

ANNEXURE - I

GENERAL TERMS AND CONDITIONS FOR SALE / DISPOSAL AND DELIVERY OF DILUTE ACETIC ACID (DAA).

1.00 DEFINITION :

For the purpose of this Sale Order awarded in terms of this Tender the meaning of various words shall be as under:

- 1.10 "GNFC / the Company" means Gujarat Narmada Valley Fertilizers & Chemicals Limited having its Registered Office at P.O. Narmadanagar-392 015, District Bharuch, Gujarat State.
- 1.20 "General Manager (MARKETING)" means the authorized representative of GNFC.
- 1.30 "TENDERER" means the person, firm or corporation to whom tender enquiry is addressed, which also includes its successors and assigns.
- 1.40 "PURCHASER" means the person, firm or corporation to whom the sale order is addressed. The term purchaser shall not mean the successful tenderer whose offer is accepted.
- 1.50 "SALE ORDER" means an order issued by GNFC to the Purchaser with respect to sale of DAA.

2.00 CORRESPONDENCE:

The address of the Purchaser given in the tender shall be the Purchaser's business address and the correspondence sent at this address shall be considered to have been delivered to the Purchaser.

3.00 CONDITIONS OF TENDER:

- 3.10 Tender shall be accompanied with the EMD mentioned in the tender. The tenders submitted without EMD shall be treated as "invalid"
- 3.20 EMD shall be deposited in the form of Demand Draft drawn in favour of Gujarat Narmada Valley Fertilizers & Chemicals Limited payable at Bharuch.

- 3.30 No interest shall be payable on EMD deposited with GNFC.
- 3.40 The EMD of the unsuccessful Tenderer(s) shall be refunded without interest only after the successful Tenderer accepts the Sale Order and deposits the Performance Security Deposit.
- 3.50 Correction/over writing in Tender Form is not permitted while making offer. Such offer may be rejected at the sole discretion of GNFC.
- 3.60 Offer should be valid for acceptance for 60 days from the last date fixed for submission of the tender.
- 4.00 CONDITIONS OF CONTRACT:
- 4.10 GNFC reserves the right to accept or reject any or all tenders/offers received in part or full without assigning any reasons whatsoever.
- 4.20 Purchaser shall abide by GNFC rules and regulations regarding safety, security and other applicable procedures as in force and which may be imposed from time to time.
- 4.30 **The Contract / Sale Order shall be awarded to the successful Tenderer / Purchaser for a period of one year. GNFC at its sole discretion may extend the contract for a further period of one year on the same terms and conditions.**
- 4.40 The Purchaser shall be solely responsible for the safety and security of their workmen, employees, vehicles, materials etc. GNFC shall not be in any manner whatsoever is liable for injuries, losses, damages or any sufferance occurred.
- 4.50 The Purchaser shall be responsible for observing the laws pertaining to environment protection, safety and transportation of hazardous chemicals. The drivers of the tankers should have valid license approved by RTO for carrying hazardous chemicals.
- 4.60 GNFC has a right to place sale order(s) on more than one tenderer without assigning any reasons.
- 4.70 GNFC reserves the right to terminate Sale Order at any time without notice, if the Purchaser fails to comply with any of the conditions of Sale Order. In such case, the EMD and/or Security Deposit as the case may be, shall be forfeited and the Purchaser shall be responsible for all the consequences arising out of the breach of contract.
- 4.80 In the event of any breach of the contract by the Purchaser, in addition to its all other rights and remedies as available under the Law, the Company shall have also right, at its discretion to suspend the supply of DAA or to remove the name of the Purchaser from the list of registered tenderers. GNFC also reserves the right to withhold any lot or part thereof from the supply of Dilute Acetic Acid without assigning any reason.

4.90 Successful bidder / Purchaser shall deposit Performance Security Deposit as mentioned in their offer, immediately on receipt of Sale Order. Amount deposited as EMD will be adjusted against performance security Deposit. This Performance Security Deposit shall be refunded only after one month of successful completion of the contract to the fullest satisfaction of GNFC.

5.00 CONDITIONS OF SALE:

5.10 Product specifications and availability of the product is subject to variation depending upon operation of GNFC's Acetic Acid plant. The Dilute Acetic Acid is to be sold on "as is where is" basis.

5.20 On placement of Sale Order on Purchaser by the Company, all the arrangements for collection and transportation of Dilute Acetic Acid from Company's plant at Bharuch shall have to be made by the Purchaser. GNFC shall supply the product on ex-factory basis only.

5.30. The expected quantity of Dilute Acetic Acid is 50 MT/Month to 70 MT/Month. The quantity may vary based on plant operations subject to force measure. GNFC shall have no binding on quality and quantity of the material.

5.40 Dilute Acetic Acid shall be lifted within 24 hours after being informed by GNFC either through Facsimile / e-mail / telephone.

5.50 In case of the material is not lifted within 3 days by the successful tenderer after being informed by GNFC, GNFC shall be free to cancel the contract /sale order and to forfeit the performance security deposit. Successful tenderer shall have no right whatsoever on claim of refund of deposit in case of failure on tenderer's part to fulfill any of the commitment.

5.60 Dilute Acetic Acid shall be loaded in to the compatible tankers fit for loading placed by the authorized transporter of successful tenderer / Purchaser only. It shall be responsibility of the successful tenderer / Purchaser to ensure and arrange for cleaned tanker fit for loading of dilute Acetic Acid.

5.70 Once the Dilute Acetic Acid is delivered the ownership and liabilities of the Company shall cease in all respects.

6.00 SUB CONTRACT:

6.10 The purchaser shall not assign, sub-contract or sublet the whole or any part of the Sale Order in any manner, without the prior written approval of the Authorized Representative of GNFC. In case such act is noticed the Sale Order shall be terminated forthwith and Security Deposit shall stand forfeited. However even on permitted assignment the same shall not relieve the Purchaser from any of its pending obligation(s) under the Sale Order.

7.00 ARBITRATION:

- 7.10 In case of any dispute, difference, claim or question whatsoever which may arise either during the continuance of the Sale Order or afterwards between Purchaser and GNFC and / or the execution of any clause of the Sale Order or any act, deed or omission of any party or any other matter in any way relating to rights, duties or obligations or liabilities of either parties the same shall be referred to the Managing Director, GNFC for amicable resolution thereof. All disputes, difference claims and questions whatsoever which may remain unresolved amicably as aforesaid shall be referred to the Arbitration under the Indian Arbitration Act,1996 or any statutory 'modification of reenactment thereof in force at that time. The arbitration proceedings shall be conducted under the aegis of Indian Council of Arbitration (ICA) and in accordance with the Rules of Arbitration of ICA by one or more arbitrators appointed in accordance with the said Rules and the award made in pursuance thereof shall be final and binding on the parties. The Arbitration proceedings shall be conducted in English and the venue of all proceedings shall be at Bharuch, Gujarat State.

The governing substantive law shall be Indian Laws. The parties specifically agree to “Fast Track Arbitration”, in accordance with Rule 44 of the Rules of Arbitration of ICA.

8.00 JURISDICTION OF COURT:

Only the Bharuch Court(s) shall have jurisdiction.

- 9.00 The purchaser shall be liable for and save GNFC harmless against all or any claims, injuries, losses, damages, costs, or expenses, which may be made against or caused to or suffered or all or any consequences of any act, commission or negligence committed or omitted to be done during the course of their obtaining delivery of the Dilute Acetic Acid from GNFC or otherwise, however directly or indirectly attributable to all or any of their employees, workmen, representative.
- 10.00 The Purchaser shall keep GNFC indemnified from and against all personal and third party claims whatsoever (inclusive of all costs incurred between attorney and client) arising out of any act, commission or omission on part of any of agent, sub agent, consultant or employee of the Purchaser.
- 11.00 Nothing in the Sale Order shall otherwise constitute any workman / employee of the Purchaser as or to be workman/ employee of GNFC or place obligation or liability in respect of any such workman/employee upon GNFC.
- 12.00 Tender is divided into two parts i.e Technical Bid and Commercial Bid. Only on finding the technical bid complete and acceptable to GNFC, your commercial bid will be considered for evaluation of offer submitted.

ANNEXURE - II

(A) : Specification and Quantity of Dilute Acetic Acid (DAA)

Gujarat Narmada Valley Fertilizers & Chemicals Limited (GNFC) is getting about 50 to 70 MT. per month (i.e. 600-800MT. per year) of Dilute Acetic Acid during the production of Glacial Acetic Acid . Generally, specifications remain as under :

Acetic Acid	:	85 to 92% by wt.
Propionic Acid	:	7 to 12 % by wt.
Water	:	0.2 to 0.8 % by wt.
Iodides	:	50 to 100 ppm
Appearance	:	Brown / Green Colour
Acetic Anhydride	:	1.0 to 3.0% by wt.
Propionic Anhydride	:	Not Traceable

However GNFC does not guarantee the above specifications in each consignment as it depends on the process parameter of Acetic Acid plant. GNFC is interested to sell this Dilute Acetic Acid on “as is where is basis” to the interested party. GNFC is interested to have resourceful, competent and cost effective Vendor(s) for sale of Dilute Acetic Acid.

(B) Special Terms & Conditions:

1.00 Earnest Money Deposit (EMD): To be paid by Demand draft/cheque payable at par at Bharuch drawn in favour of GNFC Ltd. Payable on any nationalized/scheduled bank at Bharuch along with the offer. EMD will be forfeited if successful tenderer does not pay performance security deposit.

No interest will be paid on EMD.

2.00 Performance security deposit will be paid immediately on award / receipt of Sale order. Amount deposited for EMD by the successful tenderer will be adjusted against partial Performance Security Deposit. GNFC shall refund Performance Security Deposit on completion of contract period to the fullest satisfaction of GNFC. Performance Security Deposit in form of Bank guarantee is acceptable.

GNFC shall not be liable to pay any interest on performance security deposit.

3.00 Tenderor shall be liable to reimburse the amount as desired by GNFC in case of loss of product due to leakage in tanker or damage to the property of GNFC by our employees or vehicle placed by our authorized transporter for loading of Dilute Acetic Acid.

(C) : PRICE (COMMERCIAL) BID:

1.00 SALE OF DILUTE ACETIC ACID:

_____ % of GNFC's declared General Basic Price in Rs./Mt of Glacial Acetic Acid for loose in tanker loads for Gujarat against immediate payment to be prevailed on date of lifting from GNFC.

2.00 Rate will be applicable as prevailing on the date of dispatch. Excise duty, and VAT/sales tax shall be charged extra, as may be applicable on the date of delivery. All duties and taxes applicable at the time of actual dispatch will be charged.

Any duties, taxes and levies imposed by central/state Govt. or any other statutory authorities in future on such sales will be made effective from the date of its application as decided by statutory authorities.

3.00 Immediate payment by Demand Draft / Cheques payable at par on any nationalised / scheduled bank at Bharuch. Post dated cheques will be deposited at GNFC in advance and same will be deposited in bank next day after the supply.

4.00 GNFC will supply on Ex-GNFC-works basis. Transportation and insurance will be arranged and paid by the contracted buyer.

5.00 CENVATE: For availing CENVAT benefit, CENVATABLE invoice will be issued by GNFC and will issue Duplicate copy of Excise Invoice cum gate pass (Transporter's copy) along with the tanker to enable you to make necessary declaration to excise authority. Original copy of invoice will be sent to you separately.

6.00 VAT Credit [if applicable]: Tax invoice will be issued for availing VAT Credit for Gujarat based customers.

7.00 'C' FORM / sales tax concessional form will be issued on quarterly basis.

8.00 GNFC's Standard Penalty Clause: "In case of non lifting of Dilute Acetic Acid by successful tenderor after being informed by GNFC, the same will be sold to other party and losses will be recovered from the party to whom contract is awarded".

We submit our offer with our unconditional acceptance to all the terms and conditions of this tender inquiry along with the General Terms & Conditions mentioned at Annexure - I and Special Terms and conditions mentioned at Annexure - II .