. If such error is based on incorrect data provided in writing by or on behalf of the EESL, the expense of rectifying the same shall be borne by the EESL.
- 22.1.2 Implementing Partner's Supervision: The Implementing Partner shall give or provide all necessary superintendence during the installation of the Facilities, and the Construction Manager or its deputy shall be constantly



on the Site to provide full-time superintendence of the installation. The Implementing Partner shall provide and employ only technical personnel who are skilled and experienced in their respective callings and supervisory staff who are competent to adequately supervise the work at hand.

22.1.3 Labour:

- (a) The Implementing Partner shall provide and employ on the Site in the installation of the Facilities such skilled, semi-skilled and unskilled labor as is necessary for the proper and timely execution of the Contract. The Implementing Partner is encouraged to use local labor that has the necessary skills.
- (b) Unless otherwise provided in the Contract, the Implementing Partner shall be responsible for the recruitment, transportation, accommodation and catering of all labor, local or expatriate, required for the execution of the Contract and for all payments in connection therewith.
- (c) The Implementing Partner shall be responsible for obtaining all necessary permit(s) and/or visa(s) from the appropriate authorities for the entry of all labor and personnel to be employed on the Site into the country where the Site is located.
- (d) The Implementing Partner shall at its own expense provide the means of repatriation to all of its and its SubImplementing Partner's personnel employed on the Contract at the Site to their various home countries. It shall also provide suitable temporary maintenance of all such persons from the cessation of their employment on the Contract to the date programmed for their departure. In the event that the Implementing Partner defaults in providing such means of transportation and temporary maintenance, the EESL may provide the same to such personnel and recover the cost of doing so from the Implementing Partner.
- (e) The Implementing Partner shall at all times during the progress of the Contract use its best endeavors to prevent any unlawful, riotous or disorderly conduct or behavior by or amongst its employees and the labor of its SubImplementing Partners.
- (f) The Implementing Partner shall, in all dealings with its labor and the labor of its SubImplementing Partners currently employed on or connected with the Contract, pay due regard to all recognized festivals, official holidays, religious or other customs and all local laws and regulations pertaining to the employment of labor.

22.2 Contractor, simplementing Partner's Equipment

- 22.2.1 AllContractors or Implementing Partners' Equipment brought by the Implementing Partner onto the Site shall be deemed to be intended to be used exclusively for the execution of the Contract. The Implementing Partnershall not remove the same from the Site without the Project Manager's consent that such Implementing Partner's Equipment is no longer required for the execution of the Contract.
- 22.2.2 Unless otherwise specified in the Contract, upon completion of the Facilities, the Implementing Partner shall remove from the Site all Equipment brought by the Implementing Partner onto the Site and any surplus materials remaining thereon.
- 22.2.3 The EESL will, if requested, use its best endeavours to assist the Implementing Partner in obtaining any local, state or national government permission required by the Implementing Partner for the export of the Implementing Partner's Equipment imported by the Implementing Partner for use in the execution of the Contract that is no longer required for the execution of the Contract.

22.3 Site Regulations and Safety

The EESL and the Implementing Partner shall establish Site regulations setting out the rules to be observed in the execution of the Contract at the Site and shall comply therewith. The Implementing Partner shall prepare and submit to the EESL, with a copy to the Project Manager, proposed Site regulations for the EESL's approval, which approval shall not be unreasonably withheld.

Such Site regulations shall include, but shall not be limited to, rules in respect of security, safety of the Facilities, gate



control, sanitation, medical care, and fire prevention.

22.4 Opportunities for Other Implementing Partners

- 22.4.1 The Implementing Partner shall, upon written request from the EESL or the Project Manager, give all reasonable opportunities for carrying out the work to any other Implementing Partners employed by the EESL on or near the Site.
- 22.4.2 If the Implementing Partner, upon written request from the EESL or the Project Manager, makes available to other Implementing Partners any roads or ways the maintenance for which the Implementing Partner is responsible, permits the use by such other Implementing Partners of the Implementing Partner's Equipment, or provides any other service of whatsoever nature for such other Implementing Partners, the EESL shall fully compensate the Implementing Partner for any loss or damage caused or occasioned by such other Implementing Partners in respect of any such use or service, and shall pay to the Implementing Partner reasonable remuneration for the use of such equipment or the provision of such services.
- 22.4.3 The Implementing Partner shall also so arrange to perform its work as to minimize, to the extent possible, interference with the work of other Implementing Partners. The Project Manager shall determine the resolution of any difference or conflict that may arise between the Implementing Partner and other Implementing Partners and the workers of the EESL in regard to their work.
- 22.4.4 The Implementing Partner shall notify the Project Manager promptly of any defects in the other Implementing Partners' work that come to its notice, and that could affect the Implementing Partner's work. The Project Manager shall determine the corrective measures, if any, required to rectify the situation after inspection of the Facilities. Decisions made by the Project Manager shall be binding on the Implementing Partner.

22.5 Emergency Work

If, by reason of an emergency arising in connection with and during the execution of the Contract, any protective or remedial work is necessary as a matter of urgency to prevent damage to the Facilities, the Implementing Partner shall immediately carry out such work.

If the Implementing Partner is unable or unwilling to do such work immediately, the EESL may do or cause such work to be done as the EESL may determine is necessary in order to prevent damage to the Facilities. In such event the EESL shall, as soon as practicable after the occurrence of any such emergency, notify the Implementing Partner in writing of such emergency, the work done and the reasons therefor. If the work done or caused to be done by the EESL is work that the Implementing Partner was liable to do at its own expense under the Contract, the reasonable costs incurred by the EESL in connection therewith shall be paid by the Implementing Partner to the EESL. Otherwise, the cost of such remedial work shall be borne by the EESL.

22.6 Site Clearance

- 22.6.1 Site Clearance in Course of Performance: In the course of carrying out the Contract, the Implementing Partner shall keep the Site reasonably free from all unnecessary obstruction, store or remove any surplus materials, clear away any wreckage, rubbish or temporary works from the Site, and remove any Implementing Partner's Equipment no longer required for execution of the Contract.
- 22.6.2 Clearance of Site after Completion: After Completion of all parts of the Facilities, the Implementing Partner shall clear away and remove all wreckage, rubbish and debris of any kind from the Site, and shall leave the Site and Facilities clean and safe.

DisposalofScrap

The Contractor shall with the agreement of the Employer promptly remove from the site any 'Scrap' generated during performance of any activities at site in pursuance of the Contract. The term 'Scrap' shall refer to scrap / waste / remnants arising out of the fabrication of structural steel work and piping work at the project site in the course of execution of the contract and shall also include any wastage of cables during the termination process while installing the cables.

The ownership of such Scrap shall vest with the Contractor except in cases where the items have been issued by the



Employer from its stores for their installation only without any adjustment to the Contract Price. The removal of scrap shall be subject to the Contractor producing the necessary clearance from the relevant authorities (Custom, Excise etc.), if required by the law, in respect of disposal of the scrap. The liability for the payment of the applicable taxes/duties shall be that of the Contractor. Harmful scrap shall be disposed as per environmental statuary or other guidelines at contractor or implementing partner own cost.

The Contractor shall also indemnify to keep the Employer harmless from any act of omission or negligence on the part of the Contractor in following the statutory requirements with regard to removal/disposal of scrap. The Indemnity Bond shall be furnished by Contractor as per proforma enclosed in Section-VII (Forms and Procedure) as Form No. 14. Further, in case the laws require the Employer to take prior permission of the relevant Authorities before handing over the scrap to the Contractor, the same shall be obtained by the Contractor on behalf of the Employer.

However scrap generated in say replacement of pumps (i.e. old pumps as scrap) or any other scrap which is owned by EESL as per contract agreement, the same shall be disposed by EESL and EESL will get the payment. Contractor or Implementing Partner will co-ordinate with EESL and the agency picking up the scrap, for scrap disposal.

22.7 Watching and Lighting

The Implementing Partner shall provide and maintain at its own expense all lighting, fencing, and watching when and where necessary for the proper executionand the protection of the Facilities, or for the safety of the owners and occupiers of adjacent property and for the safety of the public.

22.8 Work at Night and on Holidays

22.8.1 Unless otherwise provided in the Contract, no work shall becarried out during the night and on public holidays of the countrywhere the Site is located without prior written consent of the EESL, except where work is necessary or required to ensuresafety of the Facilities or for the protection of life, or to preventloss or damage to property, when the Implementing Partner shallimmediately advise the Project Manager, provided that provisionsof this GCC Sub-Clause 22.8.1 shall not apply to any work which is customarily carried out by rotary or double-shifts.

22.8.2 Notwithstanding GCC Sub-Clauses 22.8.1 or 22.1.3, if and when the Implementing Partner considers it necessary to carry out work at night or on public holidays so as to meet the Time for Completion and requests the EESL's consent thereto, the EESL shall not unreasonably withhold such consent.

23. Test and Inspection

- 23.1 The Implementing Partner shall at its own expense carry out at the place of manufacture and/or on the Site all such tests and/or inspections of the Plantand Equipment and any part of the Facilities as are specified in the Contract.
- 23.2 The EESL and the Project Manager or their designated representatives shall be entitled to attend the aforesaid test and/or inspection, provided that the EESL shall bear all costs and expenses incurred in connection with such attendance including, but not limited to, all traveling and board and lodging expenses.
- 23.3 Whenever the Implementing Partner is ready to carry out any such test and/orinspection, the Implementing Partner shall give a reasonable advance notice of suchtest and/or inspection and of the place and time thereof to the ProjectManager. The Implementing Partner shall obtain from any relevant third party ormanufacturer any necessary permission or consent to enable the EESL and the Project Manager (or their designated representatives) to attend the test and/or inspection
- 23.4 The Implementing Partner shall provide the Project Manager with a certified report of the results of any such test and/or inspection.

If the EESL or Project Manager (or their designated representatives) fails to attend the test and/or inspection, or if it is agreed between the parties that such persons shall not do so, then the Implementing Partner may proceed with the test and/or inspection in the absence of such persons, and may provide the Project Manager with a certified report of the results thereof.

23.5 The Project Manager may require the Implementing Partner to carry out any test and/or inspection not required by the Contract, provided that the Implementing Partner's reasonable costs and expenses incurred in the carrying out of such test and/or inspection shall be added to the Contract Price. Further, if such test and/or inspection impedes the progress of work on the Facilities and/or the Implementing Partner's performance of its other obligations under the



Contract, due allowance will be made in respect of the Time for Completion and the other obligations so affected.

23.6 If any Plant and Equipment or any part of the Facilities fails to pass any test and/or inspection, the Implementing Partner shall either rectify or replace such Plant and Equipment or part of the Facilities and shall repeat the test and/or inspection upon giving a notice under GCC Sub-Clause 23.3.

- 23.7 If any dispute or difference of opinion shall arise between the parties in connection with or arising out of the test and/or inspection of the Plant and Equipment or part of the Facilities that cannot be settled between the parties within a reasonable period of time, it may be referred to the Adjudicator for determination in accordance with GCC Sub-Clause 6.1 (Adjudicator).
- 23.8 The Implementing Partner shall afford the EESL and the Project Manager, at the EESL's expense, access at any reasonable time to any place where the Plant and Equipment are being manufactured or the Facilities are being installed, in order to inspect the progress and the manner of manufacture or installation, provided that the Project Manager shall give the Implementing Partner a reasonable prior notice.
- 23.9 The Implementing Partner agrees that neither the execution of a test and/or inspection of Plant and Equipment or any part of the Facilities, nor the attendance by the EESL or the Project Manager, nor the issue of any test certificate pursuant to GCC Sub-Clause 23.4, shall release the Implementing Partner from any other responsibilities under the Contract.
- 23.10 No part of the Facilities or foundations shall be covered up on the Site without the Implementing Partner carrying out any test and/or inspection required under the Contract. The Implementing Partner shall give a reasonable notice to the Project Manager whenever any such part of the Facilities or foundations are ready or about to be ready for test and/or inspection; such test and/ or inspection and notice thereof shall be subject to the requirements of the Contract.
- 23.11 The Implementing Partner shall uncover any part of the Facilities or foundations, or shall make openings in or through the same as the Project Manager may from time to time require at the Site, and shall reinstate and make good such part or parts.

If any part of the Facilities or foundations have been covered up at the Site after compliance with the requirement of GCC Sub-Clause 23.10 and are found to be executed in accordance with the Contract, the expenses of uncovering, making openings in or through, reinstating, and making good the same shall be borne by the EESL, and the Time for Completion shall be reasonably adjusted to the extent that the Implementing Partner has thereby been delayed or impeded in the performance of any of its obligations under the Contract.

24. Completion of the Facilities

- 24.1 As soon as the Facilities orany part thereof has, in the opinion of the Implementing Partner, been completed operationally and structurally and putin a tight and clean condition as specified in the Technical Specifications, excluding minor items not materially affecting the operation or safety o the Facilities, the Implementing Partner shall so notify the EESL in writing.
- 24.2 Within seven (7) days after receipt of the notice from the Implementing Partnerunder GCC Sub-Clause 24.1, the EESL shall supply the operatingand maintenance personnel specified in Appendix 6 (Scope of Worksand Supply by the EESL) to the Contract Agreement, required for Precommissioning of the Facilities or any part thereof.

Unless otherwise specified in the Technical Specifications, the EESLshall also provide, within the said seven (7) day period, the raw materials, utilities, lubricants, chemicals, catalysts, facilities, services and othermatters required for Precommissioning of the Facilities or any part thereof.

- 24.3 As soon as reasonably practicable after the operating and maintenance personnel have been supplied by the EESL and the raw materials, utilities, lubricants, chemicals, catalysts, facilities, services and other matters, if so specified in Appendix 6 (Scope of Works and Supply by the EESL)/ Technical Specifications, have been provided by the EESL in accordance with GCC Sub-Clause 24.2, the Implementing Partner shall commence Precommissioning of the Facilities or the relevant part thereof in preparation for Commissioning.
- 24.4 As soon as all works in respect of Precommissioning are completed and, in the opinion of the Implementing Partner, the Facilities or any part thereof is ready for Commissioning, the Implementing Partner shall commence Commissioning as per procedures stipulated in Technical Specifications, and as soon as Commissioning is satisfactorily completed, the Implementing Partner shall so notify the Project Manager in writing.



24.5 The Project Manager shall, within fourteen (14) days after receipt of the Implementing Partner's notice under GCC Sub-Clause 24.4, either issue a Completion Certificate in the form specified in the Forms and Procedures section in the bidding documents, stating that the Facilities or that part thereof have reached Completion as at the date of the Implementing Partner's notice under GCC Sub-Clause 24.4, or notify the Implementing Partner in writing of any defects and/or deficiencies.

If the Project Manager notifies the Implementing Partner of any defects and/or deficiencies, the Implementing Partner shall then correct such defects and/or deficiencies, and shall repeat the procedure described in GCC Sub Clause 24.4.

If the Project Manager is satisfied that the Facilities or that part thereof have reached Completion, the Project Manager shall, within seven (7) days after receipt of the Implementing Partner's repeated notice, issue a Completion Certificate stating that the Facilities or that part thereof have reached Completion as at the date of the Implementing Partner's repeated notice.

If the Project Manager is not so satisfied, then it shall notify the Implementing Partner in writing of any defects and/or deficiencies within seven (7) days after receipt of the Implementing Partner's repeated notice, and the above procedure shall be repeated.

24.6 If the Project Manager fails to issue the Completion Certificate and fails to inform the Implementing Partner of any defects and/or deficiencies within fourteen (14) days after receipt of the Implementing Partner's notice under GCC Sub-Clause 24.4 or within seven (7) days after receipt of the Implementing Partner's repeated notice under GCC Sub-Clause 24.5, or if the EESL makes use of the Facilities or part thereof, then the Facilities or that part thereof shall be deemed to have reached Completion as of the date of the Implementing Partner's notice or repeated notice, or as of the EESL's use of the Facilities, as the case may be.

24.7 As soon as possible after Completion, the Implementing Partner shall complete all outstanding minor items so that the Facilities are fully in accordance with the requirements of the Contract, failing which the EESL will undertake such completion and deduct the costs thereof from any monies owing to the Implementing Partner.

24.8 Upon Completion, the EESL shall be responsible for the care and custody of the Facilities or the relevant part thereof, together with the risk of loss or damage thereto, and shall thereafter take over the Facilities or the relevant part thereof.

25. Commissioning, Guarantee Test and Operational Acceptance

25.1 Commissioning

25.1.1 Commissioning of the Facilities or any part thereof shall becompleted by the Implementing Partner as per procedures detailed in the Technical Specifications.

The EESL shall, unless otherwise specified in Appendix 6(Scope of Works and Supply by the EESL)/ TechnicalSpecifications, supply the operating and maintenance personneland all raw materials, utilities, lubricants, chemicals, catalysts ,facilities, services and other matters required for Commissioningof the Facilities.

25.2 Guarantee Test (where ever applicable)

25.2.1 The Guarantee Test (and repeats thereof) shall be conducted by the Implementing Partner after Commissioning of the Facilities or the relevant part thereof to ascertain whether the Facilities or the relevant part can attain the Functional Guarantees specified in the Contract Documents. The Implementing Partner's and Project Manager's advisory personnel shall attend the Guarantee Test. The EESL shall promptly provide the Implementing Partner with such information as the Implementing Partner may reasonably require in relation to the conduct and results of the Guarantee Test (and any repeats thereof).

25.2.2 If for reasons not attributable to the Implementing Partner, the Guarantee Test of the Facilities or the relevant part thereof cannot be successfully completed within the period from the date of Completion specified in the SCC or any other period agreed upon by the EESL and the Implementing Partner, the Implementing Partner shall be deemed



to have fulfilled its obligations with respect to the Functional Guarantees, and GCC Sub-Clauses 28.2 and 28.3 shall not apply.

25.3 Operational Acceptance

25.3.1 Subject to GCC Sub-Clause 25.4 (Partial Acceptance) below, Operational Acceptance shall occur in respect of the Facilities or any part thereof when

- (a) the Guarantee Test has been successfully completed and the Functional Guarantees are met; or
- (b) the Guarantee Test has not been successfully completed or has not been carried out for reasons not attributable to the Implementing Partner within the period from the date of Completion specified in the SCC or any other agreed upon period as specified in GCC Sub-Clause 25.2.2 above, but successful Completion of the Facilities has been achieved; or
- (C) the Implementing Partner has paid the liquidated damages specified in GCC Sub-Clause 28.3 hereof; and
- (d) any minor items mentioned in GCC Sub-Clause 24.7 hereof relevant to the Facilities or that part thereof have been completed.
- 25.3.2 At any time after any of the events set out in GCC Sub-Clause 25.3.1 have occurred, the Implementing Partner may give a notice to the Project Manager requesting the issue of an Operational Acceptance Certificate in the form provided in the Bidding Documents or in another form acceptable to the EESL in respect of the Facilities or the part thereof specified in such notice as at the date of such notice.
- 25.3.3 The Project Manager shall, after consultation with the EESL, and within forty five (45) days after receipt of the Implementing Partner's notice, issue an Operational Acceptance Certificate.
- 25.3.4 If within forty five (45) days after receipt of the Implementing Partner's notice, the Project Manager fails to issue the Operational Acceptance Certificate or fails to inform the Implementing Partner in writing of the justifiable reasons why the Project Manager has not issued the Operational Acceptance Certificate, the Facilities or the relevant part thereof shall be deemed to have been accepted as at the date of the Implementing Partner's said notice.

25.4 Partial Acceptance

- 25.4.1 If the Contract specifies that Completion and Commissioning shallbe carried out in respect of parts of the Facilities, the provisions relating to Completion and Commissioning including the Guarantee Test shall apply to each such part of the Facilities individually, and the Operational Acceptance Certificate shall be issued accordingly for each such part of the Facilities.
- 25.4.2 If a part of the Facilities comprises facilities such as buildings, forwhich no Commissioning or Guarantee Test is required, then the Project Manager shall issue the Operational Acceptance Certificate for such facility when it attains Completion, provided that the Implementing Partner shall thereafter complete any outstanding minoritems that are listed in the Operational Acceptance Certificate.

F. Guarantees and Liabilities

26. Completion Time Guarantee

- 26.1 The Implementing Partner guarantees that it shall attain Completion of the Facilities (or a part for which a separate time for completion is specified in the SCC) within the Time for Completion specified in the SCC pursuant toGCC Sub-Clause 8.2, or within such extended time to which the Implementing Partnershall be entitled under GCC Clause 40 (Extension of Time for Completion) hereof.
- 26.2 If the Implementing Partner fails to attain Completion of the Facilities or any part thereof within the Time for Completion or any extension thereof under GCC Clause 40 (Extension of Time for Completion), the Implementing Partner shall pay to the EESL liquidated damages in the amount computed at the rates specified in the SCC. The aggregate amount of such liquidated damages shall in no event exceed the amount specified as "Maximum" in the SCC. Once the "Maximum" is reached, the EESL may consider termination of the Contract, pursuant to GCC Sub-Clause 42.2.2.

Such payment shall completely satisfy the Implementing Partner's obligation toattain Completion of the Facilities or the relevant part thereof within the Time for Completion or any extension thereof under GCC Clause 40 (Extension



of Time for Completion). The Implementing Partner shall have no furtherliability whatsoever to the EESL in respect thereof.

However, the payment of liquidated damages shall not in any way relieve the Implementing Partner from any of its obligations to complete the Facilities or from any other obligations and liabilities of the Implementing Partner under the Contract.

Save for liquidated damages payable under this GCC Sub-Clause 26.2, the failure by the Implementing Partner to attain any milestone or other act, matter or thing by any date specified in Appendix 4 (Time Schedule) to the Contract Agreement and/or other program of work prepared pursuant to GCC Clause 18 (Program of Performance) shall not render the Implementing Partner liable for any loss or damage thereby suffered by the EESL.

27. Defect Liability

- 27.1 The Implementing Partner warrants that the Facilities or any part thereof shall befree from defects in the design, engineering, materials and workmanship of the Plant and Equipment supplied and of the work executed.
- 27.2 The Defect Liability Period shall be eighteen (18) months from the date of Completion of the Facilities (or any part thereof) or twelve (12) monthsfrom the date of Operational Acceptance of the Facilities (or any partthereof), whichever first occurs, unless specified otherwise in the SCC.

If during the Defect Liability Period any defect should be found in thedesign, engineering, materials and workmanship of the Plant andEquipmentsupplied or of the work executed by the Implementing Partner, theImplementing Partner shall promptly, in consultation and agreement with theEESL regarding appropriate remedying of the defects, and at its cost, repair, replace or otherwise make good (as the Implementing Partner shall, at its discretion, determine) such defect as well as any damage to the Facilitiescaused by such defect. The Implementing Partner shall not be responsible for therepair, replacement or making good of any defect or of any damage to the Facilities arising out of or resulting from any of the following causes:

- (a) improper operation or maintenance of the Facilities by the EESL
- (b) operation of the Facilities outside specifications provided in the Contract.
- (c) Normal wear and tear.
- 27.3 The Implementing Partner's obligations under this GCC Clause 27 shall not apply to
- (a) any materials that are supplied by the EESL under GCC Sub- Clause 21.2 (EESL-Supplied Plant, Equipment and Materials), are normally consumed in operation, or have a normal life shorter than the Defect Liability Period stated herein.
- (b) any designs, specifications or other data designed, supplied or specified by or on behalf of the EESL or any matters for which the Implementing Partner has disclaimed responsibility herein.
- (c) any other materials supplied or any other work executed by or on behalf of the EESL, except for the work executed by the EESL under GCC Sub-Clause 27.7.
- 27.4 The EESL shall give the Implementing Partner a notice stating the nature of any such defect together with all available evidence thereof, promptly following the discovery thereof. The EESL shall afford all reasonable opportunity for the Implementing Partner to inspect any such defect.
- 27.5 The EESL shall afford the Implementing Partner all necessary access to the Facilities and the Site to enable the Implementing Partner to perform its obligations under this GCC Clause 27.

The Implementing Partner may, with the consent of the EESL, remove from the Site any Plant and Equipment or any part of the Facilities that are defective if the nature of the defect, and/or any damage to the Facilities caused by the defect, is such that repairs cannot be expeditiously carried out at the Site.

27.6 If the repair, replacement or making good is of such a character that it may affect the efficiency of the Facilities or any part thereof, the EESL may give to the Implementing Partner a notice requiring that tests of the defective part of the Facilities shall be made by the Implementing Partner immediately upon completion of such remedial work,



whereupon the Implementing Partner shall carry out such tests.

If such part fails the tests, the Implementing Partner shall carry out further repair, replacement or making good (as the case may be) until that part of the Facilities passes such tests. The tests in character shall in any case be not less than what has already been agreed by the EESL and the Implementing Partner for the original equipment/part of the Facilities.

27.7 If the Implementing Partner fails to commence the work necessary to remedy such defect or any damage to the Facilities caused by such defect within a reasonable time (which shall in no event be considered to be less than fifteen (15) days), the EESL may, following notice to the Implementing Partner, proceed to do such work, and the reasonable costs incurred by the EESL in connection therewith shall be paid to the EESL by the Implementing Partner or may be deducted by the EESL from any monies due to the Implementing Partner or claimed under the Performance Security.

27.8 If the Facilities or any part thereof cannot be used by reason of such defect and/or making good of such defect, the Defect Liability Period of the Facilities or such part, as the case may be, shall be extended by a period equal to the period during which the Facilities or such part cannot be used by the EESL because of any of the aforesaid reasons. Upon correction of the defects in the Facilities or any part thereof by repair/ replacement, such repair/replacement shall have the Defect Liability Period extended by a period of twelve (12) month from the time such replacement/ repair of the Facilities or any part therof.

27.9 Except as provided in GCC Clauses 27 and 33 (Loss of or DamagetoProperty / Accident or Injury to Workers/Indemnification), the Implementing Partnershall be under no liability whatsoever and howsoever arising, and whetherunder the Contract or at law, in respect of defects in the Facilities or anypart thereof, the Plant and Equipment, design or engineering or workexecuted that appear after Completion of the Facilities or any part thereof, except where such defects are the result of the grossnegligence, fraud, criminal or wilful action of the Implementing Partner.

27.10 In addition, the Implementing Partner shall also provide an extended warranty for any such component of the Facilities and during the period of time as may be specified in the SCC. Such obligation shall be in addition to the defect liability specified under GCC Sub-Clause 27.2.

28. Functional Guarantees

28.1 The Implementing Partner guarantees that during the Guarantee Test, the Facilities and all parts thereof shall attain the Functional Guarantees specified in Appendix 8 (Functional Guarantees) to the Contract Agreement, subject to and upon the conditions therein specified.

28.2 If, for reasons attributable to the Implementing Partner, the guaranteed level of the Functional Guarantees specified in Appendix 8 (Functional Guarantees) to the Contract Agreement are not met either in whole or in part, the Implementing Partner shall, within a mutually agreed time, at its cost and expense make such changes, modifications and/or additions to the Plant or any part thereof as may be necessary to meet such Guarantees. The Implementing Partner shall notify the EESL upon completion of the necessary changes, modifications and/or additions, and shall seek the EESL's consent to repeat the Guarantee Test. If the specified Functional Guarantees are not established even during the repeat of the Guarantee Test, the EESL may at its option, either

- (a) Reject the Equipment and recover the payments already made, or
- (b) Terminate the Contract pursuant to GCC Sub-Clause 42.2.2 and recover the payments already made, or
- (c) Accept the equipment after levy of liquidated damages in accordance with the provisions specified in Appendix-8(Functional Guarantees) to the Contract Agreement.

28.3 In case the EESL exercises its option to accept the equipment after levy of liquidated damages, the payment of liquidated damages under GCC Sub-Clause 28.2, up to the limitation of liability specified in the Appendix-8 (Functional Guarantees) to the Contract Agreement, shall completely satisfy the Implementing Partner's guarantees under GCC Sub-Clause 28.2, and the Implementing Partner shall have no further liability whatsoever to the EESL in respect thereof. Upon the payment of such liquidated damages by the Implementing Partner, the Project Manager shall issue the Operational Acceptance Certificate for the Facilities or any part thereof in respect of which the liquidated damages have been so paid.

29. Patent Indemnity



29.1 The Implementing Partner shall, subject to the EESL's compliance with GCC Sub-Clause 29.2, indemnify and hold harmless the EESL and its employees and officers from and against any and all suits, actions or administrative proceedings, claims, demands, losses, damages, costs, and expenses of whatsoever nature, including attorney's fees and expenses, which the EESL may suffer as a result of any infringement or alleged infringement of any patent, utility model, registered design, trademark, copyright or other intellectual property right registered or otherwise existing at the date of the Contract by reason of: (a) the installation of the Facilities by the Implementing Partner or the use of the Facilities in the country where the Site is located; and (b) the sale of the products produced by the Facilities in any country.

Such indemnity shall not cover any use of the Facilities or any part thereof other than for the purpose indicated by or to be reasonablyinferred from the Contract, any infringement resulting from the use of the Facilities or any part thereof, or any products produced thereby inassociation or combination with any other equipment, plant or materialsnot supplied by the Implementing Partner, pursuant to the Contract Agreement.

29.2 If any proceedings are brought or any claim is made against the EESLarising out of the matters referred to in GCC Sub-Clause 29.1, the EESL shall promptly give the Implementing Partner a notice thereof, and the Implementing Partner may at its own expense and in the EESL's name conduct such proceedings or claim and any negotiations for the settlement of any such proceedings or claim.

If the Implementing Partner fails to notify the EESL within twenty-eight (28) daysafter receipt of such notice that it intends to conduct any such proceedingsor claim, then the EESL shall be free to conduct the same on its ownbehalf. Unless the Implementing Partner has so failed to notify the EESL withinthe twenty-eight (28) day period, the EESL shall make no admissionthat may be prejudicial to the defense of any such proceedings or claim.

The EESL shall, at the Implementing Partner's request, afford all availableassistance to the Implementing Partner in conducting such proceedings or claim, and shall be reimbursed by the Implementing Partner for all reasonable expenses incurred in so doing.

29.3The EESL shall indemnify and hold harmless the Implementing Partner and its employees, officers and SubImplementing Partners from and against any and all suits, actions or administrative proceedings, claims, demands, losses, damages, costs, and expenses of whatsoever nature, including attorney's fees and expenses, which the Implementing Partner may suffer as a result of any infringement or alleged infringement of any patent, utility model, registered design, trademark, copyright or other intellectual property right registered or otherwise existing at the date of the Contract arising out of or in connection with any design, data, drawing, specification, or other documents or materials provided or designed by or on behalf of the EESL.

30. Limitation of Liability

- 30.1 Except in cases of criminal negligence or wilful misconduct,
- (a) the Implementing Partner shall not be liable to the EESL, whether incontract, tort, or otherwise, for any indirect or consequential lossor damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to anyobligation of the Implementing Partner to pay liquidated damages to the EESL and
- (b) the aggregate liability of the Implementing Partner to the EESL, whetherunder the Contract, in tort or otherwise, shall not exceed the totalContract Price, provided that this limitation shall not apply to anyobligation of the Implementing Partner to indemnify the EESL with respect to patent infringement or as specified in SCC.

G. Risk Distribution

31. Transfer of Ownership

- 31.10wnership of the Plant and Equipment (including spare parts) procured in the country where the Site is located shall be transferred to the EESL when the Plant and Equipment are reached at site.
- 31.2Ownership of the Implementing Partner's Equipment used by the Implementing Partnerand itsSubImplementing Partners in connection with the Contract shall remain with theImplementing Partner or its SubImplementing Partners.
- 31.3Ownership of any Plant and Equipment in excess of the requirements for the Facilities shall revert to the Implementing Partner upon Completion of the Facilities or at such earlier time when the EESL and the Implementing Partner agree that the Plant and Equipment in question are no longer required for the Facilities, provided quantity of any Plant and Equipment specifically stipulated in the Contract shall be the property of the EESL whether or not



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incorporated in the Facilities.

31.4 Disposalofsurplusmaterial

Ownership of any Plant and Equipment in excess of the requirements for the Facilities (i.e. surplus material) shall revert to the Contractor upon Completion of the Facilities and Guarantee Test or at such earlier time when the Employer and the Contractor agree that the Plant and Equipment in question are no longer required for the Facilities, provided quantity of any Plant and Equipment specifically stipulated in the Contract shall be the property of the Employer whether or not incorporated in the Facilities. The Contractor shall remove from the site such surplus material brought by him in pursuance of the Contract, subject to the Contractor producing the necessary clearance from the relevant authorities (Customs, Excise etc.), if required by law, in respect of re-export or disposal of the surplus material locally. The liability for the payment of the applicable taxes/ duties, if any, on the surplus material so re-exported and/or disposed locally shall be that of the Contractor.

The Contractor shall also indemnify to keep the Employer harmless from any act of omission or negligence on the part of the Contractor in following the statutory requirements with regard to removal / disposal of surplus material. The Indemnity Bond shall be furnished by contractor as per proforma enclosed in Section-VII (Forms and Procedure) as Form No. 14. Further, in case the laws require the Employer to take prior permission of the relevant Authorities before handing over the surplus material to the Contractor, the same shall be obtained by the Contractor on behalf of the Employer.

- 31.5 Notwithstanding the transfer of ownership of the Plant and Equipment, the responsibility for care and custody thereof together with the risk, of loss or damage thereto shall remain with the Implementing Partner pursuant to GCC Clause 32 (Care of Facilities) hereof until Completion of the Facilities or the part thereof in which such Plant and Equipment are incorporated.
- 31.5 In case of two/three Contracts entered into between the EESL and the Implementing Partner as per GCC Sub-Clause 3.6 or where the EESL hands over his equipment to the Implementing Partner for executing the Contract, then the Implementing Partner shall at the time of taking delivery of the Equipment through Bill of Lading or other despatch documents furnish Trust Receipt for Plant, Equipment and Materials and also execute an Indemnity Bond in favour of the EESL in the form acceptable to EESL for keeping the equipment in safe custody and to utilise the same exclusively for the purpose of the said Contract. Proforma for the Trust Receipt and Indemnity bond. TheEESL shall also issue a separate Authorisation Letter to the Implementing Partnerto enable him to take physical delivery of plant, equipment and materials from the EESL.

32 Care of Facilities

- 32.1 The Implementing Partner shall be responsible for the care and custody of the Facilities or any part thereof until the date of Completion of the Facilities pursuant to GCC Clause 24 (Completion of the Facilities) or, where the Contract provides for Completion of the Facilities in parts, until the date of Completion of the relevant part, and shall make good at its own cost any loss or damage that may occur to the Facilities or the relevant part thereof from any cause whatsoever during such period. The Implementing Partnershall also be responsible for any loss or damage to the Facilities caused by the Implementing Partner or its SubImplementing Partners in the course of any work carried out, pursuant to GCC Clause 27 (Defect Liability). Notwithstanding the foregoing, the Implementing Partner shall not be liable for any loss or damage to the Facilities or that part thereof caused by reason of any of the matters specified or referred to in paragraphs (a), (b) and (c) of GCC Sub-Clauses 32.2 and 38.1.
- 32.2 If any loss or damage occurs to the Facilities or any part thereof or to the Implementing Partner's temporary facilities by reason of
 - (a) (insofar as they relate to the country where the Site is located) nuclear reaction, nuclear radiation, radioactive contamination, pressure wave caused by aircraft or other aerial objects, or any other occurrences that an experienced Implementing Partner could not reasonably foresee, or if reasonably foreseeable could not reasonably make provision for or insure against, insofar as such risks are not normally insurable on the insurance market and are mentioned in the general exclusions of the policy of insurance, including War Risks and Political Risks, taken out under GCC Clause 34 (Insurance) hereof.
 - (b) any use or occupation by the EESL or any third party (otherthan a SubImplementing Partner) authorized by the EESL of any part of the Facilities.



(c) any use of or reliance upon any design, data or specification provided or designated by or on behalf of the EESL, or any such matter for which the Implementing Partner has disclaimed responsibility herein,

the EESL shall pay to the Implementing Partner all sums payable in respect of the Facilities executed, notwithstanding that the same be lost, destroyed damaged, and will pay to the Implementing Partner the replacement value of all temporary facilities and all parts thereof lost, destroyed or damaged. If the EESL requests the Implementing Partner in writing to make good any lossor damage to the Facilities thereby occasioned, the Implementing Partner shallmake good the same at the cost of the EESL in accordance with GCC Clause 39 (Change in the Facilities). If the EESL does not request the Implementing Partner in writing to make good any loss or damage to the Facilities thereby occasioned, the EESL shall either request achange in accordance with GCC Clause 39 (Change in the Facilities), excluding the performance of that part of the Facilities thereby lost, destroyed or damaged, or, where the loss or damage affects a substantial part of the Facilities, the EESL shall terminate the Contract pursuant of GCC Sub-Clause 42.1 (Termination for EESL's Convenience) hereof, except that the Implementing Partner shall have no entitlement to profit underparagraph (e) of GCC Sub-Clause 42.1.3 in respect of any unexecuted Facilities as at the date of termination.

32.3 The Implementing Partner shall be liable for any loss of or damage to any Implementing Partner's Equipment, or any other property of the Implementing Partner used or intended to be used for purposes of the Facilities, except (i) as mentioned in GCC Sub-Clause 32.2 (with respect to the Implementing Partner's temporary facilities), and (ii) where such loss or damage arises by reason of any of the matters specified in GCC Sub-Clauses 32.2(b) and (c) and 38.1.

32.3 With respect to any loss or damage caused to the Facilities or any partthereof or to the Implementing Partner's Equipment by reason of any of the mattersspecified in GCC Sub-Clause 38.1, the provisions of GCC Sub-Clause 38.3 shall apply.

33 Loss of or Damage to Property; Accident or Injury to workers; Indemnification

33.1 Subject to GCC Sub - Clause 33.3, the Implementing Partner shall indemnify andhold harmless the EESL and its employees and officers from andagainst any and all suits, actions or administrative proceedings, claims, demands, losses, damages, costs, and expenses of whatsoever nature, including attorney's fees and expenses, in respect of the death or injuryof any person or loss of or damage to any property (other than the Facilities whether accepted or not), arising in connection with the supplyand installation of the Facilities and by reason of the negligence of the Implementing Partner or its SubImplementing Partners, or their employees, officers or agents, except any injury, death or property damage caused by the negligence of the EESL, its Implementing Partners, employees, officers or agents.

33.2 If any proceedings are brought or any claim is made against the EESLthat might subject the Implementing Partner to liability under GCC Sub-Clause33.1, the EESL shall promptly give the Implementing Partner a notice thereofand the Implementing Partner may at its own expense and in the EESL's nameconduct such proceedings or claim and any negotiations for the settlement of any such proceedings or claim.

If the Implementing Partner fails to notify the EESL within twenty-eight (28) daysafter receipt of such notice that it intends to conduct any such proceedingsor claim, then the EESL shall be free to conduct the same on its ownbehalf. Unless the Implementing Partner has so failed to notify the EESL withinthe twenty-eight (28) day period, the EESL shall make no admission that may be prejudicial to the defense of any such proceedings or claim.

The EESL shall, at the Implementing Partner's request, afford all availableassistance to the Implementing Partner in conducting such proceedings or claim, and shall be reimbursed by the Implementing Partner for all reasonable expenses incurred in so doing.

- 33.3 The EESL shall indemnify and hold harmless the Implementing Partner and itsemployees, officers and SubImplementing Partners from any liability for loss of ordamage to property of the EESL, other than the Facilities not yettaken over, that is caused by fire, explosion or any other perils, inexcess of the amount recoverable from insurances procured under GCCClause 34 (Insurances), provided that such fire, explosion or other perilswere not caused by any act or failure of the Implementing Partner.
- 33.4 The party entitled to the benefit of an indemnity under this GCC Clause33 shall take all reasonable measures to mitigate any loss or damagewhich has occurred. If the party fails to take such measures, the other party's liabilities shall be correspondingly reduced.

34 Insurance

34.1 To the extent specified in Appendix 3 (Insurance Requirements) to the Contract Agreement, the Implementing



Partner shall at its expense take out andmaintain in effect, or cause to be taken out and maintained in effect, during the performance of the Contract, the insurances set forth below inthe sums and with the deductibles and other conditions specified in thesaid Appendix. The identity of the insurers and the form of the policies shall be subject to the approval of the EESL, who should not Unreasonably withhold such approval.

(a) Cargo Insurance During Transport

Covering loss or damage occurring while in transit from the Implementing Partner's or SubImplementing Partner's works or stores until arrival atthe Site, to the Plant and Equipment (including spare parts therefor) and to the Implementing Partner's Equipment.

(b) Installation All Risks Insurance

Covering physical loss or damage to the Facilities at the Site, occurring prior to Completion of the Facilities, with an extendedmaintenance coverage for the Implementing Partner's liability in respect of any loss or damage occurring during the Defect Liability Period while the Implementing Partner is on the Site for the purpose of performing its obligations during the Defect Liability Period.

(c)Third Party Liability Insurance

Covering bodily injury or death suffered by third parties (including the EESL's personnel) and loss of or damage to property occurring in connection with the supply and installation of the Facilities.

(d) Automobile Liability Insurance

Covering use of all vehicles used by the Implementing Partner or its SubImplementing Partners (whether or not owned by them) in connection with the execution of the Contract.

(e) Workers' Compensation

In accordance with the statutory requirements applicable in any country where the Contract or any part thereof is executed.

(f) EESL's Liability

In accordance with the statutory requirements applicable in any country where the Contract or any part thereof is executed.

(g) Other Insurances

Such other insurances as may be specifically agreed upon by the parties hereto as listed in the said Appendix 3.

- 34.2 The EESL shall be named as co-insured under all insurance policies taken out by the Implementing Partner pursuant to GCC Sub-Clause 34.1, except for the Third Party Liability, Workers' Compensation and EESL's Liability Insurances, and the Implementing Partner's SubImplementing Partners shall be named as co-insured's under all insurance policies taken out by the Implementing Partner pursuant to GCC Sub-Clause 34.1 except for the Cargo Insurance During Transport, Workers' Compensation and EESL's Liability Insurances. All insurers' rights of subrogation against such co-insured's for losses or claims arising out of the performance of the Contract shall be waived under such policies.
- 34.3 The Implementing Partner shall, in accordance with the provisions of Appendix 3 (Insurance Requirements) to the Contract Agreement, deliver to the EESL certificates of insurance (or copies of the insurance policies) as evidence that the required policies are in full force and effect. The certificates shall provide that no less than twenty-one (21) days' notice shall be given to the EESL by insurers prior to cancellation or material modification of a policy.
- 34.4 The Implementing Partner shall ensure that, where applicable, its SubImplementing Partner(s) shall take out and maintain in effect adequate insurance policies for their personnel and vehicles and for work executed by them under the Contract, unless such SubImplementing Partners are covered by the policies taken out by the Implementing Partner.
- 34.5 The EESL shall at its expense take out and maintain in effect during the performance of the Contract those insurances specified in Appendix 3 (Insurance Requirements) to the Contract Agreement.
- 34.6 If the Implementing Partner fails to take out and/or maintain in effect the insurances referred to in GCC Sub-Clause 34.1, the EESL may take out and maintain in effect any such insurances and may from time to time deduct from any amount due the Implementing Partner under the Contract any premium that the EESL shall have paid to the



insurer, or may otherwise recover such amount as a debt due from the Implementing Partner. If the EESL fails to take out and/or maintain in effect the insurances referred to in GCC 34.5, the Implementing Partner may take out and maintain in effect any such insurances and may from time to time deduct from any amount due the EESL under the Contract any premium that the Implementing Partner shall have paid to the insurer, or may otherwise recover such amount as a debt due from the EESL. If the Implementing Partner fails to or is unable to take out and maintain in effect any such insurances, the Implementing Partner shall nevertheless have no liability or responsibility towards the EESL, and the Implementing Partner shall have full recourse against the EESL for any and all liabilities of the EESL herein.

34.7 Unless otherwise provided in the Contract, the Implementing Partner shall prepare and conduct all and any claims made under the policies effected by it pursuant to this GCC Clause 34, and all monies payable by any insurers shall be paid to the Implementing Partner as per the procedure outlined in GCC Sub- Clause 34.8 below. The EESL shall give to the Implementing Partner all such reasonable assistance as may be required by the Implementing Partner. With respect to insurance claims in which the EESL's interest is involved, the Implementing Partner shall not give any release or make any compromise with the insurer without the prior written consent of the EESL. With respect to insurance claims in which the Implementing Partner's interest is involved, the EESL shall not give any release or make any compromise with the insurer without the prior written consent of the Implementing Partner.

34.8 (i) wherever total damages/loss of equipment/material, would occur, the Implementing Partner will be entitled to payment of all payments received from the underwriters except the following amounts:

- (a) The amount paid to the Implementing Partner under the Contract in respect of equipment/material damaged/lost (excluding the pro-rata initial advance) but including the entire amount of escalation, if any, already paid to the Con-tractor.
- (b) Custom Duties and other taxes and duties which have already been paid by the EESL. In the event the claim money settled, is less than the total of the amount in a & b above, then the entire claim money settled will be retained by the EESL and the Implementing Partner will forth-with pay the EESL the short fall amount between the claim money and the total of amounts as per a & b mentioned above. Subsequent payments, if any, due under the Contract shall be regulated by the relevant terms of payment.
- (II) In case of damage to any equipment/material during any stage,the Implementing Partner upon rectification of the damaged equipment to the satisfaction of the EESL shall be paid to the extent offull claims settled by the underwriters.

35 Unforeseen Conditions

35.1 If, during the execution of the Contract, the Implementing Partner shall encounter on the Site any physical conditions (other than climatic conditions) or artificial obstructions that could not have been reasonably foreseen prior to the date of the Contract Agreement by an experienced Implementing Partner on the basis of reasonable examination of the data relating to the Facilities (including any data as to boring tests) provided by the EESL, and on the basis of information that it could have obtained from a visual inspection of the Site (if access thereto was available) or other data readily available to it relating to the Facilities, and if the Implementing Partner determines that it willin consequence of such conditions or obstructions incur additional costand expense or require additional time to perform its obligations under the Contract that would not have been required if such physical conditions or artificial obstructions had not been encountered, the Implementing Partner shallpromptly, and before performing additional work or using additional Plantand Equipment or Implementing Partner's Equipment, notify the Project Manager inwriting of

- a) the physical conditions or artificial obstructions on the Site thatcould not have been reasonably foreseen.
- the additional work and/or Plant and Equipment and/or Implementing Partner's Equipment required, including the steps which the Implementing Partner willor proposes to take to overcome such conditions or obstructions.
- c) the extent of the anticipated delay.
- d) the additional cost and expense that the Implementing Partner is likely toincur.



On receiving any notice from the Implementing Partner under this GCC Sub-Clause35.1, the Project Manager shall promptly consult with the EESL and Implementing Partner and decide upon the actions to be taken to overcome thephysical conditions or artificial obstructions encountered. Following such consultations, the Project Manager shall instruct the Implementing Partner, with acopy to the EESL, of the actions to be taken.

35.2 Any reasonable additional cost and expense incurred by the Implementing Partnerin following the instructions from the Project Manager to overcome such physical conditions or artificial obstructions referred to in GCC Sub-Clause 35.1 shall be paid by the EESL to the Implementing Partner as an addition to the Contract Price.

35.3 If the Implementing Partner is delayed or impeded in the performance of the Contract because of any such physical conditions or artificial obstructions referred to in GCC Sub-Clause 35.1, the Time for Completion shall be extended in accordance with GCC Clause 40 (Extension of Time for Completion).

36 Change in Laws and Regulations

36.1 If, after the date seven (7) days prior to the date of Bid submission, inthe country where the Site is located, any law, regulation, ordinance, order or by-law having the force of law is enacted, promulgated, abrogatedor changed (which shall be deemed to include any change in interpretationor application by the competent authorities) that subsequently affects the costs and expenses of the Implementing Partner and/or the Time for Completion, the Contract Price shall be correspondingly increased or decreased, and/or the Time for Completion shall be reasonably adjusted to the extent that the Implementing Partner has thereby been affected in the performance of any of its obligations under the Contract. However, these adjustments would be restricted to direct transactions between the EESL and the Implementing Partner/Assignee of Foreign Implementing Partner (if applicable). These adjustmentshall not be applicable on procurement of raw materials, intermediary components etc. by the Implementing Partner/Assignee of Foreign Implementing Partner andshall also not be applicable on bought out items despatched directly from sub-vendor works to site. Further, no adjustment of the Contract Price and/or payment or reimbursement of taxes, duties or levies shall be made on account of variation in or withdrawal of Deemed Exportbenefits. Notwithstanding the foregoing, such additional or reduced costshall not be separately paid or credited if the same has already been accounted for in the price adjustment provisions where applicable, in accordance with the Appendix 2 to the Contract Agreement.

37 Force Majure

- 37.1 "Force Majeure" shall mean any event beyond the reasonable control of the EESL or of the Implementing Partner, as the case may be, and which is unavoidable notwithstanding the reasonable care of the party affected.
- 37.2 If either party is prevented, hindered or delayed from or in performing any of its obligations under the Contract by an event of Force Majeure, then it shall notify the other in writing of the occurrence of such event and the circumstances thereof within fourteen (14) days after the occurrence of such event.
- 37.3 The party who has given such notice shall be excused from theperformance or punctual performance of its obligations under the Contractfor so long as the relevant event of Force Majeure continues and to the extent that such party's performance is prevented, hindered or delayed. The Time for Completion shall be extended in accordance with GCCClause 40 (Extension of Time for Completion).
- 37.4 The party or parties affected by the event of Force Majeure shall use reasonable efforts to mitigate the effect thereof upon its or their performance of the Contract and to fulfil its or their obligations under the Contract, but without prejudice to either party's right to terminate the Contract under GCC Sub-Clauses 37.6 and 38.5.
- 37.5 No delay or non performance by either party hereto caused by the occurrence of any event of Force Majeure shall
 - a) constitute a default or breach of the Contract
 - b) (subject to GCC Sub-Clauses 32.2, 38.3 and 38.4) give rise to any claim for damages or additional cost or expense occasioned thereby

If and to the extent that such delay or non performance is caused by the occurrence of an event of Force Majeure.

37.6 If the performance of the Contract is substantially prevented, hindered or delayed for a single period of more than sixty (60) days or an aggregate period of more than one hundred and twenty (120) days on account of one or more events of Force Majeure during the currency of the Contract, the parties will attempt to develop a mutually satisfactory solution, failing which the dispute shall be resolved in accordance with GCC Clause 6.



37.7 Notwithstanding GCC Sub-Clause 37.5, Force Majeure shall not apply to any obligation of the EESL to make payments to the Implementing Partnerherein.

38 War Risks

38.1 "War Risks" shall mean any of the following events occurring or existingin or near the country (or countries) where the Site is located:

- a) war, hostilities or warlike operations (whether a state of war is declared or not), invasion, act of foreign enemy and civil war
- b) rebellion, revolution, insurrection, mutiny, usurpation of civil or military government, conspiracy, riot, civil commotion and terrorist acts, and
- c) any explosion or impact of any mine, bomb, shell, grenade or other projectile, missile, munitions or explosive of war.

38.2 Notwithstanding anything contained in the Contract, the Implementing Partner shall have no liability whatsoever for or with respect to

- a) destruction of or damage to Facilities, Plant & Equipment, or any part thereof
- b) destruction of or damage to property of the EESL or any third party
- c) injury or loss of life

if such destruction, damage, injury or loss of life is caused by any War Risks, and the EESL shall indemnify and hold the Implementing Partner harmless from and against any and all claims, liabilities, actions, lawsuits, damages, costs, charges or expenses arising in consequence of or in connection with the same.

38.3 If the Facilities or any Plant and Equipment or Implementing Partner's Equipment or any other property of the Implementing Partner used or intended to be used for the purposes of the Facilities shall sustain destruction or damage by reason of any War Risks, the EESL shall pay the Implementing Partner for

- a) any part of the Facilities or the Plant and Equipment so destroyed or damaged (to the extent not already paid for by the EESL)
- replacing or making good any Implementing Partner's Equipment or other property of the Implementing Partner so destroyed or damaged so far as may be required by the EESL, and as may be necessary for completion of the Facilities,
- c) replacing or making good any such destruction or damage to the Facilities or the Plant and Equipment or any part thereof.

If the EESL does not require the Implementing Partner to replace or make good any such destruction or damage to the Facilities, the EESL shall either request a change in accordance with GCC Clause 39 (Change in the Facilities), excluding the performance of that part of the Facilities thereby destroyed or damaged or, where the loss, destruction or damage affects a substantial part of the Facilities, shall terminate the Contract, pursuant to GCC Sub-Clause 42.1 (Termination for EESL's Convenience).

38.4 Notwithstanding anything contained in the Contract, the EESL shall pay the Implementing Partner for any increased costs or incidentals to the execution of the Contract that are in any way attributable to, consequent on, resulting from, or in any way connected with any War Risks, provided that the Implementing Partner shall as soon as practicable notify the EESL in writing of any such increased cost.

38.5 If during the performance of the Contract any War Risks shall occur that financially or otherwise materially affect the execution of the Contract by the Implementing Partner, the Implementing Partner shall use its reasonable efforts to execute the Contract with due and proper consideration given to the safety of its and its SubImplementing Partners' personnel engaged in the work on the Facilities, provided, however, that if the execution of the work on the Facilities becomes impossible or is substantially prevented for a single period of more than sixty (60) days or an aggregate period of more than one hundred and twenty (120) days on account of any War Risks, the parties will attempt to



develop a mutually satisfactory solution, failing which the dispute will be resolved in accordance with GCC Clause 6.

38.6 In the event of termination pursuant to GCC Sub-Clauses 38.3, the rights and obligations of the EESL and the Implementing Partner shall be specified in GCC Sub-Clauses 42.1.2 and 42.1.3, except that the Implementing Partner shall have no entitlement to profit under paragraph (e) of GCC Sub-Clause 42.1.3 in respect of any unexecuted Facilities as of the date of termination.

H. Change in Contract Element

39.1 Changes in the Facilities

- 39.1.1 The EESL shall have the right to propose, and subsequently require, that the Project Manager order the Implementing Partner from time to time during the performance of the Contract to make any change, modification, addition or deletion to, in or from the Facilities (hereinafter called "Change"), provided that such Change falls within the general scope of the Facilities and does not constitute unrelated work and that it is technically practicable, taking into account both the state of advancement of the Facilities and the technical compatibility of the Change envisaged with the nature of the Facilities as specified in the Contract .
- 39.1.2 The Implementing Partner may from time to time during its performance of the Contract propose to the EESL (with a copy to the ProjectManager) any Change that the Implementing Partner considers necessaryor desirable to improve the quality, efficiency or safety of the Facilities. The EESL may at its discretion approve or rejectany Change proposed by the Implementing Partner.
- 39.1.3 Notwithstanding GCC Sub-Clauses 39.1.1 and 39.1.2, no change made necessary because of any default of the Implementing Partner in the performance of its obligations under the Contract shall be deemed to be a Change, and such change shall not result in any adjustment of the Contract Price or the Time for Completion.
- 39.1.4 The procedure on how to proceed with and execute Changes is specified in GCC Sub-Clauses 39.2 and 39.3.

39.2 Changes Originating from EESL

If the EESL proposes a Change pursuant to GCC Sub-Clause 39.1.1, it shall send to the Implementing Partner a "Request for Change Proposal," requiring the Implementing Partner to prepare and furnish to the Project Manager as soon as reasonably practicable a "Change Proposal," which shall include the following:

- a) brief description of the Change
- b) effect on the Time for Completion
- c) estimated cost of the Change
- d) effect on Functional Guarantees (if any)
- e) effect on any other provisions of the Contract.
- 39.2.2 The pricing of any Change shall, as far as practicable, becalculated in accordance with the rates and prices included inthe Contract. If the rates and prices of any change are in the Contract, the parties thereto shall agree onspecific rates for the valuation of the Change.
- 39.2.3 If before or during the preparation of the Change Proposal it becomes apparent that the aggregate effect of compliance therewith and with all other Change Orders that have already become binding upon the Implementing Partner under this GCC Clause 39 would be to increase or decrease the Contract Price as originally set forth in Article 2 (Contract Price) of the Contract Agreement by more than fifteen (15) percent, the Implementing Partner may give a written notice of objection thereto prior to furnishing the Change Proposal as aforesaid. If the EESL accepts the Implementing Partner's objection, the EESL and the Implementing Partner shall agree on specific rates for valuation of the change.
- 39.2.4 Upon receipt of the Change Proposal, the EESL and the Implementing Partner shall mutually agree upon all matters therein contained including agreement on rates if such rates are not available in the Contract or if the limit of 15% set forth in Clause 39.2.3 has been exceeded. Within fourteen (14) days after such agreement, the EESL shall, if it intends to proceed with the Change, issue the Implementing Partner with a Change Order.

If the EESL is unable to reach a decision within fourteen (14) days, it shall notify the Implementing Partner with details of when the Implementing Partner can expect a decision.

If the EESL decides not to proceed with the Change for whatever reason, it shall, within the said period of fourteen (14) days, notify the Implementing Partner accordingly.



39.2.5 If the EESL and the Implementing Partner cannot reach agreement on the price for the Change, an equitable adjustment to the Time for Completion, or any other matters identified in the Change Proposal, the EESL may nevertheless instruct the Implementing Partner to proceed with the Change by issue of a "Pending Agreement Change Order."

Upon receipt of a Pending Agreement Change Order, the Implementing Partner shall immediately proceed with effecting the Changes covered by such Order. The parties shall thereafter attempt to reach agreement on the outstanding issues under the Change Proposal.

39.3 Changes Originating from Implementing Partner

39.3.1 If the Implementing Partner proposes a Change pursuant to GCC Sub-Clause 39.1.2, the Implementing Partner shall submit to the Project Manager a written "Application for Change Proposal," giving reasons for the proposed Change and including the information specified in GCC Sub-Clause 39.2.1.

Upon receipt of the Application for Change Proposal, the parties shall follow the procedures outlined in GCC Sub-Clauses 39.2.4 and 39.2.5

40. Extension of Time for Completion

40.1 The Time(s) for Completion specified in the SCC shall be extended fthe Implementing Partner is delayed or impeded in the performance of anyof itsobligations under the Contract by reason of any of the following:

- a) any Change in the Facilities as provided in GCC Clause 39 (Change in the Facilities)
- b) any occurrence of Force Majeure as provided in GCC Clause 37 (Force Majeure), unforeseen conditions as provided in GCC Clause 35 (Unforeseen Conditions), or other occurrence of any of the matters specified or referred to in paragraphs (a), (b) and (c) of GCC Sub-Clause 32.2
- any suspension order given by the EESL under GCC Clause 41 (Suspension) hereof or reduction in the rate of progress pursuant to GCC Sub-Clause 41.2 or
- d) any changes in laws and regulations as provided in GCC Clause 36 (Change in Laws and Regulations) or
- e) any default or breach of the Contract by the EESL, specifically including failure to supply the items listed in Appendix 6 (Scope of Works and Supply by the EESL) to the Contract Agreement, or any activity, act or omission of any other Implementing Partners employed by the EESL or
- f) any other matter specifically mentioned in the Contract;

by such period as shall be fair and reasonable in all the circumstances and as shall fairly reflect the delay or impediment sustained by the Implementing Partner.

40.2 Except where otherwise specifically provided in the Contract, the Implementing Partner shall submit to the Project Manager a notice of a claim for an extension of the Time for Completion, together with particulars of the event or circumstance justifying such extension as soon as reasonably practicable after the commencement of such event or circumstance. As soon as reasonably practicable after receipt of such notice and supporting particulars of the claim, the EESL and the Implementing Partner shall agree upon the period of such extension. In the event that the Implementing Partner does not accept the EESL's estimate of a fair and reasonable time extension, the Implementing Partner shall be entitled to refer the matter to the Adjudicator, pursuant to GCC Sub-Clause 6.1 (Adjudicator).

40.3 The Implementing Partner shall at all times use its reasonable efforts to minimize any delay in the performance of its obligations under the Contract.

41 Suspension

41.1 The EESL/ Project Manager may, by notice to the Implementing Partner, orderthe Implementing Partner to suspend performance of any or all of its obligationsunder the Contract. Such notice shall specify the obligation of whichperformance is to be suspended, the effective date of the suspensionand the reasons therefore. The Implementing Partner shallthereupon suspended formance of such obligation (except those obligations necessary forthe care or preservation of the Facilities) until ordered in writing to resume such performance by the Project



Manager/ EESL.

If, by virtue of a suspension order given by the Project Manager/EESLother than by reason of the Implementing Partner's default or breach of the Contract, the Implementing Partner's performance of any of its obligations is suspended for an aggregate period of more than ninety (90) days, then at any time thereafter and provided that at that time such performance is still suspended, the Implementing Partner may give a notice to the Project Manager requiring that the EESL shall, within twenty-eight (28) days of receipt of the notice, order the resumption of such performance or request and subsequently order a change in accordance with GCC Clause 39 (Change in the Facilities), excluding the performance of the suspended obligations from the Contract.

If the EESL fails to do so within such period, the Implementing Partner may, by a further notice to the Project Manager, elect to treat the suspension, where it affects a part only of the Facilities, as a deletion of such part in accordance with GCC Clause 39 (Change in the Facilities) or, where it affects the whole of the Facilities, as termination of the Contract under GCC Sub-Clause 42.1 (Termination for EESL's Convenience).

41.2 If

- a) the EESL has failed to pay the Implementing Partner any sum due under the Contract within the specified period, has failed to approve any invoice or supporting documents without just cause pursuant to Appendix 1 (Terms and Procedures of Payment) to the Contract Agreement, or commits a substantial breach of the Contract, the Implementing Partner may give a notice to the EESL that requires payment of such sum, requires approval of such invoice or supporting documents, or specifies the breach and requires the EESL to remedy the same, as the case may be. If the EESL fails to pay such sum, fails to approve such invoice or supporting documents or give its reasons for withholding such approval, or fails to remedy the breach or take steps to remedy the breach within fourteen (14) days after receipt of the Implementing Partner's notice or
- b) the Implementing Partner is unable to carry out any of its obligations under the Contract for any reason attributable to the EESL, including but not limited to the EESL's failure to provide possession of or access to the Site or other areas in accordance with GCC Sub-Clause 10.2, or failure to obtain any governmental permit necessary for the execution and/or completion of the Facilities; then the Implementing Partner may by fourteen (14) days' notice to the EESL suspend performance of all or any of its obligations under the Contract, or reduce the rate of progress.
- 41.3 If the Implementing Partner's performance of its obligations is suspended or the rate of progress is reduced pursuant to this GCC Clause 41, then the Time for Completion shall be extended in accordance with GCC Sub-Clause 40.1, and any and all additional costs or expenses incurred by the Implementing Partner as a result of such suspension or reduction shall be paid by the EESL to the Implementing Partner in addition to the Contract Price, except in the case of suspension order or reduction in the rate of progress by reason of the Implementing Partner's default or breach of the Contract.
- 41.4 During the period of suspension, the Implementing Partner shall not remove from the Site any Plant and Equipment, any part of the Facilities or any Implementing Partner's Equipment, without the prior written consent of the EESL.

42 Termination

42.1 Termination for EESL's Convenience

- 42.1.1 The EESL may at any time terminate the Contract for any reason by giving the Implementing Partner a notice of termination that refers to this GCC Sub-Clause 42.1.
- 42.1.2 Upon receipt of the notice of termination under GCC Sub-Clause 42.1.1, the Implementing Partner shall either immediately or upon the date specified in the notice of termination
 - (a) cease all further work, except for such work as the EESL may specify in the notice of termination for the sole purpose of protecting that part of the Facilities already executed, or any work required to leave the Site in a clean and safe condition
 - (b) terminate all subcontracts, except those to be assigned to the EESL pursuant to paragraph (d)(ii) below
 - (c) remove all Implementing Partner's Equipment from the Site, repatriate the Implementing Partner's and its



- SubImplementing Partners' personnel from the Site, remove from the Site any wreckage, rubbish and debris of any kind, and leave the whole of the Site in a clean and safe condition.
- (d) In addition, the Implementing Partner, subject to the payment specified in GCC Sub-Clause 42.1.3, shall
- (i) Deliver to the EESL the parts of the Facilities executed by the Implementing Partner up to the date of termination
- (ii) to the extent legally possible, assign to the EESL all right, title and benefit of the Implementing Partner to the Facilities and to the Plant and Equipment as at the date of termination, and, as may be required by the EESL, in any subcontracts concluded between the Implementing Partner and its SubImplementing Partners
- (iii) deliver to the EESL all non-proprietary drawings, specifications and other documents prepared by the Implementing Partner or its SubImplementing Partners as at the date of termination in connection with the Facilities.
- 42.1.3 In the event of termination of the Contract under GCC Sub-Clause 42.1.1, the EESL shall pay to the Implementing Partner the following amounts:
 - (a) the Contract Price, properly attributable to the parts of the Facilities executed by the Implementing Partner as of the date of termination
 - (b) the costs reasonably incurred by the Implementing Partner in the removal of the Implementing Partner's Equipment from the Site and in the repatriation of the Implementing Partner's and its SubImplementing Partners' personnel.
 - (c) any amounts to be paid by the Implementing Partner to its SubImplementing Partners in connection with the termination of any subcontracts, including any cancellation charges.
 - (d) costs incurred by the Implementing Partner in protecting the Facilities and leaving the Site in a clean and safe condition pursuant to paragraph (a) of GCC Sub-Clause 42.1.2
 - (e) the cost of satisfying all other obligations, commitments and claims that the Implementing Partner may in good faith have undertaken with third parties in connection with the Contract and that are not covered by paragraphs (a) through (d) above.

42.2 Termination for Contractor or Implementing Partner's Default

- 42.2.1 The EESL, without prejudice to any other rights or remedies it may possess, may terminate the Contract forthwith in the following circumstances by giving a notice of termination and its reasons therefor to the Implementing Partner, referring to this GCC Sub-Clause 42.2:
 - (a) if the Implementing Partner becomes bankrupt or insolvent, has a receiving order issued against it, compounds with its creditors, or, if the Implementing Partner is a corporation, a resolution is passed or order is made for its winding up (other than a voluntary liquidation for the purposes of amalgamation or reconstruction), a receiver is appointed over any part of its undertaking or assets, or if the Implementing Partner takes or suffers any other analogous action in consequence of debt.
 - (b) if the Implementing Partner assigns or transfers the Contract or any right or interest therein in violation of the provision of GCC Clause 43 (Assignment).
 - (c) if the Implementing Partner, in the judgement of the EESL has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

For the purpose of this Sub-Clause:



"corrupt practice" means the offering, giving, receiving or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.

"fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the EESL and includes collusive practice among Bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the EESL of the benefits of free and open competition.

42.2.2 If the Implementing Partner

- (a) has abandoned or repudiated the Contract
- (b) has without valid reason failed to commence work on the Facilities promptly or has suspended (other than pursuant to GCC Sub-Clause 41.2) the progress of Contract performance for more than twenty-eight (28) days after receiving a written instruction from the EESL to proceed
- (c) persistently fails to execute the Contract in accordance with the Contract or persistently neglects to carry out its obligations under the Contract without just cause
- (d) refuses or is unable to provide sufficient materials, services or labor to execute and complete the Facilities in the manner specified in the program furnished under GCC Clause 18 (Program of Performance) at rates of progress that give reasonable assurance to the EESL that the Implementing Partner can attain Completion of the Facilities by the Time for Completion as extended

then the EESL may, without prejudice to any other rights it may possess under the Contract, give a notice to the Implementing Partner stating the nature of the default and requiring the Implementing Partner to remedy the same. If the Implementing Partner fails to remedy or to take steps to remedy the same within fourteen (14) days of its receipt of such notice, then the EESL may terminate the Contract forthwith by giving a notice of termination to the Implementing Partner that refers to this GCC Sub-Clause 42.2.

42.2.3 Upon receipt of the notice of termination under GCC Sub-Clauses 42.2.1 or 42.2.2, the Implementing Partner shall, either immediately or upon such date as is specified in the notice of termination,

cease all further work, except for such work as the EESL may specify in the notice of termination for the sole purpose of protecting that part of the Facilities already executed, or any work required to leave the Site in a clean and safe condition

- (a) terminate all subcontracts, except those to be assigned to the EESL pursuant to paragraph (d) below
- (b) deliver to the EESL the parts of the Facilities executed by the Implementing Partner up to the date of termination.
- (c) to the extent legally possible, assign to the EESL all right, title and benefit of the Implementing Partner to the Works. and to the Plant and Equipment as at the date of termination, and, as may be required by the EESL, in any subcontracts concluded between the Implementing Partner and its SubImplementing Partners.
- (d) deliver to the EESL all drawings, specifications and other documents prepared by the Implementing Partner or its SubImplementing Partners as at the date of termination in connection with the Facilities.

42.2.4 The EESL may enter upon the Site, expel the Implementing Partner, and complete the Facilities itself or by employing any third party. The EESL may, to the exclusion of any right of the Implementing Partner over the same, take over and use with the payment of a fair rental rate to the Implementing Partner, with all the maintenance costs to the account of the EESL and with an indemnification by the EESL for all liability including damage or injury to persons arising out of the EESL's use of such equipment, any Implementing Partner's Equipment owned by the Implementing Partner and on the Site in connection with the Facilities for such reasonable period as the EESL considers expedient for the supply and installation of the Facilities.

Upon completion of the Facilities or at such earlier date as the EESL thinks appropriate, the EESL shall give notice to the Implementing Partner that such Implementing Partner's Equipment will be returned to the Implementing Partner at or near the Site and shall return such Implementing Partner's Equipment to the Implementing Partner in accordance with such notice. The Implementing Partner shall thereafter without delay and at its cost remove or arrange removal



of the same from the Site.

42.2.5 Subject to GCC Sub-Clause 42.2.6, the Implementing Partner shall be entitled to be paid the Contract Price attributable to the Facilities executed as at the date of termination, the value of any unused or partially used Plant and Equipment on the Site, and the costs, if any, incurred in protecting the Facilities and in leaving the Site in a clean and safe condition pursuant to paragraph (a) of GCC Sub-Clause 42.2.3. Any sums due to the EESL from the Implementing Partner accruing prior to the date of termination shall be deducted from the amount to be paid to the Implementing Partner under this Contract.

42.2.6 If the EESL completes the Facilities, the cost of completing the Facilities by the EESL shall be determined.

If the sum that the Implementing Partner is entitled to be paid, pursuant to GCC Sub-Clause 42.2.5, plus the reasonable costs incurred by the EESL in completing the Facilities, exceeds the Contract Price, the Implementing Partner shall be liable for such excess.

If such excess is greater than the sums due to the Implementing Partner under GCC Sub-Clause 42.2.5, the Implementing Partner shall pay the balance to the EESL, and if such excess is less than the sums due to the Implementing Partner under GCC Sub-Clause 42.2.5, the EESL shall pay the balance to the Implementing Partner.

The EESL and the Implementing Partner shall agree, in writing, on the computation described above and the manner in which any sums shall be paid.

42.3 Termination by Contractor or Implementing Partner

42.3.1 If

- (a) the EESL has failed to pay the Implementing Partner any sum due under the Contract within the specified period, has failed to approve any invoice or supporting documents without just cause pursuant to Appendix 1 (Terms and Procedures of Payment) of the Contract Agreement, or commits a substantial breach of the Contract, the Implementing Partner may give a notice to the EESL that requires payment of such sum, requires approval of such invoice or supporting documents, or specifies the breach and requires the EESL to remedy the same, as the case may be. If the EESL fails to pay such sum, fails to approve such invoice or supporting documents or give its reasons for withholding such approval, fails to remedy the breach or take steps to remedy the breach within fourteen (14) days after receipt of the Implementing Partner's notice, or
- (b) the Implementing Partner is unable to carry out any of its obligations under the Contract for any reason attributable to the EESL, including but not limited to the EESL's failure to provide possession of or access to the Site or other areas or failure to obtain any governmental permit necessary for the execution and/or completion of the Facilities which the EESL is required to obtain as per provision of the Contract or as per relevant applicable laws of the country, then the Implementing Partner may give a notice to the EESL thereof, and if the EESL has failed to pay the outstanding sum, to approve the invoice or supporting documents, to give its reasons for withholding such approval, or to remedy the breach within twenty-eight (28) days of such notice, or if the Implementing Partner is still unable to carry out any of its obligations under the Contract for any reason attributable to the EESL within twenty-eight (28) days of the said notice, the Implementing Partner may by a further notice to the EESL referring to this GCC Sub-Clause 42.3.1, forthwith terminate the Contract.
- 42.3.2 The Implementing Partner may terminate the Contract forthwith by giving a notice to the EESL to that effect, referring to this GCC Sub-Clause 42.3.2, if the EESL becomes bankrupt or insolvent, has a receiving order issued against it, compounds with its creditors, or, being a corporation, if a resolution is passed or order is made for its winding up (other than a voluntary liquidation for the purposes of amalgamation or reconstruction), a receiver is appointed over any part of its undertaking or assets, or if the EESL takes or suffers any other analogous action in consequence of debt.
- 42.3.3 If the Contract is terminated under GCC Sub-Clauses 42.3.1 or 42.3.2, then the Implementing Partner shall immediately
- (a) cease all further work, except for such work as may be necessary for the purpose of protecting that part of the Facilities already executed, or any work required to leave the Site in a clean and safe condition



- (b) terminate all subcontracts, except those to be assigned to the EESL pursuant to paragraph (d)(ii)
- (c) remove all Implementing Partner's Equipment from the Site and repatriate the Implementing Partner's and its SubImplementing Partner's personnel from the Site
- (d) In addition, the Implementing Partner, subject to the payment specified in GCC Sub-Clause 42.3.4, shall
- (i) deliver to the EESL the parts of the Facilities executed by the Implementing Partner up to the date of termination
- (ii) to the extent legally possible, assign to the EESLall right, title and benefit of the Implementing Partner to the Facilities and to the Plant and Equipment as of thedate of termination, and, as may be required by the EESL, in any subcontracts concluded betweenthe Implementing Partner and its SubImplementing Partners
- (iii) deliver to the EESL all drawings, specifications and other documents prepared by the Implementing Partner or its SubImplementing Partners as of the date of termination in connection with the Facilities.
- 42.3.4 If the Contract is terminated under GCC Sub-Clauses 42.3.1 or42.3.2, the EESL shall pay to the Implementing Partner all paymentsspecified in GCC Sub-Clause 42.1.3, and reasonable compensation for all loss or damage sustained by the Implementing Partnerarising out of, in connection with or in consequence of suchtermination.
- 42.3.5 Termination by the Implementing Partner pursuant to this GCC Sub-Clause 42.3 is without prejudice to any other rights or remedies of the Implementing Partner that may be exercised in lieu of or in addition to rights conferred by GCC Sub-Clause 42.3.
- 42.4 In this GCC Clause 42, the expression "Facilities executed" shall include all work executed, Installation Services provided, any or all Plant and Equipment acquired (or subject to a legally binding obligation to purchase by the Implementing Partner and used or intended to be used for the purpose of the Facilities, up to and including the date of termination.
- 42.5 In this GCC Clause 42, in calculating any monies due from the EESL to the Implementing Partner, account shall be taken of any sum previously paid by the EESL to the Implementing Partner under the Contract, including any advance payment paid pursuant to Appendix 1 (Terms and Procedures of Payment) to the Contract Agreement.

43. Assignment

43.1 The Implementing Partner shall not, without the express prior written consent of the EESL, assign to any third party the Contract or any part thereof, orany right, benefit, obligation or interest therein or thereunder, except that the Implementing Partner shall be entitled to assign either absolutely or by way of charge any monies due and payable to it or that may become due and payable to it under the Contract.

44. Bankruptcy

If the Contractor shall become bankrupt or have a receiving order made against him or compound with his creditors, or being a corporation commence to be wound up, not being a voluntary winding up for the purpose only of amalgamation

/ reconstruction, or carry on its business under a receiver for the benefit of its creditors or any of them, the Owner ill be at liberty:

to terminate the contract forthwith by notice in writing to the liquidator or receiver or to any person in whom the contract may become vested & to act in the manner provided in GCC clause 42 entitled "Termination" as though the last mentioned notice has been the notice referred to in such clause and the equipment and materials have been taken out of the contractor's hands.

to give such liquidator, receiver or other person, the option of carrying out the contract subject to his providing a guarantee, for the due and faithful performance of the contract up to an amount to be determined by the Owner.

45. Contractor Performance & Feedback and Evaluation System



The Employer has in place an established 'Contractor Performance & Feedback System' against which the contractors performance during the execution of contract shall be evaluated on a continuous basis at regular intervals. In case the performance of the contractor is found unsatisfactory on any of the following four parameters, the contractor shall be considered ineligible for participating in future tenders for a period as may be decided by the Employer.

Financial Status

Project Execution & Project Management Capability

Engineering & QA Capability

Claims & Disputes.

46. Fraud Prevention Policy

The contractor along with their associate/collaborator/sub-contractors/sub-vendors/ consultants/service providers shall strictly adhere to the Fraud Prevention Policy of EESL displayed on its tender website www.eeslindia.org

The Contractor alongwith their associate/collaborator/sub-contractors/sub-vendors/ consultants/service providers shall observe the highest standard of ethics and shall not indulge or allow anybody else working in their organisation to indulge in fraudulent activities during execution of the contract. The contractor shall immediately apprise the Employer about any fraud or suspected fraud as soon as it comes to their notice.



SECTION-4

Scope of Supplies/Work, Qualifying Requirements, Terms & Conditions, Technical Specifications & Special Conditions of Contract

NOTE: THE TERMS & CONDITIONS STIPULATED HEREIN (I.E., IN SECTION-4) WILL SUPERSEDE ANY CONTRADICTORY/SIMILAR/OVERLAPPING TERMS & CONDITIONS IN ANY OTHER SECTION/PART OF THE TENDER.

PART-A: General Information

Name of the Work: Procurement of 1,95,000 Nos. of Galvanized Iron (GI) Clamps.

NIT/BID Document no.: EESL/06/Smart Meter-Clamps/202110018 Dated. 13-10-2020.

BIDS ARE TO BE SUBMITTED AS FOLLOWS: -

(Please note that, EESL has switched the tender system into E-tendering. Bidders shall submit their bid accordingly as per the terms and conditions of E-tendering mode.)

Envelope 1 (Pre-Qualifying documents) should contain following:

- 1. Bid document fee in the form of Banker's Cheque/ Demand Draft drawn in favour of "Energy Efficiency Services Limited" payable at New Delhi. (To be submitted in hard copy / manually in the tender-box on and before Technical E-Bid Opening Date and Time. Scanned Copy to be uploaded at E-tendering portal.)
 - 2. Bid Security Fee/Earnest Money Deposit as Attachment-2 by Banker's Cheque /Demand Draft drawn in favor of "Energy Efficiency Services Limited" or in the form of Bank Guarantee as per prescribed format in section 6. (To be submitted in hard copy/manually in the tender-box on and before Technical E-Bid Opening Date & Time. Scanned Copy to be uploaded at E-tendering portal).
 - 3. Letter of the bidder submitting the bid in the form as stipulated in the bid document i.e., as per Bid Form as Attachment-1 of section 6, Forms & Procedures. (Scanned Copy to be uploaded at E-tendering portal).
 - 4. Power of attorney to sign the bid on Stamp Paper as Attachment-3 of section 6, Forms & Procedure. Bidders to use their own format. (Scanned Copy to be uploaded at E-tendering portal).
 - 5. Certificate regarding acceptance of important terms and conditions as per ITB clause 4.6 as Attachment-4. Format enclosed in section 6. (Scanned Copy to be uploaded at e-tendering portal).
 - 6. Form of acceptance of EESL fraud prevention policy and declaration as per Attachment-7 of section 6, Forms & Procedure. (Scanned Copy to be uploaded at E-tendering portal).



Signature: Subject: CN=PRASHANT KUMAR, ST=DELHI, OID.2.5.4.17=110003, OU=SUPPLY CHAIN
MANAGEMENT, O=ENERGY EFFICIENCY SERVICES LIMITED, C=IN
User ID: p.kumar
Serial No: 11D14AS

- 7. NEFT/RTGS Bank details as per Attachment-10 of section-6, forms and procedure. (Scanned Copy to be uploaded at E-tendering portal).
- 8. Self-Declaration for not been blacklisted by Central/State/UT Government or any Public sector entities duly signed and stamped at company's Letter Head. (Scanned Copy to be uploaded at E-tendering portal).
- 9. CERTFICATE REGARDING DECLARATION OF LOCAL CONTENT (As per attachment 13 of the tender document)
- 10. Self-Declaration duly signed and stamped at company's Letter Head for not being under debar list/undergoing debarment period on account of breach of the code of integrity under Rule 175(1)(i)(h) of the General Financial rules for giving false declarations of local content. (Scanned Copy to be uploaded at E-tendering portal. Bidder shall clearly mention tender reference number and date of signing the self-declaration.

Envelope 2 - Should contain following (Scanned Copy to be uploaded at E-tendering portal):

- 1. GST Registration Certificate and PAN Card Copy.
- **2.** Deviation Statement as per the format at Attachment-5 of Section-6. Bids containing material deviations from or reservation to the terms and conditions and specifications mentioned in the Tender will be treated as non-responsive and will not be considered further.
- 3. One complete set of RfP documents and subsequent amendments (if any) duly signed and stamped on each page.

Envelope 3 (Price Bid -to be filled up online only):

Since the bids are to be submitted through E-tendering mode, the prices are to be filled on e-tender portal only and bidders are requested not to submit the price bid in hard copy at EESL along with the documents. The same will not be entertained. Any loss of information on account of this shall be sole responsibility of bidder.

Price Bid Sheet Format (Table-A) is prescribed in the Tender document – only for illustration purpose (prices are to be filled on E-tender portal only).

Opening & Further Processing of the Bids

Initially, Envelope–I containing the documents (as stated above) will be opened electronically. Envelope-II will be opened electronically on the same day of only those bidder(s), who have submitted EMD and requisite documents in Envelope-I.

Documents found in Envelope-II shall be scrutinized by EESL.

Envelope-III (Price Bid) shall be opened electronically subsequently, subject to acceptance of the documents submitted under Envelope- II. Price Bid opening date will be intimated to only those bidder(s), who are found suitable.

Price-Bid of the disqualified bidder(s) will not be opened and the EMD submitted by them shall be returned on approval of the Competent Authority.



Signature:-Subject: CN-PRASHANT KUMAR, ST=DELHI, OID.2.5.4.17=110003, OU=SUPPLY CHAIN MANAGEMENT, O=ENERGY EFFICIENCY SERVICES LIMITED, C=IN User ID: p.kumar Serial No: 11D14aS The opened Price Bids shall be evaluated as per the criteria set out in the Tender and the award(s) of Contract shall be recommended accordingly. EMD of the unsuccessful bidder(s) shall be returned after receiving approval of the Competent Authority for award of Contract(s). EMD of the successful bidder(s) shall be returned only on receipt of the CPG by EESL as per the provision of the LOA/Contract (as the case may be).

Note: - Unorganized/Un-labelled Bids are liable to be rejected. Bidder to enclose an index of pages with proper nomenclature for each document enclosed and inserted page number on the documents to be submitted online at E-tendering portal

For and on behalf of EESL



PART-B: Scope of Supplies/Work and Oualifying Requirements

1. INTRODUCTION TO ENERGY EFFICIENCY SERVICES LIMITED

A joint venture of NTPC Limited, Power Finance Corporation, Rural Electrification Corporation and POWERGRID, Energy Efficiency Services Limited (EESL) was set up under Ministry of Power to facilitate implementation of energy efficiency projects. EESL is an Energy Service Company (ESCO) that seeks to unlock energy efficiency market in India, estimated to at US\$ 12 billion that can potentially result in energy savings of up to 20 per cent of current consumption, by way of innovative business and implementation models.

Till date, EESL, through their flagship programmes UJALA and Street Lighting National Programme annually saves over \$ 900 million. EESL has successfully distributed over 366 million LED bulbs and has retrofitted over 1.1 Billion LED street lights across India. It also acts as the resource center for capacity building of State DISCOMs, ERCs, SDAs, upcoming ESCOs, financial institutions, etc. EESL is the one-stop turnkey destination to implement energy efficiency for public utilities and corporates at your commercial offices, hospitality and Hotels etc.

Objectives of EESL:

- a. To carry out and promote the business of Energy Efficiency and climate change including manufacture and supply of energy efficiency services and products.
- b. To Provide consultancy services in the field of Clean Development Mechanism (CDM) projects, carbon markets, demand side management, energy efficiency, climate change and related areas.
- c. To act as resource center in the field of Energy Efficiency and take up the activities of Capacity Building, Training and other related activities.
- d. To carry out such other activities as offered by the Central Govt., Bureau of Energy Efficiency or any other agency related to Energy Efficiency and Climate Change

2. BACKGROUND & OBJECTIVE

The Indian power sector is the World's third largest power producer (371 GW installed capacity as on 30-Jun- 2020) and the fourth largest consumer of electricity. From being a totally state owned sector, the journey towards corporatization began in the late 1990's with increasing private participation starting with the generation sub-sector and spreading to the transmission and distribution sub-sectors. The integrated state utilities were unbundled to make separate generation, transmission and distribution entities in each state. There has also been significant legislation which supported this reform process and the strengthening of the regulatory commissions to oversee the activities of the power utilities.

Distribution is the most important link in the entire power sector value chain. As the only interface between utilities and consumers, it is the cash register for the entire sector. Post reforms of the 1990s, the Distribution sub- sector is till date dominated by state owned utilities which together control more than 95% of the consumer base. One of the key issue troubling these state utilities is financial viability due to the accumulated losses and continuing performance issues contributing to an average Aggregated Technical and Commercial Loss in excess of 22%.

The central government has supported the distribution sector through several schemes such as Financial Restructuring Packages and several other schemes which have worked to improve the



operational performance of the distribution utilities. In 2001, the government had launched the Accelerated Power Development and Reform Programme (APRDP) program to bring down the AT&C losses of Discoms by providing them grants to upgrade their transmission infrastructure. In 2008, the government restructured this scheme and launched it as Restructured Accelerated Power Development and Reforms Programme (R-APDRP). Funds were set aside for states to improve the distribution infrastructure and IT enablement. A strong, efficient and robust distribution system is crucial for providing 24x7 affordable power for all in India.

The central government has also launched the following schemes for the distribution sector:

- a) IPDS (Integrated Power Development Scheme) is the next iteration of R-APDRP scheme which means to extend the coverage of IT infrastructure to larger areas in the country.
- b) DDUGJY Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) focuses on feeder separation for rural households and agricultural purpose.
- c) UDAY (Ujwal Discom Assurance Yojana) is a debt restructuring plan for Discoms with financial assistance tied to achievement of specified outputs such as AT&C loss reduction, coal rationalisation, Smart metering etc.

Smart metering and Smart Grid development in India is driven primarily through the National Smart Grid Mission (NSGM) which was established to plan and monitor the implementation of policies and programmes related to Smart Grid activities in India. There are over 14 smart grid pilots in various stages of implementation across the country which is being monitored by NSGM

In September 2016, the Central Electricity Authority (CEA) released a report on strategy for roll out of smart meters by state/union territories. In August 2015, BIS published the new smart meter standards "IS 16444: AC Static direct connected watthour smart meter- Class 1 and 2 specifications", was revised and published as IS 15959: Part 2- Smart meter in March 2016.

With the pilots and standards in place the stage has been set to scale up the roll-out of smart meters in India.

2.1 Objective of the Project

EESL is currently executing smart metering project in the state of Haryana at various location for 10 Lakhs consumers. As a part of Smart metering project, meters are being installed on the pole at the clamps outside the consumer premises. In this regard, EESL seek to procure GI clamps from the interested bidders.



3. BILL OF QUANTITY AND LOCATIONS

The bill of quantity has been mentioned in Table 1 below.

Table 1 - Bill of Quantity

S. No.	Item Name	Unit	Quantity
1.	LT GI Clamp along with necessary accessories	Numbers	1,46,250
2.	HT GI Clamp along with necessary accessories	Numbers	48,750

Location for supply of clamps to be intimated later

Bidder(s) shall refer to the Clause 11 of Special Conditions of Contract (SCC) for details on quantity variation.

4. SCOPE OF SUPPLIES/WORK& PROJECT EXECUTION

4.1 Project Scope

EESL intends to procure 1,95,000 nos. of GI (Galvanized Iron) Clamps for various cities in Haryana state.

The scope of the bidder(s) shall include **Designing**, **Engineering**, **Manufacturing**, **Testing**, **Inspection**, **Packing**, **Supply**, **Loading**, **Unloading**, **Transportation** and **insurance** (till delivery at EESL designated Warehouse), delivery to EESL designated warehouse. (Warehouse locations shall be intimated later and will be in the state of Haryana)

The specification of the HT & LT Clamps is as per Annexure-A with this RFP (unless otherwise mentioned in this document). However, the specifications may change at later stage.

4.2 Quality Control / Inspection by EESL

- i) The Implementing partner shall be given Quality Assurance Plan to EESL after Acceptance of LoA.
- ii) The implementing partner shall be wholly responsible for the quality and performance of the supplied materials as per the tendered technical specifications.
- iii) EESL reserves the right to visit the manufacturing site for quality inspection at any time.
- iv) After quality inspection, if the quality of GI Clamps is not found matching the specifications as per the tendered technical specifications, EESL at its discretion may order for cancellation of complete order or cancellation of the complete lot of product. The complete loss shall be to the account of the supplier.
- v) The items will be supplied in proper packing to avoid any damage during transit, storage and delivery. The implementation partner shall be responsible to transport material till their delivery at project site (locations shall be intimated later).

vi) Inspection / Checking / Testing:

I. <u>Inspection</u>

All materials/equipment manufactured by the implementation partner against the Letter of Award (LOA) shall be subject to inspection, check and/or test by the EESL or its authorized representative at all stages and place, before, during and after the manufacture.



If upon delivery, the material / equipment does not meet the specifications, the material / equipment shall be rejected and returned to the supplier for repairs / modification, etc. or for replacement. In such cases, all expenses including the to-and-fro freight, repacking charges, any other costs, etc. shall be to the account of the implementation partner.

All tests shall be carried out as per standards, and the implementation partner shall submit the relevant test reports.

II. Tests

During the tender duration, EESL at implementation partner(s) cost shall conduct additional quality related tests at Third Party Laboratory to maintain check on the supplied material. The random sample for such tests would be identified by EESL and can be from the manufacturing/supply chain/ customer facility.

III. Pre-dispatch Tests

The implementation partner(s) shall maintain and provide statutory test certificates for each supplied batch, confirming compliance to the technical specifications and other tender/LOA requirements. EESL reserves the right to conduct third party inspection to assess acceptability of each lot at its own cost. Only those batched meeting compliance & cleared by EESL Engineer in-charge (EIC) shall be dispatched by the Implementation Partner(s).

4.3 Documentation along with supply of GI (Galvanized Iron) Clamps

The bidder(s) shall provide the following documents (both hard copy and soft copy) to EESL:

- a) Material certificates for each supplied lot
- b) Invoices for the supplied lots
- c) E-Way Bill for the supplied lots as and when required

5. Qualifying Requirements

In addition to the satisfactory fulfillment of requirements stipulated under section ITB, the following shall also apply:

Note: Apart from the criteria given below, past performance of bidder with EESL, i.e., related to quality, supply, performance, commissioning etc. shall be taken into consideration by EESL during bid evaluation.

S.No.	Description	Documents to be submitted by Bidder
1.	Bidder should be a Single Entity means a	Photocopy of Certificate of Incorporation
	limited company (as defined in the	issued by the Registrar of Companies
	Companies Act, 1956 or further amendments	AND
	thereof))	Memorandum of Association, Article of
	OR	Association needs to be attached along with
	A limited liability partnership (under the	the bid. The bidder should also highlight
	Limited Liability Partnership Act, 2002 or	the relevant provision/ article number
	further amendments thereof)	which highlights the objects relating to in-
		house manufacturing of smart meters.
		OR
		LLP registration certificate issued by
		registrar of Companies.



2.	The bidder should have experience of manufacturing/ fabrication and should have completed the manufacturing/fabrication work of Galvanized Iron/Mild Steel products in the last 03 Financials years. <i>e</i> .	The Bidder should submit an Excise Registrations Documents/GST Registration Documents/ISO certificate /Company registration/any other document which shows that the bidder is a manufacturer of manufacturing/fabrication work of Galvanized Iron/Mild Steel products.
3.	Bidder Should have at least 3 years' experience of supplying the tendered item as on the date of publication of the tender and should have successfully executed orders in last 03 financials Year a. Three completed works each costing not less than the amount equal to INR 1.98 crores. OR b. Two completed works each costing not	Documentary evidence shall be furnished along with the bid. Documentary evidence should be submitted in the form of copies of relevant work orders/ contract agreement/ purchase order along with copies of any document in respect of satisfactory execution/ completion certificate of each of those purchase orders/ work orders such as (i) Satisfactory completion (OR) (ii) any other documentary evidences that can substantiate the satisfactory execution of each of the purchase order/ work order submitted.
	less than the amount equal to INR 2.48 crores. OR	Work orders along with its evidence for successful completion shall be from any Government Dept./ PSU/ ULB/ DISCOMS which will only will be considered for evaluation.
	c. One completed works each costing not less than the amount equal to INR 3.96 crores Dept./PSU/ULB/DISCOMS/Private Limited Companies (as on the date of publication of the tender).	In addition to above in case of private limited companies, copy of e-way bill/consignee receipted challan/GST return shall also be submitted as the proof of evidence for successful execution of the work order(s)/purchase order(s)
4.	Bidders should have Average Annual Turnover (ATO) of at least INR 1.48 Crores for immediately preceding last three financial years 2017-18, 2018-19 and 2019-20	Duly authorized copy of audited annual report is to be submitted by respondent along with CA certificate. The bidder shall submit last 3 years' audited financial statements i.e. FY 2017-18,
5		FY2018-19 and FY 2019-20. Turnover means revenue from operations (excluding other income)
5.	The bidder should be profitable in two years out of the last 3 completed financial years i.e. 2017-18, 2018-19 and 2019-2020.	Duly authorized copy of audited annual report is to be submitted by respondent along with CA certificate. The bidder shall submit last 3 years' audited
		financial statements i.e. FY 2017-18, FY2018-19 and FY 2019-20



		Profitability means: Profit after tax
6.	The net worth of the bidder in immediate last financial year should not be less than 100% of paid up share capital. Net worth of Proprietor/ partnership Net Worth may be considered negative in case closing capital of immediately preceding year is less than average closing capital of	Duly authorized copy of audited balance sheet for preceding last three Financial Year is to be submitted by bidder.
	previous 3 financial years.	

Notes:

- (1) EESL may not seek any deficient /Clarifications from the bidders after opening of Techno-Commercial bid. If any bid is found to be in non-conformance to the tender conditions or deviating from the tender, EESL resaves the right to out rightly reject such bid without seeking any clarification. Bidder to take cognizance of the same and submit their bid accordingly.
- (2) EESL reserves the right the use the in-house available data, if required, to evaluate the tender including the data/documents submitted by the vendor in their previous tender(s). However, this should not be understood that relevant documents/certificates or any other requirement as required in the instant RfP is not to be provided by any vendor participating in the tender who has earlier participated in any of the earlier tenders by EESL.
- (3) In the case, where bidder is unable to produce the audited financial statement for FY 2019-20, then for the evaluation purpose (refer financial QR), audited financial statement FY 2016-17 will be considered. Hence in this case, audited financial statements for FY 2016-17, 2017-18 and 2018-19 will be considered as last 3 completed FY and 2018-19 will be considered as the last FY.

NOTE: The supporting documents in support of above Qualification Requirement should be submitted along with tender document, otherwise tender will rejected.

If bidder is not meeting any Qualification Requirement as defined above, it should clearly intimate the same in deviation form or on its letter head.

EESL reserves the right to reject a bidder if their past supply/ installation track record has been unsatisfactory and if bidder is engaged in a current project but is unable to keep up with the project schedule in quantity/ quality as prescribed by Project In-charge and if EESL has sufficient reason to believe that the Bidder is unsuitable for taking up a project in this tender.



PART-C: SPECIAL CONDITIONS OF CONTRACT

1. SECURITY DEPOSIT / CONTRACT PERFORMANCE GUARANTEE

Within Twenty-Eight (28) days of the receipt of notification of award from EESL, the successful bidder shall furnish the CPG in the form of Demand Draft/ Pay Order or Bank Guarantee for 10% of contract value (exclusive of GST). The Bank Guarantee must be valid to cover Delivery Duration (09 Months) + Three Months Claim Period. Any delay in submission of SD/CPG shall be deemed as accruing of financial benefit to the supplier and EESL may take necessary interest penalty recovery action (interest @ SBI's MCLR + 2 %) from the payments due to the supplier for the period of delay. However, this provision does not bind EESL in any way from proceeding against the supplier (including forfeiture of EMD, cancellation of the empanelment/LOA, etc.) for non-compliance towards non-submission of the SD/CPG.

Bank guarantee shall be from any Nationalized Banks/other scheduled private banks as per list given in Section 6. EESL shall at his discretion have recourse to the said Bank Guarantee for the recovery of any or all amount due from the bidder in connection with the contract including of guarantee obligations.

Failure of the Successful Bidder to comply with the requirements of IFB/RfP shall constitute sufficient grounds for the annulment of the award and forfeiture of the Contract Performance Guarantee.

This Bank Guarantee shall be effective only when BG issuance message is transmitted by issuing bank through SFMS to

IDFC Bank Ltd.

IFSC code: IDFB0020101

Branch Name: Soodh Birla Towers, Barakhamba Road new Delhi- 110001

The Message code to be used by the bank will be the following: -

Code Purpose

IFN 760 Confirmation of Bank Guarantee IFN 767 Amendment in Bank Guarantee

2. TERMS OF PAYMENT

- i) Delivery: First lot to be made available within 15 days of placing LOA.
- ii) The payments for each supplied lot of material shall be released to the bidder(s) after satisfactory completion within 30 days of receipt of the bidder's Tax invoice at EESL office with all the requisite respective documents signed and stamped by EESL's EIC/authorized representative at designated delivery location. Each invoice shall have the Tax, etc. registration document's photocopy annexed to it.
- iii) Bidder(s) needs to ensure completion of all works as per instructions by EESL's EIC/authorized representative before submitting the invoice. This includes supply of required material and acceptance from the concern officer.
- iv) In case of delay in supply of material, the entire cost and/or time over-run shall be the responsibility of the bidder(s) and shall be borne by him only.
- v) Power to withhold: Notwithstanding anything contained in the payment schedule mentioned above, if in the opinion of the EESL, any work done or supply made or service rendered by bidder(s) is deficient in any manner in comparison to the prescribed standards, EESL shall be at liberty to withhold a reasonable portion of the payments due to the bidder(s). At the supply of the prescribed standards.

 Serial No. 2 ENERGY EFFICIENCY SERVICES LIMITED. C=N



These powers to withhold payments shall be without prejudice to any other power/ right of the EESL under this contract.

- vi) All payments shall be made by EESL, no later than thirty (30) days after submission of an invoice and acceptance from the EESL.
- vii) The release of payments shall be progressive and performance/ output-based, where the payments shall be made for measured deliverables and outputs on acceptance by EESL.
- viii) If any excess payment has been made by EESL due to difference in quoted price in proposal and Contractor's invoice, EESL may without prejudice to its rights recover such amounts by other means after notifying the bidder(s) or deduct such excess payment from any payment subsequently falling due to the bidder(s).
- ix) EESL reserves the right, as its sole discretion to waive any penalty being imposed on the bidder(s) in case the bidder(s) fails to meet milestones/agreed service level due to a valid reason beyond the control of bidder or upon EESL's request. Waiver shall be granted on merit and only as an exception by EESL.
- x) EESL reserves the right, as its sole discretion to stagger the delivery of clamps. any such action will be discussed with Bidder(s). Bidder(s) shall be informed of the same in writing. Penalty related to delivery of meter may be waived by EESL if cause of such delay is not in bidder's control or the delay is due to EESL request for staggered delivery. Penalty shall be adjusted in case EESL approves such waiver. Penalty recovered shall be adjusted in the subsequent payment and no interest shall be paid on this amount.
- xi) The payment shall be processed only upon receipt of (i) acceptance of LoA and signing of contract agreement; (ii) submission of CPG as per tender documents in addition to deliverable documents
- xii) Bidder has to ensure all statutory compliances and submit the copy of e-way bill, invoices, proof of receipt, GST returns, etc. with submission of invoice.

At the time of payment of bills, the income tax, if any, shall be deducted at source as per Government rules and guidelines as may be prevailing at the time of payment.

The payment schedule for this project is mentioned in Table I.

Table I - Payment Schedule

Payment Milestone	Payment Terms	Conditions
Delivery of material at site		30 days after receipt of original

The bidder(s) shall note the following:

- 1. The bidder(s) shall provide the following documents at the time of invoicing:
 - i. Material certificates for each supplied lot
 - ii. Invoices for the supplied lots
 - iii. E-Way Bill for the supplied lots as and when required

Senatural Predocuments 1400 2001 dudy ocertified by the EIC/representative, and by the end User Opposition User/Customer Representative.



- 3. The payment shall be processed only after receipt of following:
 - i. Acceptance of LOA and signing of Contract Agreement.
 - ii. Submission of Contract Performance Guarantee (CPG).
- 4. Interest shall not be paid on the bank guarantee submitted by bidder(s).

3. LIQUIDATED DAMAGES

For Delay in Supplies: In case of any delay by the bidder(s) beyond the stipulated schedule (to be discussed post LOA), including any extension permitted in writing, EESL reserves the right to recover from the bidder(s) a sum equivalent to 0.5 % of the value of the delayed supplies for delay per week or part thereof, subject to a maximum of 5 % of the total value of the contract.

Notwithstanding the above, in case of regular and repeated complaints against the bidder(s) and the bidder's failure in providing satisfactory after-sales replacement warranty and maintenance services, EESL reserves the right to forfeit the SD/CPG submitted against the LOA towards non-performance of the contract.

Alternatively, EESL reserves the right to purchase and distribute material from elsewhere at the sole risk at the cost of bidder(s) and to recover all such extra costs incurred by EESL in procuring the material from resources available including EMD/Bid Security/encashment of Bank Guarantee or any other sources, etc. Further, if any extra cost is incurred by EESL due to delay in work completion by the bidder(s) beyond the completion time as per PO, the same shall also be recovered from bidder's invoice/EMD/BGs, etc.

Alternatively, EESL may cancel the order completely or partly without prejudice to its right under the alternatives mentioned above.

4. PRICE BASIS

The prices/rates are inclusive of cost of finished product which includes the following:

- a) Packaging and forwarding charges
- b) Freight and transit insurance charges covering transportation upto EESL designated warehouse
- c) Unloading at EESL designated warehouse
- d) All applicable duties and taxes except GST (ISGT, CGST, SGST and UGST)

Prices once quoted shall remain firm, and shall not be subject to any escalation, till completion/execution of the contractual assignments/work and till the contract's validity extension, if any

5. REPLACEMENT WARRANTY:

The responsibility for delivery of the materials at delivery locations in good condition rests with the Bidder. Bidder shall undertake free replacement of damaged or lost materials which will be reported by EESL within 07 Days of the receipt of the materials at destination without waiting for the settlement of the claims with EESL. If the material is received in damaged condition, the same should be replaced within 15 days otherwise the Liquidated Damages @ 20% will be imposed on the rejected quantity.



Signature:-Subject: CN = PRASHANT KUMAR, ST = DELHI, OID.2.5.4.17 = 110003, OU = SUPPLY CHAIN MANAGEMENT, O = ENERGY EFFICIENCY SERVICES LIMITED, C = IN User ID: p. kumar

6. EXTENSION OF SERVICES:

EESL reserves the rights to extend the engagement on same terms and conditions after successful completion of services.

7. EVALUATION CRITERION

- The price bids shall be evaluated as per the grand-total price of all BOQ items, i.e., the price at Total of Column 5 of the Price Bid Sheet format given at **Table-A**. The bidder(s) having the lowest total price, of the price bid shall be lowest evaluated bidder(s) (i.e., L-1).
- EESL intends to split the total order quantity can be 2 packages. The allocation of quantity among bidders in case of order to be split other than L-1 (who matches the L-1 price) shall be split based on the price bid hierarchy, i.e. L2, L3 & L4 subject to matching the L-1 price for complete scope of work for each package. The award to L2, L3, L4 shall be subject to their acceptance of L1 rates with all other terms and conditions as per tender will be as follows: -

In case of Distribution between	Ratio in percentage
Two Parties (L1 : L2)	60%:40%

- Further, in case a party is not able to supply quantity allocated to them as per scheduled timelines, EESL reserves the right to shift the part/full quantity to other bidder who has matched the price on the risk and cost of such non-performing bidder.
- In the event of tie in prices between two or more bidders, the bidder with higher turnover will be given preference in ranking & award. Avg. of last two financial years shall be considered for arriving at turnover for comparison in such cases to break the tie.
- It is mandatory to quote for all the items/services requisitioned in the Price Bid Sheet format. Non- compliant bids shall be liable for outright rejection.
- The illustrative format & notes for price bid shall be referred at Table-A.
- The bidder(s)should compulsorily quoted the full quantity, it shall mean that the bidder(s) is obligated to deliver the entire quantity as per the delivery schedule and agreed terms and conditions.
- The bidder should compulsorily quote for all heads in the price-bid format for which separate analysis/ reasonable estimation of all heads should be done by the bidder before quoting the rates in the financial bid. Any contravention may lead to rejection of offer submitted.

8. Action by EESL if L1 backs out:

After opening of price bid, if L1 bidder backs out, the bidder will be put on holiday list of EESL for a period of one year. During this tenure, the bidder will be barred from participation in EESL tendering process. However, bidder has to continue the unexecuted work of the other prevailing work if any under the current running contracts. Simultaneously, the EMD submitted by such bidder against the subject tender will be subject; ON PRASHANT KUMAR, ST POLINI, DID. 25.4.17-110003, OU-SUPPLY CHAIN for the FIAD amount will be adjusted from the payments due to the contractor against other running contracts. If there



is no running contract of the bidder/ no payment dues of the bidder, then EESL reserves the right to take any legal remedy as deemed fit to recover the penalty equivalent to EMD amount through legal means.

9. ADJUDICATOR

Adjudicator under the contract shall be appointed by the Appointing Authority i.e. MD (EESL). If the bidder(s) does not accept the Adjudicator proposed by EESL, it should so state in its bid form and make a counter proposal of an adjudicator. If on the day the contract agreement is signed, the EESL and contractor have not agreed on the appointment of adjudicator, the adjudicator shall be appointed, at the request of either party, by the appointing authority specified.

10. ARBITRATION

Arbitration shall be carried out as per Arbitration Act 1996 and its subsequent amendment. The Contract shall be governed by and interpreted in accordance with the laws in force in India. The courts of DELHI shall have exclusive jurisdiction in all matters arising under the contract.

11. Delivery conditions / Completion time:

Quoted rates are valid for the entire duration of the project after award of LoA.

Quantities will be allocated to the bidder through valid PO indicating shipping address. Bidder has to arrange supplies accordingly.

Entire material to be delivered, installed, tested and commissioned as follows:

(a) Supply Schedule:

- Entire PO (release order) quantity to be delivered within 7 days from the date of issuance of PO (release order), subject to the ceiling limit of 5000 Quantity or as per the requirement by EESL. Delivery period will be proportionately get increased on pro-rata basis for the quantity above ceiling limit.
- The duration for said services shall be applicable for the entire duration until all the clamps are delivered. The delivery timelines shall be communicated to Bidder post award of LOA.

Note: The material shall be allocated from time to time by EESL through valid PO's (Release Orders) indicating the supply location and quantity. The supplier can improve upon the delivery schedule depending upon his capacity and production rate

Entire material to be delivered and jobs to be completed as per the delivery schedule from the date of issue of Purchase Order/Letter of Award

Please note that:

- a. Delivery needs to be done throughout as per the requirement of EESL.
- 10. The Bidder(s) shall be deemed to have examined the Bid document, to have obtained its own information in all matters whatsoever that might affect carrying out the Works in line with the Technical specifications and Scope of Work specified in the document at the offered rates and to have the start of the sufficiency of its Bid. The bidder(s) shall be deemed to know the scope, nature and magnitude of the work and requirement of materials, equipment, tools and

labor involved, wage structures and as to what all works he has to complete in accordance with the Bid documents irrespective of any defects, omissions or errors that may be found in the Bid documents.

11. QUANTITY VARIATION

EESL reserves the right for quantity variation up to +/-20%. Further, EESL reserves the right to place a repeat order in case of urgency for part quantity in the Letter of Award for similar work on same prices, terms and conditions. Also, EESL reserve the right to ask the implementation partner(s) to deliver the part quantity placed on them anywhere in territory of India on same prices, terms and conditions. However, any such quantity variation/placement of Repeat Order shall need to be authorized through prior amendment of the LOA/issuance of fresh LOA to that effect.

12. INSURANCE

The Goods supplied under the Contract shall be fully insured in Indian Rupees against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery. For delivery of goods at site, the insurance shall be obtained by the Contractor, for an amount not less than the Contract Price of the goods from "warehouse to warehouse" (final destinations) on "All Risks" basis including War risks and strikes.

13. TRANSPORTATION, DEMURRAGE WHARFAGE, ETC.

Implementation partner(s) is required under the Contract to transport the Goods to place of destination defined as Site. Transport to such place of destination in India including insurance, as shall be specified in the Contract, shall be arranged by the implementation partner(s), and the related cost shall be included in the Contract Price.

Implementation partner(s), on whom letter of award is placed, is to ensure all safety guidelines, rules and regulations, labour laws etc. Implementation partner(s) indemnify EESL for any accident, injury met by its labour, employee or any other person working for him. Any compensation sought by its labour, employee or any other person working for him shall be paid by implementation partner(s) as per settlement solely. EESL has no role to play in this matter.

14. INTERCHANGEABILITY OF PRODUCT

Implementation partner(s) is to submit interchangeability certificate for its product/components supplied for replacement during warranty and maintenance period and even when it is purchased from open market. In case due to change in technology, the supplied product is not available during warranty/ maintenance period, then the improved version of product can be used in warranty/maintenance period with same or improved technical parameters or the combination thereof after written communication of Engineer in Charge at same cost & terms and conditions.

15. ADHERENCE TO SPECIFICATIONS

Subsequent to an order being placed against your quotation, received in response to this 'enquiry', if it is found that the materials supplied are not of the right quality or not in accordance with our specifications (required by us) or received in damaged or broken conditions not satisfactory owing to any reason of which we shall be the sole judge, we shall be entitled to reject the materials, cancel the contract and buy our requirement from



the open market / other sources and recover the loss, if any, from the bidder(s) reserving to ourselves the right to forfeit the security deposit, furnished by the bidder(s) against the contract. The bidder(s) shall make its own arrangements to remove the rejected material within a fortnight of instruction to do so.

Thereafter material shall lie entirely at the bidder's risk and responsibility and storage charges, along with any other charges applicable, shall be recoverable from the bidder(s).

- **16.** We reserve the right to accept or reject any quotation in full or in part without assigning any reason thereof. We also reserve the right to split and place order on more than one bidder.
- 17. The bidder(s) should not have been black-listed by Central/ State Government or Public Sector Undertakings. If at any stage of tendering process or during the currency of the contract, any suppression / falsification of such information is brought to the knowledge, EESL shall have the right to reject the proposal or terminate the contract, as the case may be, without any compensation to the tenderer & forfeiture of bid security/EMD/CPG.

18. BID SECURITY/EARNEST MONEY DEPOSIT (EMD)

Amount & other details of Bid Security/EMD: As mentioned in Section-1.

The details of EMD instrument has to be submitted in relevant field/column of online module. Tenders without Earnest Money Deposit is liable to be rejected. It should be ensured by the vendor that the original BG is received by EESL before opening time of techno-commercial bids for verification of the details of BG given online by the vendors.

The tender submission, tender closing and opening will be done electronically and online.

EESL shall not be responsible for any delay, loss or non-receipt of Tender Document Cost sent by post/courier. The instrument should reach in original to EESL office before the Bid Opening date. Bids not accompanied with the requisite tender document cost may not be opened.

The bid securities of unsuccessful bidder(s) will be returned as promptly as possible after the award is made.

The bid security of the successful bidder(s) will be returned when it has signed the contract agreement, and has furnished the required performance security.

The bid security may be forfeited if:

- a. If the bidder(s) withdraws its bid during the period of bid validity as specified in the bid.
- b. If the bidder(s) does not accept computational/arithmetical error correction made by EESL and as explained in "Financial Evaluation" section of the Bid/ Tender document.
- c. If the bidder(s) does not accept assumptions, estimations etc. used for evaluation of bids as specified by EESL in tender documents and revision of its bid accordingly, in case other assumptions are used. If the bidder(s) does not accept the sharing as specified in the bid.
- supplies: If the Bidder(s) refuses to withdraw, without any cost to the EESL, any deviation what the state of the state of

