

# **INTERNATIONAL COMPETITIVE TENDER DOCUMENT**

FOR

**Construction of 400/220kV, 2x500 MVA GIS at Sonapur along with the  
associated Transmission Lines**

**(Package H)**

*(Design, Engineering, Manufacture, Assembly, Inspection, Testing at Manufacturer's Works before Dispatch, Packing, Supply, Delivery at Site, Including Insurance During Transit, Subsequent Storage, Erection and Commissioning of GIS, Power Transformers with Associated Switchgears, including Supply & Erection of Substation Steel Structures, Construction of Control Room Building; Supply of tower structures, Survey, Construction of Foundations, Erection and Commissioning of new associated Transmission Lines and all other Civil Works complete on Turnkey Basis)*

## **SINGLE STAGE TWO ENVELOPE**

**(e-Tender)**

**UNDER**

**ASSAM INTRA-STATE TRANSMISSION SYSTEM ENHANCEMENT PROJECT**

**(PHASE I)**

*funded by*

*ASIAN INFRASTRUCTURE INVESTMENT BANK(AIIB)*



**VOLUME I**

**ASSAM ELECTRICITY GRID CORPORATION LIMITED**

The State Transmission Utility of Assam

Regd. Office, Bijulee Bhawan

Paltanbazar, Guwahati - 781001

**TENDER IDENTIFICATION NO.: AEGCL/MD/AIIB/PACKAGE-H(R)/2023/01-H(R)**

**AIIB Loan No.: L0302**

## **TENDER DOCUMENT**

### **FOR**

**Construction of 400/220kV, 2x500 MVA; GIS at Sonapur along with the associated Transmission Lines (Package H) :** *Design, Engineering, Manufacture, Assembly, Inspection, Testing at Manufacturer's Works before Dispatch, Packing, Supply, Delivery at Site, Including Insurance During Transit, Subsequent Storage, Erection and Commissioning of GIS, Power Transformers with Associated Switchgears, including Supply & Erection of Substation Steel Structures, Construction of Control Room Building; Design of tower structures as foundation as per latest IS code, Supply of tower structures, Survey, Construction of Foundations, Erection and Commissioning of new associated Transmission Lines and all other Civil Works complete on Turnkey Basis.*

**Issued on** : **09<sup>th</sup> January 2024**

**Invitation for Tender No.** : **AEGCL/MD/AIIB/PACKAGE-H(R)/2023/01-H(R)**

**Employer** : **Assam Electricity Grid Corporation Limited**

**Country** : **India**

## TABLE OF CONTENTS

### *P R E F A C E*

This Tender Document for Procurement of Plant – Design, Supply, and Installation, has been prepared by Assam Electricity Grid Corporation Limited and is based on the MDB Harmonized Standard Tender Document for Procurement of Plant – Design, Supply, and Installation (STD Plant) adopted by the Asian Infrastructure Investment Bank (AIIB).

AIIB's STD Plant has the structure and the provisions of the Master Procurement Document entitled "Procurement of Plant – Design, Supply, and Installation", prepared by multilateral development banks and other public international financial institutions except where AIIB-specific considerations have required a change.

## TABLE OF CONTENTS

### TABLE OF CONTENTS - SUMMARY DESCRIPTION

#### PART I TENDER PROCEDURES

##### **Section 1 - Instructions to Tenderers (ITT)----- 1-5**

This section specifies the procedures to be followed by Tenderers in the preparation and submission of their tenders. Information is also provided on the submission, opening, and evaluation of tenders and on the award of contract.

##### **Section 2 - Tender Data Sheet (TDS)----- 2-29**

This section consists of provisions that are specific to each procurement and supplement the information or requirements included in Section 1 (Instructions to Tenderers).

##### **Section 3 - Evaluation and Qualification Criteria (EQC)----- 3-39**

This section contains the tender evaluation criteria to determine the lowest evaluated Tender and lists the necessary qualifications of Tenderers.

##### **Section 4 - Tender Forms (TDF)----- 4-55**

This section contains the forms which are to be completed by the Tenderer and submitted as part of its Tender.

##### **Section 5 - Eligible Countries (ELC)----- 5-110**

This section contains the list of eligible countries.

#### PART II REQUIREMENTS

##### **Section 6 - Employer's Requirements (ERQ)----- 6-111**

This section contains the Scope of Supply of Plant and Services, Technical Specifications, General Condition, the Drawings, and Supplementary Information that describe the Facilities to be procured, Personnel Requirements, Equipment Requirements, Certificates, and Change Orders.

#### PART III CONDITIONS OF CONTRACT AND CONTRACT FORMS

##### **Section 7 - General Conditions of Contract (GCC)----- 7-132**

This section contains the general clauses to be applied in all contracts. These Conditions are subject to the variations and additions set out in Section 8 (Special Conditions of Contract).

##### **Section 8 - Special Conditions of Contract (SCC)----- 8-192**

This section contains provisions that are specific to each contract and that modify or supplement the GCC. Whenever there is a conflict, the provisions herein shall prevail over those in the GCC. The clause number of the SCC is the corresponding clause number of the GCC.

##### **Section 9 - Contract Forms (COF)----- 9-199**

## TABLE OF CONTENTS

This section contains forms, which, once completed, will form part of the Contract. The forms for Performance Security and Advance Payment Security, when required, shall only be completed by the successful tenderer after contract award.

## Section 1: Instructions to Tenderers (ITT)

### Table of Clauses

|           |   |             |
|-----------|---|-------------|
| <b>A.</b> | <b>General.....</b>   | <b>1-7</b>  |
| 1.        | Scope of Tender .....   | 1-7         |
| 2.        | Source of Funds .....   | 1-7         |
| 3.        | Prohibited Practices .....  | 1-7         |
| 4.        | Eligible Tenderers .....  | 1-9         |
| 5.        | Eligible Plant and Services .....   | 1-10        |
| <b>B.</b> | <b>Contents of Tendering Document.....</b>                                      | <b>1-11</b> |
| 6.        | Sections of Tendering Document .....  | 1-11        |
| 7.        | Clarification of Tendering Document, Site Visit, Pre-Tendering Meeting.....     | 1-11        |
| 8.        | Amendment of Tendering Document.....  | 1-12        |
| <b>C.</b> | <b>Preparation of Tenders.....</b>  | <b>1-12</b> |
| 9.        | Cost of Tender .....  | 1-12        |
| 10.       | Language of Tender.....   | 1-12        |
| 11.       | Documents Comprising the Tender .....   | 1-12        |
| 12.       | Letter of Tender and Schedules .....  | 1-13        |
| 13.       | Alternative Tenders.....  | 1-14        |
| 14.       | Documents Establishing the Eligibility of Plant and Services.....               | 1-14        |
| 15.       | Documents Establishing the Eligibility and Qualifications of the Tenderer ..... | 1-14        |
| 16.       | Documents Establishing Conformity of the Plant and Services .....               | 1-14        |
| 17.       | Technical Proposal, Subcontractors .....  | 1-14        |
| 18.       | Tender Prices and Discounts .....   | 1-15        |
| 19.       | Currencies of Tender and Payment.....   | 1-17        |
| 20.       | Period of Validity of Tenders .....   | 1-17        |
| 21.       | Tender Security/Tender-Securing Declaration .....                               | 1-17        |
| 22.       | Format and Signing of Tender.....   | 1-18        |
| <b>D.</b> | <b>Submission and Opening of Tenders.....</b>                                   | <b>1-19</b> |
| 23.       | Submission, Sealing, and Marking of Tenders .....                               | 1-19        |
| 24.       | Deadline for Submission of Tenders.....   | 1-19        |
| 25.       | Late Tenders .....  | 1-19        |

|           |   |             |
|-----------|---|-------------|
| 26.       | Withdrawal, Substitution, and Modification of Tenders .....                   | 1-20        |
| 27.       | Tender Opening.....   | 1-20        |
| <b>E.</b> | <b>Evaluation and Comparison of Tenders .....</b>                             | <b>1-19</b> |
| 28.       | Confidentiality .....   | 1-22        |
| 29.       | Clarification of Tenders .....  | 1-22        |
| 30.       | Deviations, Reservations, and Omissions.....                                  | 1-22        |
| 31.       | Examination of Technical Tenders .....  | 1-22        |
| 32.       | Responsiveness of Technical Tender.....                                       | 1-22        |
| 33.       | Nonmaterial Nonconformities .....   | 1-23        |
| 34.       | Detailed Evaluation of Technical Tenders.....                                 | 1-23        |
| 35.       | Eligibility and Qualification of the Tenderer .....                           | 1-24        |
| 36.       | Correction of Arithmetical Errors .....                                       | 1-25        |
| 37.       | Conversion to Single Currency.....  | 1-25        |
| 38.       | Domestic Preference .....   | 1-25        |
| 39.       | Evaluation and Comparison of Price Tenders.....                               | 1-25        |
| 40.       | Abnormally Low Tenders .....  | 1-26        |
| 41.       | Employer's Right to Accept Any Tender, and to Reject Any or All Tenders ..... | 1-27        |
| 42.       | Notice of Intention to Award The Contract .....                               | 1-27        |
| <b>F.</b> | <b>Award of Contract.....</b>   | <b>1-27</b> |
| 43.       | Award Criteria .....  | 1-27        |
| 44.       | Notification of Award .....   | 1-27        |
| 45.       | Signing of Contract .....   | 1-28        |
| 46.       | Performance Security .....  | 1-28        |
| 47.       | Tendering-Related Complaints.....   | 1-28        |

A. General

**1.0 Scope of Tender**

**1.1** In connection with the Invitation for Tenders (IFT) indicated in the Tendering Data Sheet (TDS), the Employer, as indicated in the TDS, issues this Tender Document for the procurement of plant and services as specified in Section 6 (Employer's Requirements). The name, identification, and number of lot/s (contract/s) of the International Open Competitive Tendering (IOCT) are provided in the TDS.

**1.2** Throughout this Tendering Document,

- (a) the term "in writing" means communicated in written form and delivered against receipt;
- (b) except where the context requires otherwise, words indicating the singular also include the plural and words indicating the plural also include the singular; and
- (c) "day" means calendar day.

**2.0 Source of Funds**

**2.1** The Borrower or Recipient (hereinafter called "Borrower") indicated in the TDS has applied for or received financing (hereinafter called "funds") from the Asian Infrastructure Investment Bank (hereinafter called "AIIB") toward the cost of the project named in the TDS. The Borrower intends to apply a portion of the funds to eligible payments under the contract(s) for which this Tendering Document is issued.

**2.2** Payments by AIIB will be made only at the request of the Borrower and upon approval by AIIB in accordance with the terms and conditions of the Financing Agreement between the Borrower and AIIB (hereinafter called "Financing Agreement"), and will be subject in all respects to the terms and conditions of that Financing Agreement. No party other than the Borrower shall derive any rights from the Financing Agreement or have any claim to the funds.

**3.0 Prohibited Practices**

**3.1** AIIB's Policy on Prohibited Practices (2016, as amended to date) requires Borrowers (including and all other beneficiaries of the Bank financing), as well as Tenderers, Suppliers, and Contractors, concessionaires and consultants under AIIB-financed contracts, observe the highest standard of transparency and integrity during the procurement, execution and implementation of such contracts. In pursuance of this policy, AIIB

- (a) defines, for the purposes of this provision, the terms set forth below as follows:
  - (i) "coercive practice" means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
  - (ii) "collusive practice" means an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
  - (iii) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;
  - (iv) "fraudulent practice" means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
  - (v) a misuse of the Bank's resources which means improper use of the Bank's resources, carried out either intentionally or through reckless



disregard;

- (vi) An “obstructive practice” means (a) deliberately destroying, falsifying, altering, or concealing of evidence material to an AIIB investigation, or deliberately making false statements to investigators, with the intent to impede an AIIB investigation; (b) threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to a Bank investigation or from pursuing the investigation; or (c) deliberate acts intended to impede the exercise of AIIB’s contractual rights of audit or inspection or access to information; and
- (vii) “theft” means the misappropriation of property belonging to another party.
- (b) will reject a proposal for award if it determines that the Tenderer recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices or other integrity violations in competing for the Contract;
- (c) will cancel the portion of the financing allocated to a contract if it determines at any time that representatives of the Borrower or of a beneficiary of AIIB-financing engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices or other integrity violations during the procurement or the execution of that contract, without the Borrower having taken timely and appropriate action satisfactory to AIIB to remedy the situation;
- (d) will impose remedial actions on a firm or an individual, at any time, in accordance with AIIB’s Policy on Prohibited Practices, including declaring ineligible, either indefinitely or for a stated period of time, to participate<sup>1</sup> in AIIB-financed, -administered, or -supported activities or to benefit from an AIIB-financed, -administered, or -supported contract, financially or otherwise, if it at any time determines that the firm or individual has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices or other integrity violations; and
- (e) will have the right to require that a provision be included in the Tendering Document and in contracts financed by AIIB, requiring Tenderers, suppliers and contractors to permit AIIB or its representative to inspect their accounts and records and other documents relating to the Tender submission and contract performance and to have them audited by auditors appointed by AIIB.

3.2 All Tenderers, consultants, contractors, suppliers, and other third parties engaged or involved in AIIB-related activities have a duty to cooperate fully in any screening or investigation when requested by AIIB to do so. Such cooperation includes, but is not limited to, the following:

- (a) being available to be interviewed and replying fully and truthfully to all questions asked;
- (b) providing AIIB with any items requested that are within the party’s control including, but not limited to, documents and other physical objects;
- (c) upon written request by AIIB, authorizing other related entities to release directly to AIIB such information that is specifically and materially related, directly or indirectly, to the said entities or issues which are the subject of the investigation;
- (d) cooperating with all reasonable requests to search or physically inspect their person and/or work areas, including files, electronic databases, and personal property used on AIIB activities, or that utilizes AIIB’s Information and Communications Technology (ICT) resources or systems (including mobile phones, personal electronic devices, and electronic storage devices such as

<sup>1</sup> Whether as a Contractor, Subcontractor, Consultant, Manufacturer or Supplier, or Service Provider; or in any other capacity (different names are used depending on the particular Tender Document).

external disk drives);

- (e) cooperating in any testing requested by AIIB, including but not limited to, fingerprint identification, handwriting analysis, and physical examination and analysis; and
- (f) preserving and protecting confidentiality of all information discussed with, and as required by, AIIB.

3.3 All tenderers, consultants, contractors and suppliers shall ensure that, in its contract with its sub-consultants, subcontractors, and other third parties engaged or involved in AIIB-related activities, such sub-consultants, subcontractors, and other third parties similarly undertake the foregoing duty to cooperate fully in any screening or investigation when requested by AIIB to do so.

3.4 The Employer hereby puts the tenderer on notice that the Tenderer or any Joint Venture partner of the Tenderer (if any) may not be able to receive any payments under the Contract if the Tenderer or any of its Joint Venture partners, as appropriate, is, or is owned (in whole or in part) by a person or entity subject to applicable sanctions.

3.5 Furthermore, tenderers shall be aware of the provision stated in GCC 9.6 and GCC 42.2.1 (c).

#### 4.0 Eligible Tenderers

4.1 A tenderer may be a natural person, private entity, or government-owned enterprise subject to ITT 4.5 - or any combination of them with a formal intent to enter into an agreement or under an existing agreement in the form of a Joint Venture. In the case of a Joint Venture,

- (a) all partners shall be jointly and severally liable, and
- (b) the Joint Venture shall nominate a Representative who shall have the authority to conduct all business for and on behalf of any and all the partners of the Joint Venture during the Tendering process and, in the event the Joint Venture is awarded the Contract, during contract execution.

4.2 A tenderer, and all partners constituting the tenderer, shall have the nationality of an eligible country, in accordance with Section 5 (Eligible Countries). A tenderer shall be deemed to have the nationality of a country if the tenderer is a citizen or is constituted, incorporated, or registered, and operates in conformity with the provisions of the laws of that country. This criterion shall also apply to the determination of the nationality of proposed subcontractors or suppliers for any part of the Contract including related services.

4.3 A tenderer shall not have a conflict of interest. All tenderers found to have a conflict of interest shall be disqualified. A tenderer may be considered to be in a conflict of interest with one or more parties in this tendering process if any of, including but not limited to, the following apply:

- (a) they have controlling shareholders in common; or
- (b) they receive or have received any direct or indirect subsidy from any of them; or
- (c) they have the same legal representative for purposes of this Tender; or
- (d) they have a relationship with each other, directly or through common third parties, that puts them in a position to have access to material information about or improperly influence the Tender of another Tenderer, or influence the decisions of the Employer regarding this Tendering process; or
- (e) a Tenderer participates in more than one Tender in this Tendering process, either individually or as a partner in a Joint Venture, except for alternative offers permitted

under ITT 13. This will result in the disqualification of all Tenders in which it is involved. However, subject to any finding of a conflict of interest in terms of ITT 4.3 (a) - (d) above, this does not limit the participation of a Tenderer as a subcontractor in another Tender or of a firm as a subcontractor in more than one Tender; or

- (f) a Tenderer, Joint Venture partner, associates, parent company or any affiliated entity, participated as a consultant in the preparation of the design or technical specifications of the plant and services that are the subject of the Tender; or
- (g) a Tenderer was affiliated with a firm or entity that has been hired (or is proposed to be hired) by the Employer or Borrower as Project Manager for the Contract; or
- (h) a Tenderer would be providing goods, works, or non-consulting services resulting from or directly related to consulting services for the preparation or implementation of the project specified in the TDS ITT 2.1 that it provided or were provided by any affiliate that directly or indirectly controls, is controlled by, or is under common control with that firm.

- 4.4 A firm shall not be eligible to participate in any procurement activities under an AIIB-financed, -administered, or -supported project while under temporary suspension or debarment by AIIB pursuant to its Policy on Prohibited Practices (see ITT 3), whether such debarment was directly imposed by AIIB, or enforced by AIIB pursuant to the Agreement for Mutual Enforcement of Debarment Decisions. A Tender from a temporary suspended or debarred firm will be rejected.
- 4.5 Government-owned enterprises in the Borrower's country shall be eligible only if they can establish that they (i) are legally and financially autonomous, (ii) operate under commercial law, and (iii) are not dependent agencies of the Employer.
- 4.6 A Tenderer shall not be under suspension from Tendering by the Employer as the result of the execution of a Tender-Securing Declaration.
- 4.7 Tenderers shall provide such evidence of their continued eligibility satisfactory to the Employer, as the Employer shall reasonably request.
- 4.8 Firms shall be excluded if by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's country prohibits any import of goods or contracting of works or services from that country or any payments to persons or entities in that country.
- 4.9 In case a prequalification process has been conducted prior to the Tendering process, this Tendering is open only to prequalified Tenderers.

## **5.0 Eligible Plant and Services**

- 5.1 The plant and services to be supplied under the Contract shall have their origin in eligible source countries as defined in ITT 4.2 and all expenditures under the Contract will be limited to such plant and services.
- 5.2 For purposes of ITT 5.1 above, "origin" means the place where the plant, or component parts thereof are mined, grown, produced, or manufactured, and from which the services are provided. Plant components are produced when, through manufacturing, processing, or substantial or major assembling of components, a commercially recognized product results that is substantially in its basic characteristics or in purpose or utility from its components.

**B. Contents of Tender Document**

- 6.0 Sections of Tender Document**
- 6.1 The Tender Document consists of Parts I, II, and III, which include all the sections indicated below, and should be read in conjunction with any addenda issued in accordance with ITT 8.
- PART I Tendering Procedures**
- Section 1 - Instructions to Tenderers (ITT)
- Section 2 - Tender Data Sheet (TDS)
- Section 3 - Evaluation and Qualification Criteria (EQC)
- Section 4 - Tender Forms (TRF)
- Section 5 - Eligible Countries (ELC)
- PART II Requirements**
- Section 6 - Employer's Requirements (ERQ)
- PART III Conditions of Contract and Contract Forms**
- Section 7 - General Conditions of Contract (GCC)
- Section 8 - Special Conditions of Contract (SCC)
- Section 9 - Contract Forms (COF)
- 6.2 The IFT issued by the Employer is not part of the Tender Document.
- 6.3 The Employer is not responsible for the completeness of the Tender Document and its addenda, if they were not obtained directly from the source stated by the Employer in the IFT.
- 6.4 The Tenderer is expected to examine all instructions, forms, terms, and specifications in the Tender Document. Failure to furnish all information or documentation required by the Tender Document may result in the rejection of the Tender.
- 7.0 Clarification of Tender Document, Site Visit, Pre-Tender Meeting**
- 7.1 A prospective Tenderer requiring any clarification on the Tender Document shall contact the Employer in writing at the Employer's address indicated in the TDS, or raise inquiries during the pre-Tender meeting if provided for in accordance with ITT 7.4. The Employer will respond to any request for clarification, provided that such request is received no later than 14 days prior to the deadline for submission of Tenders. The Employer's response shall be in writing with copies to all Tenderers who have acquired the Tender Document in accordance with ITT 6.3, including a description of the inquiry but without identifying its source. Should the Employer deem it necessary to amend the Tender Document as a result of a request for clarification, it shall do so following the procedure under ITT 8 and ITT 24.2.
- 7.2 The Tenderer is advised to visit and examine the site where the plant is to be installed and its surroundings and obtain for itself on its own responsibility all information that may be necessary for preparing the Tender and entering into a contract for the provision of plant and services. The costs of visiting the site shall be at the Tenderer's own expense.
- 7.3 The Tenderer and any of its personnel or agents will be granted permission by the Employer to enter its premises and lands for the purpose of such visit, but only

upon the express condition that the Tenderer, its personnel, and agents, will release and indemnify the Employer and its personnel and agents from and against all liability in respect thereof, and will be responsible for death or personal injury, loss of or damage to property, and any other loss, damage, costs, and expenses incurred as a result of the inspection.

- 7.4 The Tenderer's designated representative is invited to attend a pre-Tender meeting, if provided for in the TDS. The purpose of the meeting will be to clarify issues and to answer questions on any matter that may be raised at that stage.
- 7.5 The Tenderer is requested to submit any questions in writing, to reach the Employer not later than 7 days before the pre-Tender meeting.
- 7.6 Minutes of the pre-Tender meeting, including the text of the questions raised, without identifying the source, and the responses given, together with any responses prepared after the meeting, will be transmitted promptly to all Tenderers who have acquired the Tender Document in accordance with ITT 6.3. Any modification to the Tender Document that may become necessary as a result of the pre-Tender meeting shall be made by the Employer exclusively through the issue of an addendum pursuant to ITT 8 and not through the minutes of the pre-Tender meeting.
- 7.7 Nonattendance at the pre-Tender meeting will not be a cause for disqualification of a Tenderer.

#### **8.0 Amendment of Tender Document**

- 8.1 At any time prior to the deadline for submission of Tenders, the Employer may amend the Tender Document by issuing addenda.
- 8.2 Any addendum issued shall be part of the Tender Document and shall be communicated in writing to all who have obtained the Tender Document from the Employer in accordance with ITT 6.3.
- 8.3 To give prospective Tenderers reasonable time in which to take an addendum into account in preparing their Tenders, the Employer may, at its discretion, extend the deadline for the submission of Tenders, pursuant to ITT 24.2

### **C. Preparation of Tenders**

- 9.0 **Cost of Tender**
  - 9.1 The Tenderer shall bear all costs associated with the preparation and submission of its Tender, and the Employer shall in no case be responsible or liable for those costs, regardless of the conduct or outcome of the Tender process.
- 10.0 **Language of Tender**
  - 10.1 The Tender, as well as all correspondence and documents relating to the Tender exchanged by the Tenderer and the Employer, shall be written in the language specified in the TDS. Supporting documents and printed literature that are part of the Tender may be in another language provided they are accompanied by an accurate translation of the relevant passages into the language specified in the TDS, in which case, for purposes of interpretation of the Tender, such translation shall govern.
- 11.0 **Documents Comprising the Tender**
  - 11.1 The Tender shall comprise two envelopes submitted simultaneously, one containing the Technical Tender and the other the Price Tender, both envelopes enclosed together in an outer single envelope.
  - 11.2 The Technical Tender submitted by the Tenderer shall comprise the following:
    - (a) Letter of Technical Tender;

- (b) Tender Security or Tender-Securing Declaration, in accordance with ITT 21;
- (c) alternative Tenders, if permissible, in accordance with ITT 13;
- (d) written confirmation authorizing the signatory of the Tender to commit the Tenderer, in accordance with ITT 22.2;
- (e) documentary evidence in accordance with ITT 14.1, that the plant and services offered by the Tenderer in its Tender or in any alternative Tender, if permitted, are eligible;
- (f) documentary evidence in accordance with ITT 15, the Tenderer's eligibility and qualifications to perform the contract if its Tender is accepted;
- (g) Technical Proposal in accordance with ITT 17.
- (h) documentary evidence in accordance with ITT 16, that the plant and services offered by the Tenderer conform to the Tender Document;
- (i) in the case of a Tender submitted by a Joint Venture, the Tender shall include a copy of the Joint Venture Agreement entered into by all partners. Alternatively, a Letter of Intent to execute a Joint Venture Agreement in the event of a successful Tender shall be signed by all partners and submitted with the Tender, together with a copy of the proposed agreement;
- (j) list of subcontractors, in accordance with ITT 17.2; and
- (k) any other document required in the TDS.

11.3 The Price Tender submitted by the Tenderer shall comprise the following:

- (a) Letter of Price Tender;
- (b) completed schedules as required, including Price Schedules, in accordance with ITT 12 and ITT 18;
- (c) alternative price Tenders, if permissible, in accordance with ITT 13; and
- (d) any other document required in the TDS.

## 12.0 Letter of Tender and Schedules

12.1 The Letters of Technical Tender and Price Tender, and the Schedules, and all documents listed under ITT 11, shall be prepared using the relevant forms furnished in Section 4 (Tender Forms). The forms must be completed without any alterations to the text, and no substitutes shall be accepted. All blank spaces shall be filled in with the information requested and as required in the TDS.

## 13.0 Alternative Tenders

13.1 The TDS indicates whether alternative Tenders are allowed. If they are allowed, the TDS will also indicate whether they are permitted in accordance with ITT 13.3, or invited in accordance with ITT 13.2 and/or ITT 13.4.

13.2 When alternatives to the Time Schedule are explicitly invited, a statement to that effect will be included in the TDS, and the method of evaluating different time schedules will be described in Section 3 (Evaluation and Qualification Criteria).

13.3 Except as provided under ITT 13.4 below, Tenderers wishing to offer technical alternatives to the Employer's requirements as described in the Tender Document must also provide: (i) a price at which they are prepared to offer a plant meeting the Employer's requirements; and (ii) all information necessary for a complete evaluation of the alternatives by the Employer, including drawings, design calculations, technical specifications, breakdown of prices, and proposed installation methodology and other relevant details. Only the technical alternatives, if any, of the lowest evaluated Tenderer conforming to the basic technical requirements shall be considered by the Employer.

- 13.4 When Tenderers are invited in the TDS to submit alternative technical solutions for specified parts of the facilities, such parts shall be described in Section 6 (Employer's Requirements). Technical alternatives for the specific parts of the facilities that comply with the performance and technical criteria specified for the plant and services shall be considered by the Employer on their own merits, pursuant to ITT 32.
- 14.0 Documents Establishing the Eligibility of Plant and Services**
- 14.1 To establish the eligibility of the plant and services in accordance with ITT 5, Tenderers shall complete the Country of Origin Declaration Form included in Section 4 (Tender Forms).
- 15.0 Documents Establishing the Eligibility and Qualifications of the Tenderer**
- 15.1 To establish its eligibility and qualifications to perform the Contract in accordance with Section 3 (Evaluation and Qualification Criteria), the Tenderer shall provide the information requested in the corresponding information sheets included in Section 4 (Tender Forms).
- 15.2 Domestic Tenderers, individually or in Joint Ventures, applying for eligibility for domestic preference shall supply all information required to satisfy the criteria for eligibility as described in ITT 38.
- 16 Documents Establishing Conformity of the Plant and Services**
- 16.1 The documentary evidence of the conformity of the plant and services to the Tender Document may be in the form of literature, drawings and data, and shall furnish:
- (a) a detailed description of the essential technical and performance characteristics of the plant and services, including the functional guarantees of the proposed plant and services, in response to the Specification;
  - (b) a list giving full particulars, including available sources, of all spare parts and special tools necessary for the proper and continuing functioning of the plant for the period named in the TDS, following completion of plant and services in accordance with provisions of the contract; and
  - (c) a commentary on the Employer's Specifications and adequate evidence demonstrating the substantial responsiveness of the plant and services to those specifications. Tenderers shall note that standards for workmanship, materials and equipment designated by the Employer in the Tender Document are intended to be descriptive (establishing standards of quality and performance) only and not restrictive. The Tenderer may substitute alternative standards, brand names and/or catalog numbers in its Tender, provided that it demonstrates to the Employer's satisfaction that the substitutions are substantially equivalent or superior to the standards designated in the Specifications.
- 17 Technical Proposal, Subcontractors**
- 17.1 The Tenderer shall furnish a Technical Proposal including a statement of work methods, equipment, personnel, schedule and any other information as stipulated in Section 4 (Tender Forms), in sufficient detail to demonstrate the adequacy of the Tenderers' proposal to meet the work requirements and the completion time.
- 17.2 For major items of plant and services as listed by the Employer in Criterion 2.5 of Section 3 (Evaluation and Qualification Criteria), which the Tenderer intends to purchase or subcontract, the Tenderer shall give details of the name and nationality of the proposed Subcontractors, including Manufacturers, for each of those items. In addition, the Tenderer shall include in its Tender information establishing compliance with the requirements specified by the Employer for these

items. Tenderers are free to list more than one Subcontractor against each item of the plant and services. Quoted rates and prices will be deemed to apply to whichever Subcontractor is appointed, and no adjustment of the rates and prices will be permitted.

- 17.3 The Tenderer shall be responsible for ensuring that any Subcontractor proposed complies with the requirements of ITT 4, and that any plant, or services to be provided by the Subcontractor comply with the requirements of ITT 5 and ITT 15.1

## 18 Tender Prices and Discounts

- 18.1 Unless otherwise specified in the TDS and/or Section 6 (Employer's Requirements), Tenderers shall quote for the entire plant and services on a "single responsibility" basis such that the total Tender price covers all the Contractor's obligations mentioned in or to be reasonably inferred from the Tender Document in respect of the design, manufacture, including procurement and subcontracting (if any), delivery, construction, installation, and completion of the plant. This includes all requirements under the Contractor's responsibilities for testing, pre-commissioning and commissioning of the plant and, where so required by the Tender Document, the acquisition of all permits, approvals, and licenses, etc.; the operation, maintenance, and training services and such other items and services as may be specified in the Tender Document, all in accordance with the requirements of the General Conditions. Items against which no price is entered by the Tenderer will not be paid for by the Employer when executed and shall be deemed to be covered by the prices for other items.

- 18.2 Tenderers are required to quote the price for the commercial, contractual and technical obligations outlined in the Tender Document.

- 18.3 Tenderers shall give a breakdown of the prices in the manner and detail called for in the Price Schedules included in Section 4 (Tender Forms). Where no different Price Schedules are included in the Tender Document, tenderers shall present their prices in the following manner: Separate numbered Schedules included in Section 4 (Tender Forms) shall be used for each of the following elements. The total amount from each Schedule (Nos. 1 to 4) shall be summarized in a Grand Summary (Schedule No. 5) giving the total Tender price(s) to be entered in the Letter of Price Tender. Absence of the total Tender price in the Letter of Price Tender may result in the rejection of the Tender.

Schedule No. 1: Plant and Mandatory Spare Parts Supplied from Abroad

Schedule No. 2: Plant and Mandatory Spare Parts Supplied from Within the Employer's Country

Schedule No. 3: Design Services

Schedule No. 4: Installation and Other Services

Schedule No. 5: Grand Summary (Schedule Nos. 1 to 4(a))

Schedule No. 6: Recommended Spare Parts

Tenderers shall note that the plant and mandatory spare parts included in Schedule Nos. 1 and 2 above exclude materials used for civil, building, and other construction works. All such materials shall be included and priced under Schedule No. 4, Installation and Other Services.

- 18.4 In the Schedules, Tenderers shall give the required details and a breakdown of their prices as follows:

- (a) Plant to be Supplied from Abroad (Schedule No. 1):



- i. the price of the plant shall be quoted carriage and insurance paid (CIP)-named place of destination basis specified in the TDS;
    - ii. all customs duties and other taxes paid or payable in the Employer's country on the plant if the contract is awarded to the Tenderer; and
    - iii. the total price for the plant.
  - (b) Plant Supplied from Within the Employer's Country (Schedule No. 2):
    - i. the price of the plant shall be quoted on an EXW Incoterm basis (ex works, ex factory, ex warehouse, ex showroom, as applicable), including all customs duties and sales and other taxes already paid or payable on the components and raw material used in the manufacture or assembly of plant quoted ex works or ex factory, or on the previously imported plant of foreign origin quoted ex warehouse, ex showroom;
    - ii. sales tax and other taxes payable in the Employer's country on the plant if the contract is awarded to the Tenderer, and
    - iii. the total price for the plant.
  - (c) Design Services. (Schedule No. 3). Rates or prices shall include all taxes, duties, levies, and charges payable in the Employer's country as of 28 days prior to the deadline for submission of Tenders.
  - (d) Installation and Other Services (Schedule No. 4) and Local Transport & Insurance (F&I) (Schedule No. 4(a)) shall be quoted separately and shall include rates or prices for local transportation, insurance, and other services incidental to delivery of the plant, all labor, contractor's equipment, temporary works, materials, consumables, and all matters and things of whatsoever nature, including operations and maintenance services, the provision of operations and maintenance manuals, training, etc., where identified in the Tender Document, as necessary for the proper execution of the installation and other services, including all taxes, duties, levies, and charges payable in the Employer's country as of 28 days prior to the deadline for submission of Tenders.
  - (e) Recommended spare parts (Schedule No. 6) shall be quoted separately as specified in either subparagraph (a) or (b) above in accordance with the origin of the spare parts.
- 18.5 The current edition of Incoterms, published by the International Chamber of Commerce shall govern.
- 18.6 The prices shall be either fixed or adjustable as specified in the TDS.
- (a) In the case of Fixed Price, prices quoted by the tenderer shall be fixed during the Tenderer's performance of the contract and not subject to variation on any account. A Tender submitted with an adjustable price quotation will be treated as nonresponsive and rejected.
  - (b) In the case of Adjustable Price, prices quoted by the tenderer shall be subject to adjustment during performance of the contract to reflect changes in the cost elements such as labor, material, transport, and contractor's equipment in accordance with the procedures specified in the corresponding appendix to the Contract Agreement. A Tender submitted with a fixed price quotation will be treated as nonresponsive and be rejected. The tenderer shall furnish the indexes (e.g. for labor and materials), their weightings and source in the

Tables of Adjustment Data included in Section 4 (Tender Forms). The Employer may require the tenderer to justify its proposed indexes and weightings. Any Tender that omits indexes and weightings shall be subject to clarification with the Tenderer.

- 18.7 If so indicated in TDS 1.1, Tenders are being invited for individual lots (contracts) or for any combination of lots (packages). Tenderers wishing to offer any price reduction (discount) for the award of more than one contract shall specify in their Letter of Price Tender the price reductions applicable to each package, or alternatively, to individual contracts within the package, and the manner in which the price reductions will apply.

**19 Currencies of Tender and Payment**

- 19.1 The currency(ies) of the Tender shall be, as specified in the TDS.
- 19.2 Tenderers may be required by the Employer to justify, to the Employer's satisfaction, their local and foreign currency requirements.

**20 Period of Validity of Tenders**

- 20.1 Tenders shall remain valid for the period specified in the TDS after the Tender submission deadline date prescribed by the Employer. A Tender valid for a shorter period shall be rejected by the Employer as nonresponsive.
- 20.2 In exceptional circumstances, prior to the expiration of the Tender validity period, the Employer may request Tenderers to extend the period of validity of their Tenders. The request and the responses shall be made in writing. If a Tender security is requested in accordance with ITT 20, it shall also be extended 28 days beyond the deadline of the extended Tender validity period. A Tenderer may refuse the request without forfeiting its Tender security. A Tenderer granting the request shall not be required or permitted to modify its Tender.

**21 Tender Security/ Tender Securing Declaration**

- 21.1 Unless otherwise specified in the TDS, the Tenderer shall furnish as part of its Tender, in original form, either a Tender-Securing Declaration or a Tender security as specified in the TDS. In the case of a Tender security, the amount and currency shall be as specified in the TDS.
- 21.2 If a Tender-Securing Declaration is required pursuant to ITT 21.1, it shall use the form included in Section 4 (Tender Forms). The Employer will declare a Tenderer ineligible to be awarded a Contract for a specified period of time, as indicated in the TDS, if a Tender-Securing Declaration is executed.
- 21.3 If a Tender security is specified pursuant to ITT 21.1, the Tender security shall be, at the Tenderer's option, in any of the following forms:
- a. an unconditional bank guarantee,
  - b. an irrevocable letter of credit,
  - c. a cashier's or certified check, or
  - d. SWIFT message in the form of MT760.

all from a reputable source from an eligible country as described in Section 5 (Eligible Countries). In the case of a bank guarantee, the Tender security shall be submitted using either the Tender Security Form included in Section 4 (Tender Forms) or another form acceptable to the Employer. The form must include the complete name of the Tenderer. The Tender security shall be valid for 28 days beyond the original validity period of the Tender, or beyond any period of extension if requested under ITT 20.2.

- 21.4 Unless otherwise specified in the TDS, any Tender not accompanied by a substantially compliant Tender security or Tender-Securing Declaration, if one is required in accordance with ITT 20.1, shall be rejected by the Employer as nonresponsive.
- 21.5 If a Tender security is specified pursuant to ITT 20.1, the Tender security of the unsuccessful Tenderer shall be returned promptly upon the successful Tenderer's furnishing of the performance security pursuant to ITT 46.
- 21.6 If a Tender security is specified pursuant to ITT 21.1, the Tender security of successful Tenderers shall be returned promptly once the successful Tenderer has signed the Contract and furnished the required performance security.
- 21.7 The Tender security may be forfeited or the Tender-Securing Declaration executed, if
- (a) notwithstanding ITT 26.3, a Tenderer withdraws its Tender during the period of Tender validity specified by the Tenderer on the Letters of Technical Tender and Price Tender, except as provided in ITT 20.2 or
  - (b) the successful Tenderer fails to:
    - i. sign the Contract in accordance with ITT 45;
    - ii. furnish a performance security in accordance with ITT 46; or
    - iii. accept the arithmetical corrections of its Tender in accordance with ITT 36.
- 21.8 If the Tender security is required as per ITT 21.1, the Tender security of a Joint Venture shall be in the name of the Joint Venture that submits the Tender. If the Joint Venture has not been legally constituted at the time of Tendering, the Tender security shall be in the name of any or all of the Joint Venture partners. If the Tender-Securing Declaration is required as per ITT 21.1, the Tender-Securing Declaration of a Joint Venture shall be in the name of the Joint Venture that submits the Tender. If the Joint Venture has not been legally constituted at the time of Tendering, the Tender-Securing Declaration shall be in the names of all future partners as named in the letter of intent referred to in ITT 4.1.

## 22 Format and Signing of Tender

- 22.1 The Tenderer shall prepare one original set of the Technical Tender and one original set of the Price Tender comprising the Tender as described in ITT 11 and clearly mark it "ORIGINAL - TECHNICAL TENDER" and "ORIGINAL - PRICE TENDER". Alternative Tenders, if permitted in accordance with ITT 13, shall be clearly marked "ALTERNATIVE". In addition, the Tenderer shall submit copies of the Tender, in the number specified in the TDS and clearly mark each of them "COPY." In the event of any discrepancy between the original and the copies, the original shall prevail.
- 22.2 The original and all copies of the Tender shall be typed or written in indelible ink and shall be signed by a person duly authorized to sign on behalf of the Tenderer. This authorization shall consist of a written confirmation as specified in the TDS and shall be attached to the Tender. The name and position held by each person signing the authorization must be typed or printed below the signature. If a Tenderer submits a deficient authorization, the Tender shall not be rejected in the first instance. The Employer shall request the Tenderer to submit an acceptable authorization within the number of days as specified in the TDS. Failure to provide an acceptable authorization within the period stated in the Employer's request shall cause the rejection of the Tender. If either the Letter of Technical Tender or Letter of Price Tender or the Tender-Securing Declaration (if applicable) is not signed, the Tender shall be rejected.
- 22.3 A Tender submitted by a Joint Venture shall be signed so as to be legally binding

on all partners.

- 22.4 Any amendments such as interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the person signing the Tender.

#### **D. Submission and Opening of Tenders**

- 23 Submission, Sealing, and Marking of Tenders**
- 23.1 Tenderers may submit their Tenders by mail or by hand. When so specified in the TDS, Tenderers shall have the option of submitting their Tenders electronically. Procedures for submission, sealing and marking are as follows:
- (a) Tenderers submitting Tenders by mail or by hand shall enclose the original and each copy of the Tender, including alternative Tenders, if permitted in accordance with ITT 13, in separate sealed envelopes, duly marking the envelopes as "ORIGINAL," "ALTERNATIVE," and "COPY." These envelopes containing the original and the copies shall then be enclosed in one single envelope. The rest of the procedure shall be in accordance with ITT 23.2 to ITT 23.6.
  - (b) Tenderers submitting Tenders electronically shall follow the electronic Tender submission procedures specified in the TDS.
- 23.2 The inner and outer envelopes shall
- (a) bear the name and address of the Tenderer,
  - (b) be addressed to the Employer in accordance with ITT 24.1, and
  - (c) bear the specific identification of this Tender process indicated in the TDS 1.1.
- 23.3 The outer envelopes and the inner envelopes containing the Technical Tender shall bear a warning not to open before the time and date for the opening of Technical Tender, in accordance with ITT 27.1.
- 23.4 The inner envelopes containing the Price Tender shall bear a warning not to open until advised by the Employer in accordance with ITT 27.7.
- 23.5 Alternative Tenders, if permissible in accordance with ITT 13, shall be prepared, sealed, marked, and delivered in accordance with the provisions of ITT 20 and ITT 21, with the inner envelopes marked in addition "ALTERNATIVE NO...." as appropriate.
- 23.6 If all envelopes are not sealed and marked as required, the Employer will assume no responsibility for the misplacement or premature opening of the Tender.
- 24 Deadline for Submission of Tenders**
- 24.1 Tenders must be received by the Employer at the address and no later than the date and time indicated in the TDS.
- 24.2 The Employer may, at its discretion, extend the deadline for the submission of Tenders by amending the Tender Document in accordance with ITT 8, in which case all rights and obligations of the Employer and Tenderers previously subject to the deadline shall thereafter be subject to the deadline as extended.
- 25 Late Tenders**
- 25.1 The Employer shall not consider any Tender that arrives after the deadline for submission of Tenders, in accordance with ITT 24. Any Tender received by the Employer after the deadline for submission of Tenders shall be declared late, rejected,

and returned unopened to the Tenderer.

**26 Withdrawal, Substitution, and Modification of Tenders**

- 26.1 A Tenderer may withdraw, substitute, or modify its Tender after it has been submitted by sending a written notice, duly signed by an authorized representative, and shall include a copy of the authorization in accordance with ITT 22.2 (except for withdrawal notices, which do not require copies). The corresponding substitution or modification of the Tender must accompany the respective written notice. All notices must be:
- (a) prepared and submitted in accordance with ITT 22 and ITT 23 (except for withdrawal notices, which do not require copies), and in addition, the respective envelopes shall be clearly marked "WITHDRAWAL," "SUBSTITUTION," "MODIFICATION;" and
  - (b) received by the Employer prior to the deadline prescribed for submission of Tenders, in accordance with ITT 24.
- 26.2 Tenders requested to be withdrawn in accordance with ITT 26.1 shall be returned unopened to the Tenderers.
- 26.3 No Tender may be withdrawn, substituted, or modified in the interval between the deadline for submission of Tenders and the expiration of the period of Tender validity specified by the Tenderer on the Letter of Technical Tender or any extension thereof.

**27 Tender Opening**

- 27.1 The Employer shall open the Technical Tenders in public at the address, on the date, and time specified in the TDS in the presence of Tenderer's designated representatives and anyone who choose to attend. Any specific electronic Tender opening procedures required if electronic Tendering is permitted in accordance with ITT 23.1, shall be as specified in the TDS. The Price Tenders will remain unopened and will be held in custody of the Employer until the specified time of their opening. If the Technical Tender and the Price Tender are submitted together in one envelope, the Employer may reject the entire Tender. Alternatively, the Price Tender may be immediately resealed for later evaluation.
- 27.2 First, envelopes marked "WITHDRAWAL" shall be opened and read out and the envelope with the corresponding Tender shall not be opened, but returned to the Tenderer. No Tender withdrawal shall be permitted unless the corresponding withdrawal notice contains a valid authorization to request the withdrawal and is read out at Tender opening.
- 27.3 Second, outer envelopes marked "SUBSTITUTION" shall be opened. The inner envelopes containing the Substitution Technical Tender and/or Substitution Price Tender shall be exchanged for the corresponding envelopes being substituted, which are to be returned to the Tenderer unopened. Only the Substitution Technical Tender, if any, shall be opened, read out, and recorded. Substitution Price Tender will remain unopened in accordance with ITT 27.1. No envelope shall be substituted unless the corresponding Substitution Notice contains a valid authorization to request the substitution and is read out and recorded at Tender opening.
- 27.4 Next, outer envelopes marked "MODIFICATION" shall be opened. No Technical Tender and/or Price Tender shall be modified unless the corresponding Modification Notice contains a valid authorization to request the modification and is read out and recorded at the opening of Technical Tenders. Only the Technical Tenders, both Original as well as Modification, are to be opened, read out, and recorded at the opening. Price Tenders, both Original as well as Modification, will remain unopened in accordance with ITT 27.1.
- 27.5 All other envelopes holding the Technical Tenders shall be opened one at a time,

and the following read out and recorded:

- (a) the name of the Tenderer;
- (b) whether there is a modification or substitution;
- (c) the presence of a Tender security or a Tender-Securing Declaration, if required; and
- (d) any other details as the Employer may consider appropriate.

Only Technical Tenders and alternative Technical Tenders read out and recorded at Tender opening shall be considered for evaluation. Unless otherwise specified in the TDS, all pages of the Letter of Technical Tender are to be initialed by at least three representatives of the Employer attending the Tender opening. No Tender shall be rejected at the opening of Technical Tenders except for late Tenders, in accordance with ITT 25.1.

27.6 The Employer shall prepare a record of the opening of Technical Tenders that shall include, as a minimum: the name of the Tenderer and whether there is a withdrawal, substitution, or modification; and alternative Tenders; and the presence or absence of a Tender security or a Tender-Securing Declaration, if one was required. The Tenderers' representatives who are present shall be requested to sign the record. The omission of a Tenderer's signature on the record shall not invalidate the contents and effect of the record. A copy of the record shall be distributed to all Tenderers who submitted Tenders on time, and posted online when electronic Tendering is permitted.

27.7 At the end of the evaluation of the Technical Tenders, the Employer will invite Tenderers who have submitted substantially responsive Technical Tenders and who have been determined as being qualified for award to attend the opening of the Price Tenders. The date, time, and location of the opening of Price Tenders will be advised in writing by the Employer. Tenderers shall be given reasonable notice of the opening of Price Tenders.

27.8 The Employer will notify Tenderers in writing who have been rejected on the grounds of their Technical Tenders being substantially nonresponsive to the requirements of the Tender Document and return their Price Tenders unopened.

27.9 The Employer shall conduct the opening of Price Tenders of all Tenderers who submitted substantially responsive Technical Tenders, in the presence of Tenderers' representatives who choose to attend at the address, on the date, and time specified by the Employer. The Tenderer's representatives who are present shall be requested to sign a register evidencing their attendance.

27.10 All envelopes containing Price Tenders shall be opened one at a time and the following read out and recorded:

- (a) the name of the Tenderer;
- (b) whether there is a modification or substitution;
- (c) the Tender Prices, including any discounts and alternative offers; and
- (d) any other details as the Employer may consider appropriate.

Only Price Tenders, discounts, and alternative offers read out and recorded during the opening of Price Tenders shall be considered for evaluation. Unless otherwise specified in the TDS, all pages of the Letter of Price Tender and Price Schedules are to be initialed by at least three representatives of the Employer attending the opening. No Tender shall be rejected at the opening of Price Tenders.

27.11 The Employer shall prepare a record of the opening of Price Tenders that shall

include, as a minimum: the name of the Tenderer, the Tender Price (per lot if applicable), any discounts, and alternative offers. The Tenderers' representatives who are present shall be requested to sign the record. The omission of a Tenderer's signature on the record shall not invalidate the contents and effect of the record. A copy of the record shall be distributed to all Tenderers who submitted Tenders on time, and posted online when electronic Tendering is permitted.

## **E. Evaluation and Comparison of Tenders**

- |   |   |
|---|---|
| <b>28 Confidentiality</b>                         | <p>28.1 Information relating to the evaluation of Tenders and recommendation of contract award, shall not be disclosed to Tenderers or any other persons not officially concerned with such process until publication of Contract award.</p> <p>28.2 Any attempt by a Tenderer to influence the Employer in the evaluation of the Tenders or Contract award decisions may result in the rejection of its Tender.</p> <p>28.3 Notwithstanding ITT 28.2, from the time of Tender opening to the time of Contract award, if any Tenderer wishes to contact the Employer on any matter related to the Tender process, it should do so in writing.</p>   |
| <b>29 Clarification of Tenders</b>                | <p>29.1 To assist in the examination, evaluation, and comparison of the Technical and Price Tenders, and qualification of the Tenderers, the Employer may, at its discretion, ask any Tenderer for a clarification of its Tender. Any clarification submitted by a Tenderer that is not in response to a request by the Employer shall not be considered. The Employer's request for clarification and the response shall be in writing. No change in the substance of the Technical Tender or prices in the Price Tender shall be sought, offered, or permitted, except to confirm the correction of arithmetic errors discovered by the Employer in the evaluation of the Tenders, in accordance with ITT 36.</p> <p>29.2 If a Tenderer does not provide clarifications of its Tender by the date and time set in the Employer's request for clarification, its Tender may be rejected.</p> |
| <b>30 Deviations, Reservations, and Omissions</b> | <p>30.1 During the evaluation of Tenders, the following definitions apply:</p> <ul style="list-style-type: none"> <li>(a) "Deviation" is a departure from the requirements specified in the Tender Document;</li> <li>(b) "Reservation" is the setting of limiting conditions or withholding from complete acceptance of the requirements specified in the Tender Document; and</li> <li>(c) "Omission" is the failure to submit part or all of the information or documentation required in the Tender Document.</li> </ul>  |
| <b>31 Examination of Technical Tenders</b>        | <p>31.1 The Employer shall examine the Technical Tender to confirm that all documents and technical documentation requested in ITT 11.2 have been provided, and to determine the completeness of each document submitted. If any of these documents or information is missing, the Tender may be rejected.</p> <p>31.2 The Employer shall confirm that the following documents and information have been provided in the Technical Tender. If any of these documents or information is missing, the offer shall be rejected.</p> <ul style="list-style-type: none"> <li>(a) Letter of Technical Tender;</li> <li>(b) written confirmation of authorization to commit the Tenderer;</li> <li>(c) Tender Security or Tender-Securing Declaration, if applicable; and</li> <li>(d) Technical Proposal in accordance with ITT 17.</li> </ul>  |

**32 Responsiveness of Technical Tender**

- 32.1 The Employer's determination of a Tender's responsiveness is to be based on the contents of the Tender itself, as defined in ITT11.
- 32.2 A substantially responsive Technical Tender is one that meets the requirements of the Tender Document without material deviation, reservation, or omission. A material deviation, reservation, or omission is one that,
- (a) if accepted, would:
- (i) affect in any substantial way the scope, quality, or performance of the plant and services specified in the Contract; or
  - (ii) limit in any substantial way, inconsistent with the Tender Document, the Employer's rights or the Tenderer's obligations under the proposed Contract; or
- (b) if rectified, would unfairly affect the competitive position of other Tenderers presenting substantially responsive Tenders.
- 32.3 The Employer shall examine the technical aspects of the Tender submitted in accordance with ITT 17, Technical Proposal, in particular to confirm that all requirements of Section 6 (Employer's Requirements) have been met without any material deviation, reservation, or omission.
- 32.4 If a Tender is not substantially responsive to the requirements of the Tender Document, it shall be rejected by the Employer and may not subsequently be made responsive by correction of the material deviation, reservation, or omission.

**33 Nonmaterial Nonconformities**

- 33.1 Provided that a Tender is substantially responsive, the Employer may waive any nonconformities in the Tender that do not constitute a material deviation, reservation, or omission.
- 33.2 Provided that a Tender is substantially responsive, the Employer may request that the Tenderer submit the necessary information or documentation, within a reasonable period of time, to rectify nonmaterial nonconformities in the Tender related to documentation requirements. Requesting information or documentation on such nonconformities shall not be related to any aspect of the Price Tender. Failure of the Tenderer to comply with the request may result in the rejection of its Tender.
- 33.3 Provided that a Tender is substantially responsive, the Employer shall rectify quantifiable nonmaterial nonconformities related to the Tender Price. To this effect, the Tender Price shall be adjusted, for comparison purposes only, to reflect the price of a missing or nonconforming item or component. The adjustment shall be made using the method indicated in Section 3 (Evaluation and Qualification Criteria).

**34 Detailed Evaluation of Technical Tenders**

- 34.1 The Employer will carry out a detailed technical evaluation of the Tenders not previously rejected as being substantially nonresponsive, to determine whether the technical aspects are in compliance with the Tender Document. The Tender that does not meet minimum acceptable standards of completeness, consistency, and detail, and the specified minimum and/or maximum requirements for specified functional guarantees, will be treated as nonresponsive and hence rejected. To reach such a determination, the Employer will examine and compare the technical aspects of the Tenders on the basis of the information supplied by the Tenderers, taking into account the following:
- (a) overall completeness and compliance with the Employer's Requirements;



deviations from the Employer's Requirements; conformity of the plant and services offered with specified performance criteria; suitability of the plant and services offered in relation to the environmental and climatic conditions prevailing at the site; and quality, function and operation of any process control concept included in the Tender. The Tender that does not meet minimum and/or maximum acceptable standards of completeness, consistency, and detail will be rejected for non-responsiveness;

- (b) type, quantity, and long-term availability of mandatory and recommended spare parts and maintenance services; and
- (c) other relevant factors, if any, listed in Section 3 (Evaluation and Qualification Criteria).

34.2 Where alternative technical solutions have been allowed in accordance with ITT 13, and offered by the Tenderer, the Employer will make a similar evaluation of the alternatives. Where alternatives have not been allowed but have been offered, they shall be ignored.

### **35 Eligibility and Qualification of the Tenderer**

35.1 The Employer shall determine to its satisfaction during the evaluation of Technical Tenders whether a Tenderer meets the eligibility and qualifying criteria specified in Section 3 (Evaluation and Qualification Criteria).

35.2 The determination shall be based upon an examination of the documentary evidence of the Tenderer's qualifications submitted by the Tenderer, pursuant to ITT 15. Unless permitted in the TDS, the determination shall not take into consideration the qualifications of other firms such as the Tenderer's subsidiaries, parent entities, affiliates, subcontractors (other than Specialist Subcontractors if permitted in the Tender Document), or any other firm(s) different from the Tenderer.

35.3 An affirmative determination shall be a prerequisite for the opening and evaluation of a Tenderer's Price Tender. The Employer reserves the right to reject the Tender of any Tenderer if the Tenderer becomes bankrupt or insolvent, has a receiving order issued against it, compounds with its creditors, or, if the Contractor 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 Contractor takes or suffers any other analogous action in consequence of debt. A negative determination shall result into the disqualification of the Tender, in which event the Employer shall return the unopened Price Tender to the Tenderer.

35.4 The capabilities of the manufacturers and subcontractors proposed in its Tender for the major items of plant and services to be used by a Tenderer will also be evaluated for acceptability in accordance with Section 3 (Evaluation and Qualification Criteria). Their participation should be confirmed with a letter of intent between the parties, as needed. Should a manufacturer or subcontractor be determined to be unacceptable, the Tender will not be rejected, but the Tenderer will be required to propose, without changing its Tender price, an acceptable substitute manufacturer or subcontractor meeting the minimum technical specifications stated in Section 6 (Employer's Requirements). If a Tenderer does not provide an acceptable substitute manufacturer or subcontractor by the date and time set in the Employer's request for substitution of manufacturer or subcontractor, its Tender may be rejected.

35.5 Prior to signing the Contract, the corresponding Appendix to the Contract Agreement shall be completed, listing the approved manufacturers or subcontractors for each item concerned.

- 36 Correction of Arithmetical Errors**
- 36.1 During the evaluation of Price Tenders, the Employer shall correct arithmetical errors on the following basis:
- (a) where there are errors between the total of the amounts given under the column for the price breakdown and the amount given under the Total Price, the amounts given under the column for the price breakdown shall prevail and the Total Price will be corrected accordingly;
  - (b) where there are errors between the total of the amounts of Schedule Nos. 1 to 4 and the amount given in Schedule No. 5 (Grand Summary), the total of the amounts of Schedule Nos. 1 to 4 shall prevail and the Schedule No. 5 (Grand Summary) will be corrected accordingly;
  - (c) if there is a discrepancy between the grand total price given in Schedule No. 5 (Grand Summary) and the Tender amount in item (c) of the Letter of Price Tender, the grand total price given in Schedule No. 5 (Grand Summary) will prevail and the Tender amount in item (c) of the Letter of Price Tender will be corrected; and
  - (d) if there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetical error, in which case the amount in figures shall prevail subject to (a), (b), and (c) above.
- 36.2 If the Tenderer that submitted the lowest evaluated Tender does not accept the correction of errors, its Tender shall be disqualified and its Tender security may be forfeited or its Tender-Securing Declaration executed.
- 37 Conversion to Single Currency**
- 37.1 For evaluation and comparison purposes, the currency(ies) of the Tender shall be converted into a single currency as specified in the TDS.
- 38 Domestic Preference**
- 38.1 Unless otherwise specified in the TDS, domestic preference shall not apply.
- 39 Evaluation and Comparison of Price Tenders**
- 39.1 The Employer shall use the criteria and methodologies listed in this clause. No other evaluation criteria or methodologies shall be permitted.
- 39.2 I. To evaluate a Price Tender, the Employer shall consider the following:**
- (a) the Tender price, excluding provisional sums and the provision, if any, for contingencies in the Price Schedules;
  - (b) price adjustment for correction of arithmetical errors in accordance with ITT 36.1;
  - (c) price adjustment due to discounts offered in accordance with ITT 18.7;
  - (d) price adjustment due to quantifiable nonmaterial nonconformities in accordance with ITT 33.3;
  - (e) converting the amount resulting from applying (a) to (c) above, if relevant, to a single currency in accordance with ITT 37;
  - (f) assessment whether the Tender is abnormally low in accordance with ITT 40; and
  - (g) the evaluation factors indicated in Section 3 (Evaluation and Qualification Criteria).
- II. The Employer's evaluation of a Tender will exclude and not take into account,**
- (a) in the case of Plant and Mandatory Spare Parts (Schedule No. 1) supplied from abroad, all taxes and duties, applicable in the Employer's country and payable on the Plant and Mandatory Spare Parts if the Contract is awarded to the Tenderer; and
  - (b) in the case of Plant and Mandatory Spare Parts (Schedule No. 2) supplied from within the Employer's country, sales and other taxes, applicable in the Employer's country and payable on the Plant and Mandatory Spare Parts if the Contract is

awarded to the Tenderer.

- 39.3 If price adjustment is allowed in accordance with ITT 18.6, the estimated effect of the price adjustment provisions of the Conditions of Contract, applied over the period of execution of the Contract, shall not be taken into account in Tender evaluation.
- 39.4 If this Tender Document allows Tenderers to quote separate prices for different lots (contracts), and the award to a single Tenderer of multiple lots (contracts), the methodology to determine the lowest evaluated price of the lot (contract) combinations, including any discounts offered in the Letter of Price Tender, is specified in Section 3 (Evaluation and Qualification Criteria).
- 39.5 If the Tender, which results in the lowest Evaluated Tender Price, is seriously unbalanced or front loaded in the opinion of the Employer, the Employer may require the Tenderer to produce detailed price analyses for any or all items of the Price Schedules, to demonstrate the internal consistency of those prices with the methods and time schedule proposed. After evaluation of the price analyses, taking into consideration the terms of payments, the Employer may require that the amount of the performance security be increased at the expense of the Tenderer to a level sufficient to protect the Employer against financial loss in the event of default of the successful Tenderer under the Contract.
- 39.6 The Employer shall compare all substantially responsive Tenders to determine the lowest evaluated Tender, in accordance with ITT 39.2.

#### **40 Abnormally Low Tenders**

- 40.1 An abnormally low Tender is one where the Tender price, in combination with other elements of the Tender, appears to be so low that it raises concerns as to the capability of the Tenderer to perform the contract for the offered Tender price.
- 40.2 When the offered Tender price appears to be abnormally low, the Employer shall undertake a three-step review process as follows:
  - (a) identify abnormally low costs and unit rates by comparing them with the engineer's estimates, other substantially responsive Tenders, or recently awarded similar contracts;
  - (b) clarify and analyze the Tenderer's resource inputs and pricing, including overheads, contingencies and profit margins; and
  - (c) decide whether to accept or reject the Tender.
- 40.3 With regard to ITT 40.2 (b) above, the Employer will seek a written explanation from the Tenderer of the reasons for the offered Tender price, including a detailed analysis of costs and unit prices, by reference to the scope, proposed methodology, schedule, and allocation of risks and responsibilities. This may also include information regarding the economy of the manufacturing process; the services to be provided, or the construction method to be used; the technical solutions to be adopted; and any exceptionally favorable conditions available to the Tenderer for the works, equipment or services proposed.
- 40.4 After examining the explanation given and the detailed price analyses presented by the Tenderer, the Employer may:
  - (a) accept the Tender, if the evidence provided satisfactorily accounts for the low Tender price and costs, in which case the Tender is not considered abnormally low;
  - (b) accept the Tender, but require that the amount of the performance security be increased at the expense of the Tenderer to a level sufficient to protect the Employer against financial loss in the event of default of the successful tenderer under the contract; or

- (c) reject the Tender if the evidence provided does not satisfactorily account for the low Tender price, and make a similar determination for the next ranked Tender, if required.

- 41 Employer's Right to Accept Any Tender, and to Reject Any or All Tenders** 41.1 The Employer reserves the right to accept or reject any Tender, and to annul the Tender process and reject all Tenders at any time prior to contract award, without thereby incurring any liability to Tenderers. In case of annulment, all Tenders submitted and specifically, Tender securities, shall be promptly returned to the Tenderers.
- 42 Notification of Intention to Award the Contract** 42.1 If Standstill provisions apply as specified in the TDS, the standstill period shall be defined in the TDS to specify the duration subsequent to notification of intention to award the contract (before making the actual contract award) within which any unsuccessful Tenderer can challenge the proposed award.

## F. Award of Contract

- 43 Award Criteria** 43.1 The Employer shall award the Contract to the Tenderer whose offer has been determined successful in line with ITT 34 to ITT 40 above to be the lowest evaluated Tender and is substantially responsive to the Tender Document, provided further that the Tenderer is determined to be eligible and qualified to perform the Contract satisfactorily.
- 44 Notification of Award** 44.1 Prior to the expiration of the period of Tender validity and upon expiry of the standstill period specified in ITT 42.1, or upon satisfactory resolution of a complaint filed within standstill period, if applicable, the Employer shall transmit the Notification of Award using the form included in Section 9 (Contract Forms) to the successful Tenderer, in writing, that its Tender has been accepted. At the same time, the Employer shall also notify all other Tenderers of the results of the Tendering.
- 44.2 When standstill period applies, prior to expiration of Standstill Period, unsuccessful Tenderers may request in writing to the Employer for a debriefing seeking explanations on the grounds on which their Tenders were not selected. The Employer shall promptly respond in writing and/or in a debriefing meeting to any unsuccessful Tenderer who requests a debriefing.
- 44.3 Until a formal contract is prepared and executed, the notification of award shall constitute a binding Contract.
- 44.4 Within 2 weeks of the award of contract or expiry of the standstill period, where such period applies, or, if a complaint has been filed within the standstill period, upon receipt of AIIB's confirmation of satisfactory resolution of the complaint, the borrower shall publish in an English language newspaper or widely known and freely accessible website, including the external website of AIIB and UNDB, the results identifying the Tender and lot or package numbers, as applicable and the following information:
- (a) name of each Tenderer who submitted a Tender;
  - (b) Tender prices as read out at Tender opening;
  - (c) name and evaluated prices of each Tender that was evaluated;
  - (d) name of Tenderers whose Tenders were rejected and the reasons for their rejection; and
  - (e) name of the winning Tenderer, and the price it offered, as well as the duration and summary scope of the contract awarded.

- |                                     |   |
|-------------------------------------|---|
| <b>45 Signing of Contract</b>       | <p>45.1 Promptly after notification, the Employer shall send the successful Tenderer the Contract Agreement.</p> <p>45.2 Within 28 days of receipt of the Contract Agreement, the successful Tenderer shall sign, date, and return it to the Employer.</p>  |
| <b>46 Performance Security</b>      | <p>46.1 Within 28 days of the receipt of notification of award from the Employer, the successful Tenderer shall furnish the performance security in accordance with the conditions of contract, subject to ITT 39.5 and ITT 40.4, using for that purpose the Performance Security Form included in Section 9 (Contract Forms), or another form acceptable to the Employer. If the institution issuing the performance security is located outside the country of the employer, it shall have a correspondent financial institution located in the country of the employer to make it enforceable.</p> <p>46.2 Failure of the successful Tenderer to submit the above mentioned Performance Security or sign the Contract shall constitute sufficient grounds for the annulment of the award and forfeiture of the Tender security or execution of the Tender-Securing Declaration. In that event, the Employer may award the Contract to the next lowest evaluated Tenderer whose offer is substantially responsive and is determined by the Employer to be qualified to perform the Contract satisfactorily.</p> |
| <b>47 Tender-Related Complaints</b> | <p>47.1 The procedures for dealing with Tender-Related Complaints arising out of this Tender process are specified in the TDS.</p>  |

### Section 2: Tender Data Sheet (TDS)

This section consists of provisions that are specific to each procurement and supplement the information or requirements included in Section 1 (Instructions to Tenderers).

|                                       |   |
|---------------------------------------|---|
| <b>A. General</b>                     |   |
| <b>ITT 1.1</b>                        | <p>The number of the Invitation for Tenders (IFT) is: <b>1(one)</b></p> <p>The Employer is: <b>Assam Electricity Grid Corporation Limited</b></p> <p>The name of the International Open Competitive Tender (IOCT) is <b>Construction of 400/220kV, 2X500 MVA GIS at Sonapur (New) with associated Transmission Lines, (Package H).</b></p> <p>The identification number of the IOCT is: AEGCL/MD/AIIB/PACKAGE-H(R)/2023/01-H(R)</p> <p>The number and identification of lots (contracts) comprising this IOCT is: 1 (one)</p>   |
| <b>ITT 2.1</b>                        | <p>The Borrower is: Government of India</p> <p>The name of the Project is: <b>Assam Intra-State Transmission System Enhancement Project.</b></p>  |
| <b>ITT4.1(b)</b>                      | <p><b>Maximum number of Partners in a Joint Venture (JV) for a Package is limited to Three (03) only including the lead partner.</b></p> <p>Lead partner of the JV should be EPC/TURNKEY Electrical Contractors. Both the partners of the JV together shall meet the Technical Qualification &amp; financial qualification criteria. Such JV shall be formed through legally binding JV Agreement.</p> <p>The JV shall legally authorize one of the partners as the lead partner for the purpose of submitting the tender and instructions on behalf of the others and the lead partner shall be exclusively authorized to incur liabilities and receive instruction for and on behalf of JV and its other partner. This authorization shall be evidenced by submitting a power of attorney and intention to form JV agreement signed by legally authorized signatories of the partners. The lead partner shall designate and authorise a person to sign all relevant documents concerning the contract through an affidavit to be executed on non-judicial stamp paper and <b>registered</b> in the court under Indian Jurisdiction. <b>All partners of the JV/ shall be jointly and severally liable for the execution of the Contract.</b></p> <p><b>This agreement shall be irrevocable and valid till successful completion of the contract.</b></p> |
| <b>B. Contents of Tender Document</b> |   |
| <b>ITT 7.1</b>                        | For <b>clarification purposes</b> only, the Employer's address is:  |

|                                  |  |
|----------------------------------|--|
|                                  | <p>Attention: <b>The Chief General Manager (PP&amp;D)</b></p> <p>Street Address: <b>Bijulee Bhawan, Paltanbazar</b></p> <p>Floor/Room number: <b>First Floor</b></p> <p>City: <b>Guwahati</b></p> <p>PIN Code: <b>781001</b></p> <p>Country: <b>India</b></p> <p>Telephone: +91 361 2739520</p> <p>Electronic mail address: <a href="mailto:PD.AIIB@AEGCL.CO.IN">PD.AIIB@AEGCL.CO.IN</a></p>   |
| ITT 7.4                          | <p>A Pre-Tender meeting shall take place on <b>29<sup>th</sup> January 2024 at 15:00 Hrs.</b></p> <p>Place: Conference Room, O/o the Managing Director, AEGCL, Bijulee Bhawan, Paltanbazar, Guwahati or may be done through video conferencing mode.</p> <p>The interested tenderer who seeks to visit the site, should intimate the Project Director, AEGCL in writing three days in advance, to enable him to instruct field officials to allow their site visit.</p>  |
| ITT 7.5                          | <p>Queries of the tenderer should reach to email address: <a href="mailto:PD.AIIB@AEGCL.CO.IN">PD.AIIB@AEGCL.CO.IN</a> before <b>29<sup>th</sup> January 2024 at 12:00 Hrs.</b>, after which no queries from the tenderer shall be entertained.</p>  |
| <b>C. Preparation of Tenders</b> |  |
| ITT10.1                          | The language of the Tender is: <b>English</b>  |
| ITT 11.1                         | The Tender shall comprise two parts (i.e. technical and financial) and shall be submitted simultaneously through e-tendering portal <a href="http://assamtenders.gov.in">http://assamtenders.gov.in</a> .  |
| ITT 11.2 (k)                     | <p>The Tenderer (for single as well as Joint venture entity) shall submit with its tender the following additional documents:</p> <ul style="list-style-type: none"> <li>i. Valid Electrical license issued by the Authority anywhere in India..</li> <li>ii. Guaranteed and other Technical Particulars as required in Section 6, 'Employer's Requirements'.</li> <li>iii. Type Test Certificates.</li> <li>iv. Manufacturer's Authorization</li> <li>v. Technical Compliance.</li> <li>vi. Undertaking between the GIS Manufacturer and authorised agents in India to provide service faculty as per clause 2.5 (II) of section 3 (Evaluation and Qualification requirement)</li> <li>vii. Undertaking by the contractor to supply spare parts for a period of 10 years.</li> <li>viii. Undertaking as per clause 2.5 (V) of section 3 (Evaluation And qualification criteria).</li> </ul> |

|              |   |
|--------------|---|
| ITT12.1      | Tenderers have to submit the tender on the e-procurement portal <a href="https://.assamtenders.gov.in">https://.assamtenders.gov.in</a> along with the relevant documents. For this purpose, the tenderers shall fill up online, the forms that are available for online filling on the e-portal. The rest of the forms shall be downloaded by the tenderers and filled up. The filled-up pages shall then be scanned and uploaded on the e-procurement portal along with the scanned copies of the supporting documents as per ITT 11.   |
| ITT 13.1     | Alternative Tenders are <b>not permitted</b> .  |
| ITT 13.2     | Alternatives to the Time Schedule are <b>not permitted</b> .  |
| ITT 13.4     | Alternative technical solutions shall <b>not be permitted</b> .   |
| ITT 16.1 (b) | The period following commissioning of plant and services in accordance with provisions of the contract shall be <b>10 years</b> .   |
| ITT 18.1     | Tenderers shall quote for the entire plant and services on a single responsibility basis.   |
| ITT 18.3     | For quoting of the price for Local Transport & Insurance (F&I) Schedule No. 4(a) along with the schedules mentioned in ITT 18.3   |
| ITT 18.6     | The prices quoted by the Tenderer shall be <b>adjustable</b> .  |
| ITT 19.1     | <p>(a) The prices shall be quoted either in the currency of the Tenderer's home country, or in any fully convertible currency/(ies).</p> <p>(b) A Tenderer expecting to incur a portion of its expenditures in the performance of the Contract in more than one currency, and wishing to be paid accordingly, shall so indicate in the Schedule of Prices and the Letter of Price Tender.</p> <p>(c) If some of the contract expenditures related to Design, Installation and Other Services are to be incurred in the Employer's country, such expenditures shall be quoted in local currency.</p> <p>(d) If some of the contract expenditures related to Design, Installation and Other Services are to be incurred other than the Employer's country, such expenditures shall be quoted in foreign currency available in the online e- portal.</p> <p>(e) Tenderers may be required by the Employer to clarify their local and foreign currency requirements, and to substantiate that the amounts included in the Price Schedules are reasonable and responsive to ITT 18.1 in which case a detailed breakdown of its foreign currency requirements shall be provided by the Tenderer</p> <p><b>(f)</b> During the performance of the contract, the foreign currency portions of the outstanding balance of the Contract Price may be adjusted by agreement between the Employer and the Contractor to reflect any changes in foreign currency requirements for the contract. Any such adjustment shall be affected by comparing the amounts quoted in the Tender with the amounts already used in the Facilities and the Contractor's future needs for imported items.</p> |



|          |  |
|----------|--|
| ITT 20.1 | The Tender validity period shall be <b>180 days</b> .  |
| ITT 21.1 | The Tenderer shall furnish a Tender security in the amount of <b>₹ 5.5Crores (Rupees Five Crore Fifty Lakhs) only or equivalent amount in freely convertible currencies</b> in the form of Bank Guarantee/RTGS/DD/FIXED DEPOSIT from Nationalised/Scheduled Bank (India) in favour of ASSAM ELECTRICITY GRID CORPORATION LIMITED, AEGCL payable at Guwahati, Assam. The tender security in the form of Bank Guarantee or Fixed Deposit shall be valid for a period of 210 days from the last day of tender submission. Foreign bank guarantees for international tenderer is also allowed provided the bank should have corresponding Bank in India that will authenticate such Bank Guarantee issued by the foreign banks.  |
| ITT 21.4 | Any Tender not accompanied by an irrevocable and callable Tender security shall be rejected by the Employer as nonresponsive.<br><br>If a Tenderer submits a Tender security that (i) deviates in form, amount, and/or period of validity, or (ii) does not provide sufficient identification of the Tenderer (including, without limitation, failure to indicate the name of the Joint Venture or, where the Joint Venture has not yet been constituted, the names of all future Joint Venture Partners), the Employer shall request the Tenderer to submit a compliant Tender security within 7days of receiving such a request. Failure to provide a compliant Tender security within the prescribed period of receiving such a request shall cause the rejection of the Tender   |
| ITT 22.1 | Not Applicable as the tendering is in electronic mode.   |
| ITT 22.2 | The written confirmation of authorization to sign on behalf of the Tender shall consist of:<br><br>a) The written confirmation of Authorization to sign on behalf of the Tender shall consist of Notarized Power of Attorney. If the Tenderer is from a country where this practice is not used then a similar legal instrument of authorization as applicable under the home country laws of Tender must be provided.<br><br>b) Tenders submitted by an existing or intended Joint Venture shall include an undertaking signed by all the parties (I) stating that all parties shall be jointly and severally liable, and (II) nominating a Representative who shall have the authority to conduct all business for and on behalf of any and all the parties of the JV during the tendering process and, in the event the JV is awarded the Contract, during contract execution.<br><br>c) In case Tenderer is a JV, the Tender shall be signed by an authorized representative of the JV on behalf of the JV, and so as to be legally binding on all the members as evidenced by a power of attorney signed by their legally authorized representatives. Documents establishing authority to sign the Tender on behalf of the JV shall be uploaded along with the Tender. The tenderer should refer to Clause ITT 4.1 (b).<br><br>The Tender shall be signed by a person duly authorized to sign on behalf of the Tenderer. This authorization shall consist of a written confirmation and shall be uploaded along with the Tender. The written confirmation of authorization to sign on behalf of the Tender shall be uploaded in the e-procurement portal. |

| <b>D. Submission and Opening of Tenders</b> |   |
|---|---|
| <b>ITT 23.1</b>                             | Tenders, both Technical and Financial Parts (Price Tender), shall be submitted online on the e-procurement system ( <a href="https://assamtenders.gov.in">https://assamtenders.gov.in</a> ).  |
| <b>ITT 23.1 (b)</b>                         | <p>The electronic Tender submission portal shall be <a href="http://assamtenders.gov.in">http://assamtenders.gov.in</a>. Detailed guidelines for viewing tenders and submission of online tenders are available in the website <a href="https://assamtenders.gov.in">https://assamtenders.gov.in</a> under the section “<b>Help for Contractors</b>”.</p> <ul style="list-style-type: none"> <li>• The technical as well as Financial (Price) tender should be submitted through online portal only.</li> <li>• All the documents are required to be signed digitally by the tenderer. After electronic on-line tender submission, the system generates a unique tender identification number which is time stamped as per server time. This shall be treated as acknowledgement of tender submission.</li> <li>• A prospective Tenderer is expected to examine all instructions, forms, terms and specifications in the e-Tender documents and fully inform himself as to all the conditions and matters which may in any way affect the scope of work or the cost thereof. Failure to furnish all information or uploading of the tender in the e-Tender Portal not in line with the e-Tender document/ e-tendering documents will render the tenderer as substantially not responsive at the Tenderer's risk and may result in the rejection of its tender.</li> <li>• The electronic tendering system would not allow any late submission of tenders after due date &amp; time as per server time. Tenders submitted by telex/telegram will not be accepted. However, tenderers are advised to submit their tenders well in advance of the deadline for submission of tenders to avoid any last moment difficulties.</li> <li>• Tenderers may modify their tenders by using the appropriate option for tender modification on e-procurement portal, before the deadline for submission of tenders. For this the tenderer need not make any additional payment towards the cost of tender document. For tender modification and consequential re-submission, the tenderer is not required to withdraw his tender submitted earlier. The last modified tender submitted by the tenderer within the tender submission time shall be considered as the tender. For this purpose, modification/withdrawal by other means will not be accepted. In online system of tender submission, the modification and consequential re-submission of tenders is allowed any number of times. A tenderer may withdraw his tender by using the appropriate option for tender withdrawal, before the deadline for submission of tenders.</li> </ul> <p><b>First Envelope:</b></p> <p>(i) The Electronic Form/Template of the tender for First Envelope (Technical), as available on the portal, shall be duly filled.</p> <p>These Electronic Forms/Templates of one tenderer shall not be viewable by other tenderers at any stage after opening of First Envelope tenders.</p> <p>(ii) The soft copy of the tender consisting of the documents listed in ITT Clause 11,13,14,15,16, and 17 including relevant scanned documents (refer ITT Clause 21) shall be uploaded through the portal only. Submission of Soft Copy of any documents by any other means shall not be accepted by the Employer in any circumstances.</p> <p><b>Second Envelope:</b></p> <p>(i) The Electronic Form/Template of the tender for Second Envelope (Price - Part)</p> |

|          |  |
|----------|--|
|          | covering details regarding price tender as per ITT Clause-18.  |
| ITT 24.1 | <b>Deadline for Submission of Tender: Tenders must be uploaded online no later than the 22<sup>nd</sup> February 2024, 13:00 Hrs.</b>  |
| ITT 25.1 | <b>This is e-tender procedure and the system will not allow late tenders to be submitted after the tender closing time.</b>  |
| ITT 27.1 | <p><b>Electronic Tender opening procedure shall take place at</b><br/> <b>The Chief General Manager (PP&amp;D)</b><br/> Street Address: Bijulee Bhawan, Paltanbazar<br/> Floor/Room number: First Floor<br/> City: Guwahati<br/> PIN Code: 781001<br/> Country: India<br/> Telephone: +91 361 2739520<br/> Facsimile number: +91 361 2739513</p> <p><b>Tender Opening Date and Time 23<sup>rd</sup> February 2024, 15:00 Hrs</b></p> <p><b>Tender Opening Procedure:</b></p> <p>(i) The Purchaser shall conduct the opening of Technical Tenders through e-tender portal at the address, date and time specified in the TDS. The Tender opening committee shall open on-line received Tenders in the presence of Tenderers designated representatives who choose to attend. The Price Tenders will remain unopened until the specified time of their opening.</p> <p>(ii) All envelopes holding the Technical Tenders shall be opened one at a time, and the following read out and recorded:</p> <ol style="list-style-type: none"> <li>the name of the Tenderer;</li> <li>the presence of a Tender (Tender) Security; and</li> <li>any other details as the Purchaser may consider appropriate.</li> </ol> <p>Only Technical Tenders shall be read out and recorded at tender opening shall be considered for evaluation. No Tender shall be rejected at the opening of Technical Tenders.</p> <p>(iii) The Purchaser shall prepare a record of the opening of Technical Tenders that shall include, as a minimum: the name of the Tenderer, whether there is a withdrawal and alternative proposals and presence or absence of a tender security or a tender securing declaration, if one is required. The Tenderers representatives who are present shall be requested to sign the record. The omission of a Tenderers signature on the record shall not invalidate the contents and effect of the record.</p> <p>(iv) At the end of the evaluation of the Technical Tenders, the Purchaser will invite tenderers who have submitted substantially responsive Technical Tenders and who have been determined as being qualified for award to attend the opening of the Price Tenders. The date, time, and location of the opening of Price Tenders will be advised in writing by the Purchaser. Tenderers shall be given reasonable notice of the opening of</p> |

|  |  |
|--|--|
|  | <p>Price Tenders.</p> <p>(v) The Purchaser shall conduct the opening of Price Tenders through e-tender portal of all Tenderers who submitted substantially responsive Technical Tenders, in the presence of Tenderers' representatives who choose to attend at the address, date and time specified by the Purchaser. The Tenderer's representatives who are present shall be requested to sign a register evidencing their attendance.</p> <p>(vi) All envelopes containing Price Tenders shall be opened one at a time and the following read out and recorded:</p> <ol style="list-style-type: none"> <li>the name of the Tenderer;</li> <li>the Tender Prices, including any discounts and alternative offers; and</li> <li>any other details as the Purchaser may consider appropriate.</li> </ol> <p>Only Tender Prices and discounts read out and recorded during the opening of Price Tenders shall be considered for evaluation. No Tender shall be rejected at the opening of Price Tenders.</p> <p>(vii) The Purchaser shall prepare a record of the opening of Price Tenders that shall include, as a minimum: the name of the Tenderer, the Tender Price (per lot if applicable), any discounts. The Tenderers' representatives who are present shall be requested to sign the record. The omission of a Tenderer's signature on the record shall not invalidate the contents and effect of the record.</p> <p>(viii) After technical evaluation, the tenderer shall be able to see only whether they have qualified or not.</p> <p>(ix) After Financial evaluation, the tenderer shall be able to get their ranks based on quoted price.</p> <p>(x) Only the final quoted values should be to all the tenderers and not the item wise quotation.</p> |
| <b>E. Evaluation and Comparison of Tenders</b> |  |
| <b>ITT 29.1</b>                                | <b>All clarifications or <i>shortfall documents</i> shall be submitted through the e-tendering portal.</b>   |
| <b>ITT 31.2</b>                                | <p><b>In addition to the documents mentioned in the ITT 31.2, following documents are also required to be submitted by the tenderer:</b></p> <ol style="list-style-type: none"> <li>Technical Compliance (Form TC)</li> <li>Form ELI – 1 &amp; ELI – 2 (with attachments)</li> <li>Form CON-1 &amp; Form LIT-1</li> <li>Form FIN-1, FIN-2, FIN-3, FIN-4, FIN-5 along with necessary CA certifications</li> <li>Form EXP-1, EXP-2, EXP-3</li> <li>Undertaking between GIS Manufacturer and agents in India duly o provide service faculty as per clause 2.5 (a) (II) of section 3 (Evaluation and Qualification requirement)..</li> <li>Undertaking by the contractor to supply spare parts for a period of 10 years duly notarized.</li> <li>Type Test Reports of GIS as per clause 2.5 (a) III of Section-3</li> <li>Undertaking for Submission of additional Performance Security to cover the Contractor's extended defect liability in accordance with the provision in the</li> </ol>   |

|          |   |
|----------|---|
|          | <p>SCC, pursuant to GCC Subclause 27.10;</p> <p>x) Form PER -1 &amp; PER-2</p> <p>xi) Form EQU &amp; Form FUNC</p> <p>xii) Manufacturing Authorization (MA) of GIS equipments and other Major equipments in non-judicial stamp paper of Rupees 100/- along-with Power of Attorney (PoA)</p> <p>Successful tenderer shall have to submit <b>all the undertakings, PoA and Manufacturing Authorization (MA) in notarized form before signing of the contract.</b></p> <p><b>Tenderer should submit hard copy of the Tender Security in a physical envelope one hour prior to tender submission deadline.</b></p>  |
| ITT 37.1 | <p>The single currency for the conversion of all prices expressed in various currencies into a single one is: <b>Indian Rupee (INR)</b></p> <p>The official source of the selling (exchange) rate is: <b>Reserve Bank of India</b></p> <p>The date of the exchange rate is: <b>Tender Submission Date.</b></p>  |
| ITT 38.1 | Domestic preference shall not apply.  |
| ITT42.1  | <p>Standstill provisions shall apply. The duration of standstill period will be <b>10days</b> from the date of notification of intention to award the contract.</p> <p>The Employer shall, at the start of the standstill period, notify in writing each Tenderer that submitted a Tender, of its intention to award a contract to the successful Tenderer at the end of standstill period. The notification using the form included in Section 9 (Contract Forms) shall include the following information:</p> <p>(a) the name of each Tenderer who submitted a Tender;</p> <p>(b) the Tender prices as read out at Tender opening;</p> <p>(c) the name and evaluated prices of each Tender that was evaluated;</p> <p>(d) the name of Tenderers whose Tenders were rejected and the reasons for their rejection;</p> <p>(e) the name of the winning Tenderer, and the price it offered, as well as the duration and summary scope of the contract awarded; and</p> <p>(f) a statement of the reason(s) the Tender of the unsuccessful Tenderer to whom the notification is addressed was unsuccessful, unless the price information under (e) of this paragraph already reveals the reason.</p> |
| ITT 45.1 | <p><b>Prior to signing of the contract</b> (after issue of LOA), the successful tenderer shall furnish the following documents in <b>“Original”</b>:</p> <p>i. Manufacturer Authorization (Notarized in India)</p> <p>ii. <b>Registered</b> (in Court under Indian jurisdiction entered into by all partners) JV agreement.</p> <p>iii. Written confirmation of authorization to commit the Tenderer (Notarized PoA) and</p> <p>iv. Undertaking(Notarized in India) as per Clause 2.5 (V) of Section 3 (Evaluation and</p>  |

|  |   |
|--|---|
|  | <p>Qualification Criteria)</p> <ul style="list-style-type: none"> <li>v. <b>Registered copy of agreement between GIS Manufacturer and agents in India to provide service faculty as per clause 2.5 (II) of section 3 (Evaluation and Qualification requirement).</b></li> <li>vi. Undertaking (Notarized in India) by the contractor to supply spare parts for a period of 10 years.</li> </ul> |
|--|---|

**F. Award of Contract**

|         |   |
|---------|---|
| ITT47.1 | <p>The procedures for Tender-Related Complaints are referenced in <b>Annex IV of the AIIB Procurement Instructions for Recipients (PIR)</b>. The Tenderer should submit its complaint following these procedures, in writing, to:</p> <p><b>Office of the Chief General Manager (PP&amp;D)</b></p> <p>Street Address: <b>Bijulee Bhawan, Paltanbazar</b></p> <p>Floor/Room number: <b>First Floor</b></p> <p>City: <b>Guwahati (Assam)</b></p> <p>PIN Code: <b>781001</b></p> <p>Country: <b>India</b></p> <p>Email address: <a href="mailto:PD.AIIB@AEGCL.CO.IN">PD.AIIB@AEGCL.CO.IN</a></p> |
|---------|---|

**Section 3: Evaluation and Qualification Criteria****Table of Criteria**

|  |             |
|--|-------------|
| <b>1. Evaluation.....</b>  | <b>3-40</b> |
| <b>1.1 Technical Evaluation .....</b>                                    | <b>3-40</b> |
| <b>1.2 Alternative Technical Solutions .....</b>                         | <b>3-40</b> |
| <b>1.3 Economic Evaluation .....</b>                                     | <b>3-40</b> |
| <b>1.4 Multiple Contract.....</b>  | <b>3-41</b> |
| <b>2. Qualification .....</b>  | <b>3-41</b> |
| <b>2.1 Eligibility .....</b>   | <b>3-41</b> |
| 2.1.1 Nationality .....  | 3-41        |
| 2.1.2 Conflict of Interest .....   | 3-41        |
| 2.1.3 AIB Eligibility .....  | 3-41        |
| 2.1.4 Government-Owned Enterprise .....                                  | 3-41        |
| 2.1.5 United Nations Eligibility .....                                   | 3-41        |
| <b>2.2 Historical Contract Nonperformance .....</b>                      | <b>3-42</b> |
| 2.2.1 History of Nonperforming Contracts .....                           | 3-42        |
| 2.2.2 Suspension Based on Execution of Tender-Securing Declaration ..... | 3-42        |
| 2.2.3 Pending Litigation and Arbitration .....                           | 3-42        |
| <b>2.3 Financial Requirements.....</b>                                   | <b>3-43</b> |
| 2.3.1 Historical Financial Performance .....                             | 3-43        |
| 2.3.2 Average Annual Turnover.....                                       | 3-43        |
| 2.3.3 Financial Resources.....   | 3-45        |
| <b>2.4 Tenderer's Experience.....</b>                                    | <b>3-46</b> |
| 2.4.1 Contracts of Similar Size and Nature .....                         | 3-46        |
| 2.4.2 Experience in Key Activities.....                                  | 3-47        |
| <b>2.5 Manufacturers/Subcontractors .....</b>                            | <b>3-47</b> |
| <b>2.5(b) Documentary Evidences.....</b>                                 | <b>3-50</b> |



## 1. Evaluation

### 1.1 Technical Evaluation

In addition to the criteria listed in ITT 34.1 (a)–(b), other relevant factors are as follows:

**For additional factors refer Volume-II & III of the Tender Document**

### 1.2 Alternative Technical Solutions: Not Applicable

### 1.3 Economic Evaluation

In addition to the criteria listed in ITT 39.2I (a)–(f), other relevant factors are as follows:

As the Power Transformers share a major part of the capital investment of the plant, the power losses in transformers shall be capitalized and added to the quoted price as specified Volume-II of the Tendering Document (Technical Specification), for comparative evaluation only. Any adjustments in price that result from the procedures outlined below shall be added, for purposes of comparative evaluation only, to arrive at an “Evaluated Tender Price.” Tender prices quoted by tenderers shall remain unaltered

#### 1.3.1 Quantifiable Deviations and Omissions

Pursuant to ITT 33.3, the cost of all quantifiable nonmaterial nonconformities or omissions from the contractual and commercial conditions shall be evaluated. The Employer will make its own assessment of the cost of any nonmaterial nonconformities and omissions for the purpose of ensuring fair comparison of Tenders.

#### 1.3.2 Time Schedule

Time to complete the plant and services from the effective date specified in Article 3 of the Contract Agreement for determining time for completion of pre-commissioning activities is **24 (Twenty Four) months**. Tenders not meeting the above time schedule shall be rejected. However, no credit will be given for earlier completion.

#### 1.3.3 Operation and Maintenance (O&M) Costs: Not applicable

#### 1.3.4 Functional Guarantees of the Facilities:

The minimum and/or maximum requirements stated in the Specification for functional guarantees required in the Specification are:

| Functional Guarantee <i>[as required in the Specification, e.g., performance, efficiency, consumption, etc.]</i> | Minimum and/or Maximum Requirements <i>[as required in the Specification]</i> |
|--|---|
| 1. Power Transformers  | As per specification in Volume II   |
| 2. GIS Equipment's   | As per specification in Volume II   |
| 3. Numerical Relay & BCU   | As per specification in Volume II   |
| 4. EHV XLPE U/G Cable  | As per specification in Volume II   |
| 5. Transmission Towers (including Type Test Certificates as per IS 802 Version 2015)                             | As per specification in Volume II   |

- 1.3.5 **Work, Services, Facilities, etc., to be Provided by the Employer:** Not applicable.
- 1.3.6 **Specific Additional Criteria:** Not applicable.
- 1.3.7 **Domestic Preference :** Not Applicable.
- 1.4 **Multiple Contracts:** Not Applicable.

## 2. Qualification

### 2.1 Eligibility

| Criteria   |                       | Compliance Requirements |                       |                | Documents                                     |
|--|-----------------------|-------------------------|-----------------------|----------------|---|
| Requirement  | Single Entity         | Joint Venture           |                       |                | Submission Requirements                       |
|  |                       | All Partners Combined   | Each Partner          | One Partner    |   |
| 2.1.1 Nationality  |                       |                         |                       |                |   |
| Nationality in accordance with ITT 4.2.  | Must meet requirement | Must meet requirement   | Must meet requirement | Not applicable | Forms<br>ELI - 1; ELI - 2<br>with attachments |
| 2.1.2 Conflict of Interest   |                       |                         |                       |                |   |
| No conflicts of interest in accordance with ITT 4.3.   | Must meet requirement | Must meet requirement   | Must meet requirement | Not applicable | Letter of<br>Technical Tender                 |
| 2.1.3 AIIB Eligibility   |                       |                         |                       |                |   |
| Not having been declared ineligible by AIIB, as described in ITT 4.4.  | Must meet requirement | Must meet requirement   | Must meet requirement | Not applicable | Letter of<br>Technical Tender                 |
| 2.1.4 Government-Owned Enterprise  |                       |                         |                       |                |   |
| Tenderer required to meet conditions of ITT 4.5.   | Must meet requirement | Must meet requirement   | Must meet requirement | Not applicable | Forms<br>ELI - 1; ELI - 2<br>with attachments |
| 2.1.5 United Nations Eligibility   |                       |                         |                       |                |   |
| Not having been excluded by an act of compliance with a United Nations Security Council resolution in accordance with ITT 4.8. | Must meet requirement | Must meet requirement   | Must meet requirement | Not applicable | Letter of<br>Technical Tender                 |

**2.2 Historical Contract Nonperformance****2.2.1 History of Nonperforming Contracts**

| Criteria   | Compliance Requirements |   |                       |                | Documents               |
|--|-------------------------|---|-----------------------|----------------|-------------------------|
| Requirement  | Single Entity           | Joint Venture (maximum 3 parties allowed including lead tenderer) |                       |                | Submission Requirements |
|  |                         | All Partners Combined   | Each Partner          | One Partner    |                         |
| Non-performance of a contract did not occur as a result of contractor default since 1 <sup>st</sup> January 2015 | Must meet requirement   | Must meet requirement   | Must meet requirement | Not applicable | Form CON-1              |

<sup>a</sup> Non-performance, as decided by the Employer, shall include all contracts where (a) non-performance was not challenged by the contractor, including through referral to the dispute resolution mechanism under the respective contract, and (b) contracts that were so challenged but fully settled against the contractor. Non-performance shall not include contracts where Employers decision was overruled by the dispute resolution mechanism. Non-performance must be based on all information on fully settled disputes or litigation, i.e. dispute or litigation that has been resolved in accordance with the dispute resolution mechanism under the respective contract and where all appeal instances available to the Tenderer have been exhausted.

<sup>b</sup> This requirement also applies to contracts executed by the Tenderer as Joint Venture member.

**2.2.2 Suspension Based on Execution of Tender-Securing Declaration**

| Criteria  | Compliance Requirements |   |                       |                | Documents                  |
|---|-------------------------|---|-----------------------|----------------|----------------------------|
| Requirement   | Single Entity           | Joint Venture (maximum 3 parties allowed including lead tenderer) |                       |                | Submission Requirements    |
|   |                         | All Partners Combined   | Each Partner          | One Partner    |                            |
| Not under suspension based on execution of a Tender Securing Declaration pursuant to ITT 4.6. | Must meet requirement   | Must meet requirement   | Must meet requirement | Not applicable | Letter of Technical Tender |

**2.2.3 Pending Litigation and Arbitration**

Pending litigation and arbitration criterion shall not normally apply. However, AEGCL shall have the discretion to take due cognizance of the matter under litigation/arbitration if the matter appears to be of serious nature in the opinion of AEGCL. Under such circumstances necessary clarification may be sought by AEGCL to proceed ahead with the evaluation.

| Criteria    | Compliance Requirements |                       |              |             | Documents               |
|-------------|-------------------------|-----------------------|--------------|-------------|-------------------------|
| Requirement | Single Entity           | Joint Venture         |              |             | Submission Requirements |
|             |                         | All Partners Combined | Each Partner | One Partner |                         |

| Criteria   | Compliance Requirements  |                |  |                | Documents    |
|--|--|----------------|--|----------------|--------------|
| All pending litigation shall be treated as resolved against the Tenderer and so shall in total not represent more than <b>50% percent</b> of the Tenderer's net worth. | must meet requirement by itself or as partner in past or existing JV | not applicable | must meet requirement by itself or as partner in past or existing JV | not applicable | Form LIT – 1 |

## 2.3 Financial Situation

### 2.3.1 Historical Financial Performance

| Criteria   | Compliance Requirements |   |                       |                            | Documents                     |
|--|-------------------------|---|-----------------------|----------------------------|-------------------------------|
| Requirement  | Single Entity           | Joint Venture (maximum 3 parties allowed including lead tenderer) |                       |                            | Submission Requirements       |
|  |                         | All Partners Combined   | Each Partner          | One Partner (Lead Partner) |                               |
| Submission of audited financial statements or, if not required by the law of the Tenderer's country, other financial statements acceptable to the Employer, for the last five (5) (2018-19, 2019-20, 2020-21, 2021-22 and 2022-23) years to demonstrate the current soundness of the Tenderer's financial position. As a minimum, the Tenderer's net worth for the last year calculated as the difference between total assets and total liabilities should be positive. | Must meet requirement   | Not applicable  | Must meet requirement | Must meet requirement      | Form FIN - 1 with attachments |

### 2.3.2 Average Annual Turnover

| Criteria  |                       | Compliance Requirements  |                                  |                                  | Documents               |
|---|-----------------------|--|----------------------------------|----------------------------------|-------------------------|
| Requirement   | Single Entity         | Joint Venture ( maximum 3 parties allowed including lead tenderer) |                                  |                                  | Submission Requirements |
|   |                       | All Partners Combined  | Each Partner                     | One Partner (Lead Partner)       |                         |
| Minimum average annual turnover of <b>INR 400 Crore (Rupees Four Hundred Crore) or equivalent amount in freely convertible currencies</b> calculated as total certified payments received for contracts in progress or completed, within the last five (5) years. | Must meet requirement | Must meet requirement  | must meet 20% of the requirement | must meet 60% of the requirement | Form FIN – 2            |

**Note:**

1. The tenderer has to furnish the certificate from the chartered Accountant (CA) certifying the Project related Annual turnover of the company only (excluding its Associated Companies on Standalone Basis) based on audited accounts of the last five financial years. In case the tenderer has executed any project in joint venture/consortium, the project related turnover certified by the chartered Accountant (CA) registered in India should reflect his share of the project related turnover only.
2. In case of Joint Venture, each partner shall furnish, the turnover certificate duly certified by Chartered Accountant (CA).

**2.3.3 Financial Resources**

| Criteria   |                       | Compliance Requirements   |                |                | Documents                     |
|--|-----------------------|---|----------------|----------------|-------------------------------|
| Requirement  | Single Entity         | Joint Venture (maximum 3 parties allowed including lead tenderer) |                |                | Submission Requirements       |
|  |                       | All Partners Combined   | Each Partner   | Lead Partner   |                               |
| <b>For Single Entities:</b><br><br>The Tenderer must demonstrate that its financial resources defined in FIN-3, less its financial obligations for its current contract commitments defined in FIN-4, meet or exceed the total requirement for the Subject Contract of <b>INR 70 Crore</b> | Must meet requirement | Not applicable  | Not applicable | Not applicable | Form FIN – 3 and Form FIN – 4 |

|  |                |                       |                                  |                                  |                               |
|--|----------------|-----------------------|----------------------------------|----------------------------------|-------------------------------|
| <b>(Rupees Seventy Crore) only or equivalent amount in freely convertible currencies</b>   |                |                       |                                  |                                  |                               |
| The Joint Venture must demonstrate that the combined financial resources of all partners defined in FIN-3, less all the partners' total financial obligations for the current contract commitments defined in FIN-4, meet or exceed the total requirement of <b>INR 70 Crore (Rupees Seventy Crore) only or equivalent amount in freely convertible currencies</b> | Not applicable | Must meet requirement | must meet 20% of the requirement | must meet 60% of the requirement | Form FIN – 3 and Form FIN – 4 |

## 2.4 Tenderer's Experience

### 2.4.1 (a) Contracts of Similar Size and Nature

| Criteria   | Compliance Requirements |   |              |              | Documents               |
|--|-------------------------|---|--------------|--------------|-------------------------|
| Requirement  | Single Entity           | Joint Venture (maximum 3 parties allowed including lead tenderer) |              |              | Submission Requirements |
|  |                         | All Partners Combined   | Each Partner | Lead Partner |                         |
| <b>PART-A (For 400/220/132 kV Gas Insulated Substation)</b>  |                         |   |              |              |                         |
| The tenderer must have designed, supplied, erected, tested & commissioned GIS including Civil works complete at least <b>One Gas Insulated sub-station of 400 KV or above voltage class</b> .<br>The above credential shall be from any state/ central power utility/ any Power Transmission utilities and the same should have been in successful operation for <b>at least one year within last 10(ten) years as on the originally scheduled date of bid opening</b> | Must meet requirement   | Must meet requirement   | NA           | NA           | Form EXP – 1            |

|   |                       |                       |    |    |              |
|---|-----------------------|-----------------------|----|----|--------------|
| <p><b>PART B: (Associated Transmission Lines for 400kV, 220kV and 132k V Voltage Level)</b></p> <p>The tenderer shall have executed Turnkey contracts involving design, supply, tower foundation, erection and stringing; and shall have:</p> <p>i. successfully commissioned at least 20 ckt km of length of 400kV or above in a single project over a period of last 5 years, The above work should have been under successful operation# for a minimum period of one year reckoned from the date of bid submission.</p> <p>ii. The bidder shall either have the manufacturing capability of fabricated tower members at his own plant or shall have clear access from other reputed manufacturing plant of fabricated towers (to be supported by legally enforceable documents like MOU and Affidavit regarding Eligibility of the Fabricator) having yearly manufacturing capacity of 9000 MT. Such plant must have manufactured an average of 6000 MT during last three years.</p> <p>iii. The bidder shall submit an undertaking that the tower design, type testing and vetting by CPRI/NABL/IIT or equivalent institution shall be completed within nine (09) months from the date of notification of award (NOA) of work</p> <p>The proof for the above experience shall be submitted along with the bid.</p> <p>The Bidder should have successfully executed/completed any transmission line project under Central/State Power Utility or TBCB in any one project within 18(eighteen) months during last Ten (10) financial years and the executed value of such project in any One (1) financial year shall not be less than <b>Rs. 50Crore</b>.</p> | Must meet requirement | Must meet requirement | NA | NA | Form EXP – 1 |
|---|-----------------------|-----------------------|----|----|--------------|

**Important Note:**

1. The Commissioning of substations shall mean complete design, supply of equipment's, all civil works, erection of all bays and structures and charging of the substation.

2. Satisfactory operation means certificate issued by the Employer certifying the operation without adverse remark. In case tenderer is a holding company, the technical experience referred above shall be of that holding company only (i.e. excluding its subsidiary/group companies). In case tenderer is a subsidiary of a holding company, the technical experience referred above shall be of that subsidiary company only (i.e., excluding its holding company).
3. The proof for the above experience shall be submitted along with the tender.

### 2.4.2 Experience in Key Activities

2.4.2(a) Must be complied with by the Tenderer. In case of a Joint Venture Tenderer, the lead partner and other partners combined must meet the requirement in the key activity.

Table A

| Criteria   | Compliance Requirements |                       | Documents               |
|--|-------------------------|-----------------------|-------------------------|
| Requirement  | Single Entity           | Joint Venture         | Submission Requirements |
| For the above or other contracts executed during the period stipulated in 2.4.1, a minimum experience in the following key activities:   | Must meet requirement   | Must meet requirement | Form EXP – 2            |
| For Part A: Substation   |                         |                       |                         |
| <p>A. The tenderer must have the experience of design, supply, install, test and commission of the following listed equipments which are in successful operation for at least two years within last seven year as on the date of original bid submission.</p> <p>i. Atleast 2nos., 400KV class capacity of minimum 315 MVA Power/Auto Transformers,</p> <p>ii. 05(five) nos. GIS circuit breaker bays of 400 kV or above and 40KA short circuit level.</p> <p>iii. Control &amp; Relay Panel and</p> <p>iv. RTU / BCU and Substation Automation System</p> <p>v. Construction of control room building with all civil works complete and operational..</p> |                         |                       |                         |
| For Part B: Associated Transmission lines.   | Must meet requirement   | Must meet requirement | Form EXP – 2            |
| The bidder must have experience of construction of 132KV and 220KV or above voltage class transmission line of minimum total 40 Circuit KM length with the following listed equipment, which are in successful operation for at least two year within last seven   |                         |                       |                         |



|   |  |  |  |
|---|--|--|--|
| years as on the date of bid opening.<br>(i) Power Conductors,<br>(ii) disc/long rod Insulators.<br>(iii) Transmission Line Towers.<br>(iv) OPGW laying. |  |  |  |
|---|--|--|--|

### 2.5 (a) Manufacturers/Subcontractor

The proposed manufacturers or subcontractors by the tenderer for the following major items of plant and services must meet the minimum qualification criteria as mentioned below:

| Item No. | Description of Item                   | Criteria to be met   | Submission Requirements |
|----------|---------------------------------------|--|-------------------------|
| 1        | Power Transformers of 400KV or above. | <p>i. The Transformer manufacturer must have designed, manufactured; type tested, supplied the transformers, which are in successful operation for at least <b>3 (three) years during last 7(seven) years for voltage level 440KV</b> as on the date of bid opening for the following rated capacity of transformers. The bidder should list such works executed to substantiate the requirement of this Clause.</p> <p>ii. The Transformer manufacturer must have well established testing (including High Voltage Testing) &amp; Service facility in India or an authorized agent in India to perform these activities,</p>  | FORM: EXP-3             |
| 2        | GIS                                   | <p><b>I.</b> The manufacturer should have designed, supplied, erected, tested and commissioned on supply cum supervision (erection, testing and commissioning) basis at least 2 (two) nos. GIS installations of 400kV or above voltage level during last 10(Ten) years having minimum 7 (seven) nos. complete GIS Bays and which should be under satisfactory operation for at least 3 (three) year as on the originally schedule date of tender opening (Certificate of original customer to be submitted). The bidder should list such works executed to substantiate the requirement of this Clause.</p> <p><b>II.</b> The GIS manufacturer must have well established testing (including High Voltage Testing) &amp; Service faculty in India or an authorized agent in India to perform these activities, so that competent service engineer(s) can be deputed within <b>100 hours</b> from the time of incidence reporting. The agreement between GIS manufacturer / the authorized agent and the tenderer shall be submitted along the technical tender.</p> <p><b>III.</b> The Manufacturer shall have to furnish type test report of SF6 gas insulated sub-station equipment duly Designed, Manufactured, tested (as per IEC standard) which, shall not be older than <b>15 (fifteen) years</b>, as on date of tender opening. The language of the type test report should be in English only. Type Test should have been conducted at any of the following</p> | FORM: EXP-3             |

|  |  |   |             |
|--|--|---|-------------|
|  |  | <p>internationally accredited testing laboratories,</p> <ul style="list-style-type: none"> <li>(a) KEMA (Holland)</li> <li>(b) CESI (Italy)</li> <li>(c ) CERDA (France)</li> <li>(d) PEHLA (Germany)</li> <li>(e) KERI (S. Korea)</li> <li>(f) CPRI/ERDA (India)</li> <li>(g) Intertek (ASTA), UK</li> <li>(h) ESEF ASEFA, France</li> <li>(i) JSTC, Japan</li> <li>(j) SATS Norway</li> <li>(k) VEIKI, Hungary</li> <li>(m) FGH (Germany)</li> <li>(n) VOLTA (France).</li> <li>(o) STLNA, USA</li> <li>(p) XIHARI, China</li> </ul> <p>The testing Laboratory shall be accepted only if international accreditation certificate is furnished. In case the type test reports are older than <b>15 years</b> and there is no change in design of the GIS equipment, the manufacturer shall provide an undertaking declaring that there has not been any change of design of the GIS equipment intended to be supply. In case any subcomponent of GIS equipment is tested by the sub suppliers, the manufacturer shall submit such test report along with the certificate of the laboratory from the appropriate accreditation authority.</p> <p><b>IV.</b> The tenderer/manufacturer shall not be currently <b>debarred/blacklisted</b> nationally or internationally from any of the state, central and Govt. or undertaking department as on date of tender submission.</p> <p><b>V.</b> A GIS manufacturer who on its own does not meet the requirement as specified in clause No. I &amp; III above, but has established production line in India for manufacturing of SF6 Gas Insulated switchgear (GIS) based on technological support of its parent company (Holding Company) can also be considered provided that they (Parent company) have manufactured, type tested (as per IEC standard) of such equipment with the following stipulation: -</p> <ul style="list-style-type: none"> <li>a) manufacturer's parent company (Holding Company) has manufactured, type tested (as per IEC standard).</li> <li>(b) The parent company (Holding Company) meets qualifying requirements stipulated under clause no. I &amp; III above.</li> <li>(c) The manufacturer must furnish the following: <ul style="list-style-type: none"> <li>i. A joint undertaking with the parent company (Holding company) shall be furnished to guarantee equality, timely supply, performance and warranty obligations for a period of 5 (Five) years as specified for the equipment(s) <b>in the parent company's (Holding Company) letterhead</b>, which is required to be submitted at the time of signing/execution of the contract agreement.</li> <li>ii <b>Such manufacturer should submit valid collaboration agreement for technology transfer / license to design, manufacture, test and supply GIS equipment(s) in India at the time of tendering.</b></li> </ul> </li> </ul> | FORM: EXP-3 |
|--|--|---|-------------|

|    |  |   |                |
|----|--|---|----------------|
|    |  | iii. Shall meet above clause (V) above.   |                |
| 3. | Control and Relay Panel and Substation Automation System including RTU / BCU | <p>i. The manufacturer must have designed, manufactured; type tested, which are in successful operation for at least <b>3 (three) years during last 7(seven) years</b> as on the date of bid opening. The bidder should list such works executed to substantiate the requirement of this Clause.</p> <p>ii. The manufacturer must have well established testing (including High Voltage Testing) &amp; Service facility in India or an authorized agent in India to perform these activities,</p>   | FORM:<br>EXP-3 |
| 4  | XLPE   | <p>i. The manufacturer must have the experience of designing, Laying, termination and commissioning of 220KV or higher voltage class underground XLPE cable of at least 5(five) km, which are in successful operation for at least <b>3 (three) years during last 7(seven) years</b> as on the date of bid opening. The bidder should list such works executed to substantiate the requirement of this Clause.</p> <p>ii. The manufacturer must have well established testing (including High Voltage Testing) &amp; Service facility in India or an authorized agent in India to perform these activities,</p> | FORM:<br>EXP-3 |
| 5  | Transmission Tower structure   | The manufacturer must have average yearly manufacturing capacity of 6000 MT tower structure during last three years.  | FORM:<br>EXP-3 |

In the case of a Tenderer who offers to supply and install major items of plant under the contract, which the Tenderer did not manufacture or otherwise produce, the Tenderer shall provide the Manufacturer's authorization using the form provided in Section 4 (Tendering Forms), showing that the Tenderer has been duly authorized by the Manufacturer or producer of the related plant and equipment or component to supply and install that item in the Employer's country. Failure to submit the Manufacturer's authorization at the first instance is considered a minor, nonmaterial omission and shall be subject to clarification. However, failure of the Tenderer to submit the omitted authorization **shall lead to rejection of the Subcontractor or Manufacturer of the item under evaluation in accordance with ITT 35.4.** The tenderer can submit multiple Manufacturer's authorization for a single equipment.

#### 2.5(b) DOCUMENTARY EVIDENCES:

The tenderer shall furnish necessary detailed LOA copies and end user certificates as documentary evidence thereof for the works specified in technical experience criteria.

#### OTHER CONDITIONS:

- a) The Experience as sub-contractor will not be considered for qualifying Technical experience criteria and offer of such tenders will be summarily rejected.
- b) The documentary evidences required for satisfying Technical experience criteria, financial criteria, performance criteria and other Tenderer's Qualifying Requirements (TQR) shall be furnished along with the offer, otherwise the offers will be summarily rejected.
- c) As regards documentary proof to substantiate experience requirement in regard to erection work, experience in manufacturing capacity, supply of towers, execution of works and satisfactory operation is concerned, the tenderer will have to submit necessary certificates from User Agency clearly specifying the period of experience and other details. (All the certificates for proof should be self-attested. however, at the time of contract signing the successful bidder will have to produce notarized documents)
- d) **It shall be explicitly noted by the tenderers that evaluation of various experience criteria shall be done on the basis of certificates submitted by the tenderer for which responsibility to furnish necessary documentary proof rests on participating tenderer.**

e) However, clarifications in line with ITT 29 may be sought by the Employer.

### Section 4: Tender Forms

This section contains the forms to be completed by the Tenderer and submitted as part of its Tender.

#### Table of Forms

|   |             |
|---|-------------|
| <b>Letter of Technical Tender .....</b>   | <b>4-52</b> |
| <b>Country of Origin Declaration Form.....</b>  | <b>4-55</b> |
| <b>Letter of Price Tender .....</b>   | <b>4-56</b> |
| <b>Price Schedules .....</b>  | <b>4-60</b> |
| Schedule No. 1. Plant and Mandatory Spare Parts Supplied from Abroad .....                        | 4-60        |
| Schedule No. 2. Plant and Mandatory Spare Parts Supplied from Within the Employer's Country ..... | 4-61        |
| Schedule No. 3. Design Services .....   | 4-63        |
| Schedule No. 4. Installation and Other Services .....   | 4-64        |
| Schedule No. 5. Grand Summary .....   | 4-65        |
| Schedule No. 6. Recommended Spare Parts .....   | 4-66        |
| <b>Tables of Adjustment Data.....</b>   | <b>4-67</b> |
| <b>Tender Security.....</b>   | <b>4-68</b> |
| <b>Tender-Securing Declaration .....</b>  | <b>4-69</b> |
| <b>Technical Proposal.....</b>  | <b>4-70</b> |
| Site Organization .....   | 4-71        |
| Method Statement .....  | 4-72        |
| Mobilization Schedule .....   | 4-73        |
| Construction Schedule .....   | 4-74        |
| Plants.....   | 4-74        |
| Personnel.....  | 4-75        |
| Form PER – 1: Proposed Personnel .....  | 4-75        |
| Form PER – 2: Resume of Proposed Personnel.....   | 4-76        |
| Form EQU: Equipment .....   | 4-77        |
| Proposed Subcontractors/Manufacturers for Major Items of Plant and Services.....                  | 4-78        |
| Manufacturer's Authorization(For GIS equipments and others) .....                                 | 4-79        |
| Affiliate Company Guarantee .....   | 4-82        |
| Time Schedule .....   | 4-84        |
| Functional Guarantee of the Proposed Facilities.....  | 4-85        |
| <b>Tenderer's Qualification .....</b>   | <b>4-86</b> |
| Form ELI - 1: Tenderer's Information Sheet .....  | 4-86        |
| Form ELI - 2: Joint Venture Information Sheet.....  | 4-87        |
| Form LIT- Pending Litigation.....   | 4-88        |
| Form CON - 1: Historical Contract Nonperformance .....  | 4-89        |
| Form FIN - 1: Historical Financial Performance .....  | 4-91        |
| Form FIN - 2: Average Annual Turnover .....   | 4-93        |
| Form FIN - 3: Availability of Financial Resources.....  | 4-94        |
| Form FIN- 4: Financial Requirements for Current Contract Commitments .....                        | 4-95        |
| Form FIN- 5: Self-Assessment Tool for Tenderer's Compliance to Financial Resources.....           | 4-96        |
| Form EXP – 1: Contracts of Similar Size and Nature .....  | 4-98        |
| Form EXP – 2: Experience in Key Activities .....  | 4-99        |
| Form EXP – 3: Subcontractors .....  | 4-100       |
| Form TC: Technical Compliance.....  | 4-101       |

### Letter of Technical Tender

#### -- Note --

*The Tenderer must accomplish the Letter of Technical Tender on its letterhead clearly showing the Tenderer's complete name and address.*

*Format Should not be altered.*

Date: .....

ICT. No.: .....

Invitation for Tender No.: .....

To:

The Chief General Manager(PP&D),  
O/o The Managing Director, AEGCL,  
Bijulee Bhawan, Paltan Bazar, Guwahati-781001

We, the undersigned, declare that:

- (a) We have examined and have no reservations to the Tender Documents, including Addenda issued in accordance with Instructions to Tenderers (ITT) 8.
- (b) We offer to design, manufacture, test, deliver, install, pre-commission, and commission in conformity with the Tender Document the following Plant and Services: **[insert narrative]**
- (c) Our Tender consisting of the Technical Tender and the Price Tender shall be valid for a period of **[insert Tender validity period as specified in ITT 20.1 of the TDS]** days from the date fixed for the Tender submission deadline in accordance with the Tender Documents, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.
- (d) We, including any Subcontractors or Manufacturers for any part of the Contract, have or will have nationalities from eligible countries, in accordance with ITT 4.2.
- (e) We, including any Subcontractors or Suppliers for any part of the Contract, do not have any conflict of interest in accordance with ITT 4.3.
- (f) We are not participating, as a Tenderer, either individually or as partner in a Joint Venture, in more than one Tender in this Tender process in accordance with ITT 4.3(e), other than alternative offers submitted in accordance with ITT 13.
- (g) Our firm, Joint Venture partners, associates, parent company, its affiliates or subsidiaries, including any Subcontractors or Suppliers for any part of the contract, are not subject to, or not controlled by any entity or individual that is subject to, a temporary suspension or a debarment imposed by the Asian Infrastructure

Investment Bank or a debarment imposed by the Asian Infrastructure Investment Bank in accordance with the Agreement for Mutual Enforcement of Debarment Decisions between the Asian Infrastructure Investment Bank and other development banks. For details, make reference to the website [www.aiib.org/debarment](http://www.aiib.org/debarment).

- (h) Our firm, Joint Venture partners, associates, parent company, affiliates or subsidiaries, including any Subcontractors or Suppliers for any part of the Contract, are not, or have never been, temporarily suspended, debarred, declared ineligible, or blacklisted by the Employer's country, any international organization, and other donor agency.

If so debarred, declared ineligible, temporarily suspended, or blacklisted, please state details (as applicable to each Joint Venture partner, associate, parent company, affiliate, subsidiaries, Subcontractors, and/or Suppliers):

- (i) Name of Institution: \_\_\_\_\_
- (ii) Period of debarment, ineligibility, or blacklisting [*start and end date*]: \_\_\_\_\_
- (iii) Reason for the debarment, ineligibility, or blacklisting: \_\_\_\_\_

- (i) Our firm's, Joint Venture partners, associates, parent company's affiliates or subsidiaries, including any Subcontractors or Suppliers key officers and directors have not been [*charged or convicted*] of any criminal offense (including felonies and misdemeanors) or infractions and/or violations of ordinance which carry the penalty of imprisonment.

If so charged or convicted, please state details:

- (i) Nature of the offense/violation: \_\_\_\_\_
- (ii) Court and/or area of jurisdiction: \_\_\_\_\_
- (iii) Resolution [*i.e. dismissed, settled, or convicted; duration of penalty*]: \_\_\_\_\_
- (iv) Other relevant details [*please specify*]: \_\_\_\_\_

- (j) We understand that it is our obligation to notify AIIB should our firm, Joint Venture partners, associates, parent company, affiliates or subsidiaries, including any Subcontractors or Suppliers, be temporarily suspended, debarred or become ineligible to work with AIIB or any other MDBs, the Employer's country, international organizations, and other donor agencies, or any of our key officers and directors be charged or convicted of any criminal offense or infractions/violations of ordinance which carry the penalty of imprisonment.
- (k) Our firm, Joint Venture partners, associates, parent company, affiliates or subsidiaries, including any Subcontractors or Suppliers, are not from a country which is prohibited to export goods to or receive any payments from the Employer's country by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations.
- (l) [We are not a government-owned enterprise] / [We are a government-owned enterprise but meet the requirements of ITT 4.5].<sup>2</sup>

---

<sup>2</sup> Use one of the two options as appropriate.

- (m) We have not been suspended nor declared ineligible by the Employer based on execution of a Tender-Securing Declaration in accordance with ITT 4.6.
- (n) We agree to permit AIIB or its representative to inspect our accounts and records and other documents relating to the Tender submission and to have them audited by auditors appointed by AIIB.
- (o) If our Tender is accepted, we commit to mobilizing key equipment and personnel in accordance with the requirements set forth in Section 6 (Employer's Requirements) and our technical proposal, or as otherwise agreed with the Employer.
- (p) We understand that any misrepresentation that knowingly or recklessly misleads, or attempts to mislead may lead to the automatic rejection of the Tender or cancellation of the contract, if awarded, and may result in remedial actions, in accordance with AIIB's Policy on Prohibited Practices (as amended from time to time).

Name .....

In the capacity of .....

Signed .....

Duly authorized to sign the Tender for and on behalf of .....

Date .....



**Country of Origin Declaration Form**

Name of Tenderer \_\_\_\_\_ IFB Number \_\_\_\_\_ Page \_\_\_\_ of \_\_\_\_

| Item | Description | Country of Origin |
|------|-------------|-------------------|
|      |             |                   |
|      |             |                   |
|      |             |                   |
|      |             |                   |
|      |             |                   |

### Letter of Price Tender

#### -- Note --

*The Tenderer must accomplish the Letter of Price Tender on its letterhead clearly showing the Tenderer's complete name and address.*

Date: .....

ICT. No.: .....

Invitation for Tender No.: .....

To:

The Chief General Manager(PP&D),  
O/o The Managing Director, AEGCL,  
Bijulee Bhawan, Paltan Bazar, Guwahati-781001

We, the undersigned, declare that:

- (a) We have examined and have no reservations to the Tender Document, including Addenda issued in accordance with Instructions to Tenderers (ITT) 8.
- (b) We offer to design, manufacture, test, deliver, install, pre-commission, and commission in conformity with the Tender Document the following Plant and Services: **[insert narrative]**
- (c) The total price of our Tender, excluding any discounts offered in item (d) below is the sum of

(d)

discounts offered and the methodology for their application are as follows: **[insert discounts and methodology for their application if any]**

- (e) Our Tender shall be valid for a period of *[insert Tender validity period as specified in ITT 20.1 of the TDS]* days from the date fixed for the submission deadline in accordance with the Tender Documents, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.
- (f) If our Tender is accepted, we commit to obtain a performance security in accordance with the Tender Document.
- (g) We have paid, or will pay the following commissions, gratuities, or fees with respect to the Tender process or execution of the Contract: <sup>3</sup>

| Name of Recipient | Address | Reason | Amount |
|-------------------|---------|--------|--------|
| .....             | .....   | .....  | .....  |
| .....             | .....   | .....  | .....  |

- (h) We understand that this Tender, together with your written acceptance thereof included in your notification of award, shall constitute a binding contract between us, until a formal contract is prepared and executed.
- (i) We understand that you are not bound to accept the lowest evaluated Tender or any other Tender that you may receive.
- (j) We agree to permit AIIB or its representative to inspect our accounts and records and other documents relating to the Tender submission and to have them audited by auditors appointed by AIIB.

Name .....

In the capacity of .....

Signed .....

Duly authorized to sign the Tender for and on behalf of .....

Date .....

<sup>3</sup> If none has been paid or is to be paid, indicate "None."

**Price Schedules**  
**(Sample)**  
**(Refer to the Price Schedules)**

**PREAMBLE**

**General**

1. The Price Schedules are divided into separate Schedules as follows:
  - Schedule No. 1: Plant and Mandatory Spare Parts Supplied from Abroad.**
  - Schedule No. 2: Plant and Mandatory Spare Parts Supplied from within the Employer's Country**
  - Schedule No. 3: Design Services**
  - Schedule No. 4: Installation, ESMP and Other Services (Installation, commissioning and stringing services including Civil Works)**
  - Schedule No. 4(a): Local Transport & Insurance (F&I)**
  - Schedule No. 5: Grand Summary**
  - Schedule No. 6: Recommended Spare Parts**
2. The Schedules do not generally give a full description of the plant to be supplied and the services to be performed under each item. Tenderers shall be deemed to have read the Employer's Requirements and other sections of the Tender Document and reviewed the Drawings to ascertain the full scope of the requirements included in each item prior to filling in the rates and prices. The entered rates and prices shall be deemed to cover the full scope as aforesaid, including overheads and profit.
3. If Tenderers are unclear or uncertain as to the scope of any item, they shall seek clarification in accordance with ITT 7 prior to submitting their Tender.

**Pricing**

4. The units and rates in figures entered into the Price Schedules should be typewritten or if written by hand, must be in print form. Price Schedules not presented accordingly may be considered nonresponsive. Any alterations necessary due to errors, etc., shall be initialled by the Tenderer.  
 As specified in the Tender Data Sheet and Special Conditions of Contract, prices shall be fixed and firm for the duration of the Contract, or prices shall be subject to adjustment in accordance with the corresponding Appendix (Price Adjustment) to the Contract Agreement.
5. Tender prices shall be quoted in the manner indicated and, in the currencies, specified in the Instructions to Tenderers in the Tender Document.  
 For each item, Tenderers shall complete each appropriate column in the respective Schedules, giving the price breakdown as indicated in the Schedules.  
 Prices given in the Schedules against each item shall be for the scope covered by that item as detailed in Section 6 (Employer's Requirements) or elsewhere in the Tender Document.
6. Payments will be made to the Contractor in the currency or currencies indicated under each respective item.

7. When requested by the Employer for the purposes of making payments or part payments, valuing variations or evaluating claims, or for such other purposes as the Employer may reasonably require, the Contractor shall provide the Employer with a breakdown of any composite or lump sum items included in the Schedules.

**NOTE:**

1. For E-Tendering these forms are indicative only. All prices to be filled in the price schedule provided in the e-tendering portal only.
2. Drawings provided in the tender are only indicative in nature and should not be considered as final. The successful tenderer shall have to submit minimum of 5 (five) copies of completed drawings generated by them to the Employer for necessary approval and consequently undertake construction based on those approved drawings.

**Schedules of Rates and Prices (For reference purpose only)****Schedule No. 1: Plant and Mandatory Spare Parts Supplied from Abroad**

(The tenderer shall fill up the BOQ (Price) uploaded in the e-tender portal)

| Item | Description <sup>(a)</sup> | Country of Origin | Measuring Unit <sup>(b)</sup> | Qty.<br>(c) | Unit Price <sup>1</sup> |     | Total Price <sup>1</sup> | Taxes and Duties |
|------|----------------------------|-------------------|-------------------------------|-------------|-------------------------|-----|--------------------------|------------------|
|      |                            |                   |                               |             | Foreign Currency        | CIP | Foreign Currency         | Local Currency   |
| 1    | 2                          | 3                 | 4                             | 5           | 6                       | 8   | 9 = 5 x 8                | 10               |
|      |                            |                   |                               |             |                         |     |                          |                  |

Name of Tenderer \_\_\_\_\_

Signature of Tenderer \_\_\_\_\_

<sup>a</sup> Specify currencies in accordance with ITT 19.1 of the TDS. Create additional columns for foreign currencies if so required.

## Schedule No. 2: Plant and Mandatory Spare Parts Supplied from Within the Employer's Country

(For reference purpose only)

(The tenderer shall fill up the BOQ (Price) uploaded in the e-tender portal)

| Item  | Description | Quantity | Unit Price <sup>a</sup> |                        | Total EXW Price <sup>a</sup> | Other Taxes |
|---|-------------|----------|-------------------------|------------------------|------------------------------|-------------|
|   |             |          | Local Currency          | EXW Price <sup>b</sup> |                              |             |
| 1   | 2           | 3        | 4                       | 5                      | 6 = 3 x 5                    | 7           |
|   |             |          |                         |                        |                              |             |
|   |             |          |                         |                        |                              |             |
|   |             |          |                         |                        |                              |             |
|   |             |          |                         |                        |                              |             |
|   |             |          |                         |                        |                              |             |
|   |             |          |                         |                        |                              |             |
|   |             |          |                         |                        |                              |             |
|   |             |          |                         |                        |                              |             |
|   |             |          |                         |                        |                              |             |
|   |             |          |                         |                        |                              |             |
|   |             |          |                         |                        |                              |             |
|   |             |          |                         |                        |                              |             |
|   |             |          |                         |                        |                              |             |
| TOTAL Column 6 to be carried forward to Schedule No. 5: Grand Summary |             |          |                         |                        |                              |             |

Name of Tenderer \_\_\_\_\_

Signature of Tenderer \_\_\_\_\_

**Note**

1 The quantities mentioned above are provisional and can vary as per actual requirement /approved BOQ.2 All prospective tenderers are requested to visit the site and evaluate proper quantity and shall quote accordingly on receipt of approval by the Employer

3 Tender will be evaluated on the basis of delivered cost, i.e. total cost to the AEGCL, taking into consideration loadings, if any.

*<sup>a</sup>Column 5 EXW Price shall include all customs duties and sales and other taxes already paid or payable on the components and raw materials used in the manufacture or assembly of the item or the customs duties and sales and other taxes already paid on previously imported items.*



**Schedule No. 3: Design Services**

| Item   | Description | Quantity | Unit Price             |                          | Total Price            |                          |
|--|-------------|----------|------------------------|--------------------------|------------------------|--------------------------|
|  |             |          | Local Currency Portion | Foreign Currency Portion | Local Currency Portion | Foreign Currency Portion |
| 1  | 2           | 3        | 4                      | 5                        | 6 = 3 x 4              | 7 = 3 x 5                |
|  |             |          |                        |                          |                        |                          |
|  |             |          |                        |                          |                        |                          |
|  |             |          |                        |                          |                        |                          |
|  |             |          |                        |                          |                        |                          |
|  |             |          |                        |                          |                        |                          |
|  |             |          |                        |                          |                        |                          |
|  |             |          |                        |                          |                        |                          |
|  |             |          |                        |                          |                        |                          |
|  |             |          |                        |                          |                        |                          |
|  |             |          |                        |                          |                        |                          |
|  |             |          |                        |                          |                        |                          |
|  |             |          |                        |                          |                        |                          |
| TOTAL Columns 6 and 7 to be carried forward to Schedule No. 5: Grand Summary |             |          |                        |                          |                        |                          |

Name of Tenderer \_\_\_\_\_

Signature of Tenderer \_\_\_\_\_

<sup>a</sup>Specify currency in accordance with ITT 19.1 of the TDS.

**Schedule No. 4 – Installation, ESMP and Other Services(Installation, commissioning and stringing services including Civil Works) (For reference purpose only)**

**(The tenderer shall fill up the BOQ (Price) uploaded in the e-tender portal)**

| Item   | Description | Quantity | Unit Price             |                          | Total Price            |                          |
|--|-------------|----------|------------------------|--------------------------|------------------------|--------------------------|
|  |             |          | Local Currency Portion | Foreign Currency Portion | Local Currency Portion | Foreign Currency Portion |
| 1  | 2           | 3        | 4                      | 5                        | 6 = 3 x 4              | 7 = 3 x 5                |
| 1  | .....       |          |                        |                          |                        |                          |
| 2  | .....       |          |                        |                          |                        |                          |
| 3  | .....       |          |                        |                          |                        |                          |
| 4  | .....       |          |                        |                          |                        |                          |
| 5  | .....       |          |                        |                          |                        |                          |
| 6  |             |          |                        |                          |                        |                          |
| etc  | .....       |          |                        |                          |                        |                          |
| TOTAL Columns 6 and 7 to be carried forward to Schedule No. 5: Grand Summary |             |          |                        |                          |                        |                          |
|  |             |          |                        |                          |                        |                          |

**Name of the Tenderer:** .....

**Signature of the Tenderer:** .....

<sup>a</sup>Specify currency in accordance with ITT 19.1 of the TDS.

<sup>b</sup>As described in SCC 22.2.7.

**Schedule No. 4A - Installation and Other Services (Local Transport & Insurance)**

| Item   | Description <sup>(a)</sup> | Measuring Unit <sup>(b)</sup> | Qty. <sup>(c)</sup> | Unit Price <sup>(1)</sup> | Total Price <sup>(1)</sup> |
|--|----------------------------|-------------------------------|---------------------|---------------------------|----------------------------|
|  |                            |                               |                     | Local Currency Portion    | Local Currency Portion     |
| 1  | 2                          | 3                             | 4                   | 5                         | 6 = 4 x 5                  |
|  |                            |                               |                     |                           |                            |
| TOTAL (Columns 6 to be carried forward to Schedule No. 5.) |                            |                               |                     |                           |                            |

Name of Bidder

Signature of Bidder

**Schedule No. 5: Grand Summary**

| Schedule No.   | Title  | Total Price <sup>a</sup> |       |
|--|--|--------------------------|-------|
|  |  | Foreign (Not Applicable) | Local |
| 1  | Plant and Mandatory Spare Parts Supplied from Abroad <sup>b</sup>                        |                          |       |
| 2  | Plant and Mandatory Spare Parts Supplied from Within the Employer's Country <sup>b</sup> |                          |       |
| 3  | Design Services  |                          |       |
| 4  | Installation and Other Services  |                          |       |
| 4(a)   | Local Transport (Freight) & Insurance (F&I)  |                          |       |
| <b>Grand Total to be carried forward to Letter of Price Tender</b> |  |                          |       |

Name of Tenderer \_\_\_\_\_

Signature of Tenderer \_\_\_\_\_

<sup>a</sup> Specify currency in accordance with ITT 19.1 of the TDS. Create additional columns for foreign currencies if so required.

<sup>b</sup> Taxes and/or duties from Schedules 1 and 2 may be added to the contract price in accordance with GCC 14 (Taxes and Duties) but excluded from Tender evaluation in accordance with ITT 39.2.

## Schedule No. 6: Recommended Spare Parts\_(For reference purpose only)

(The tenderer shall fill up the BOQ (Price) uploaded in the e-tender portal)

| Item  | Description | Quantity | Unit Price <sup>a</sup>                        |   | Total Price <sup>a</sup>     |                                |
|-------|-------------|----------|--|---|------------------------------|--------------------------------|
|       |             |          | EXW<br>Local<br>Parts<br>Local<br>Curre<br>ncy | CIP<br>Imported<br>Parts<br>Foreign<br>Currency | Local<br>Currency<br>Portion | Foreign<br>Currency<br>Portion |
| 1     | 2           | 3        | 4  | 5   | 6 = 3 x 4                    | 7 = 3 x 5                      |
|       |             |          |  |   |                              |                                |
|       |             |          |  |   |                              |                                |
|       |             |          |  |   |                              |                                |
|       |             |          |  |   |                              |                                |
|       |             |          |  |   |                              |                                |
|       |             |          |  |   |                              |                                |
|       |             |          |  |   |                              |                                |
|       |             |          |  |   |                              |                                |
|       |             |          |  |   |                              |                                |
|       |             |          |  |   |                              |                                |
|       |             |          |  |   |                              |                                |
| TOTAL |             |          |  |   |                              |                                |

Name of Tenderer \_\_\_\_\_

Signature of Tenderer \_\_\_\_\_

<sup>a</sup> Specify currency in accordance with ITT 19.1 of the TDS.

**Tables of Adjustment Data (The Price adjustment shall as per IEEMA PV Calculator)**
**Table A - Local Currency**

| To be entered by the |                   |                 |                     |                                  |                               |              |
|----------------------|-------------------|-----------------|---------------------|----------------------------------|-------------------------------|--------------|
| Index Code           | Index Description | Source of Index | Base Value and Date | Tenderer's Local Currency Amount | Tenderer's Proposed Weighting |              |
|                      | Nonadjustable     | ---             | ---                 | ---                              |                               | As per IEEMA |
| <b>Total</b>         |                   |                 |                     |                                  | <b>1.00</b>                   |              |

**Table B - Foreign Currency (Not Applicable)**

Name of Currency: \_\_\_\_\_

*[Insert name of currency. If the Tenderer wishes to quote in more than one foreign currency, this table should be repeated for each foreign currency.]*

| To be entered by the |                   |                 |                     |                                    |                   |                               |
|----------------------|-------------------|-----------------|---------------------|------------------------------------|-------------------|-------------------------------|
| Index Code           | Index Description | Source of Index | Base Value and Date | Tenderer's Currency in Type/Amount | Equivalent in FC1 | Tenderer's Proposed Weighting |
|                      | Nonadjustable     | ---             | ---                 | ---                                |                   |                               |
| <b>Total</b>         |                   |                 |                     |                                    |                   | <b>1.00</b>                   |

**Note -**

*The base date shall be the date 28 days prior to the deadline for submission of the Tender.*

*Tables of Adjustment Data shall only be included if prices are to be quoted as adjustable prices in accordance with ITT 18.6.*

**Tender Security**  
(To be furnished from Nationalized Bank of India)

**Bank Guarantee**

*[Bank's name, and address of issuing branch or office]<sup>4</sup>*

<sup>4</sup> All italicized text is for use in preparing this form and shall be deleted from the final document.

**Beneficiary:** .....[Name and address of the Employer].....

**Date:** .....

**Tender Security No.:** .....

We have been informed that [name of the Tenderer] (hereinafter called "the Tenderer") has submitted to you its Tender dated [insert date] (hereinafter called "the Tender") for the execution of [name of contract] under Invitation for Tenders No. [insert IFB number] ("the IFB").

Furthermore, we understand that, according to your conditions, Tenders must be supported by a Tender guarantee.

At the request of the Tenderer, we [name of Bank] hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of [amount in words] [amount in figures] upon receipt by us of your first demand in writing accompanied by a written statement stating that the Tenderer is in breach of its obligation(s) under the Tender conditions, because the Tenderer:

- (a) has withdrawn its Tender during the period of Tender validity specified by the Tenderer in the Letters of Technical and Price Tender; or
- (b) does not accept the correction of errors in accordance with the Instructions to Tenderers (hereinafter "the ITT"); or
- (c) having been notified of the acceptance of its Tender by the Employer during the period of Tender validity, (i) fails or refuses to execute the Contract Agreement, or (ii) fails or refuses to furnish the Performance Security, in accordance with the ITT.

This guarantee will expire (a) if the Tenderer is the successful Tenderer, upon our receipt of copies of the Contract Agreement signed by the Tenderer and the Performance Security issued to you upon the instruction of the Tenderer; or (b) if the Tenderer is not the successful Tenderer, upon the earlier of (i) our receipt of a copy of your notification to the Tenderer of the name of the successful Tenderer, or (ii) 28 days after the expiration of the Tenderer's Tender.

Consequently, any demand for payment under this guarantee must be received by us at the office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458.<sup>5</sup>

[Authorized signature(s) and bank's seal (where appropriate)]

<sup>5</sup> Or 758 as applicable.

**Tender-Securing Declaration  
(Not Applicable)**

Date: *[insert date (as day, month and year)]*

IoCT No.: *[insert number of Tender process]*

To: *[insert complete name of the Employer]*

We, the undersigned, declare that:

We understand that, according to your conditions, Tenders must be supported by a Tender-Securing Declaration.

We accept that we will automatically be suspended from being eligible for Tender in any contract with the Borrower for the period of time of *[insert number of years as indicated in ITT 21.2 of the TDS]* starting on the date that we receive a notification from the Employer, if we are in breach of our obligation(s) under the Tender conditions, because we

- (a) have withdrawn our Tender during the period of Tender validity specified in the Letters of Technical and Price Tender; or
- (b) do not accept the correction of errors in accordance with the Instruction to Tenderers (hereinafter "the ITT"); or
- (c) having been notified of the acceptance of our Tender by the Employer during the period of Tender validity, (i) fail or refuse to execute the Contract; if required, or (ii) fail or refuse to furnish the Performance Security, in accordance with the ITT.

We understand that this Tender-Securing Declaration shall expire if we are not the successful Tenderer, upon the earlier of (i) our receipt of your notification to us of the name of the successful Tenderer; or (ii) 28 days after the expiration of our Tender.

Signed: *[insert signature of person whose name and capacity are shown]*

In the capacity of *[insert legal capacity of person signing the Tender-Securing Declaration]*

Name: *[insert complete name of person signing the Tender-Securing Declaration]*

Duly authorized to sign the Tender for and on behalf of *[insert complete name of the Tenderer]*

Dated on \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ *[insert date of signing]*

Corporate Seal *(where appropriate)*



## **Technical Proposal**

**Site Organization**

**Method Statement**

**Mobilization Schedule**

**Construction Schedule**

**Plants**

**Personnel**

**Equipment**

**Proposed Subcontractors and sub vendors for Major Items of Plant and Services**

**Manufacturer's Authorization**

**Affiliate Company Guarantee**

**Time Schedule**

**Functional Guarantee of the Proposed Facilities**

### **Site Organization**

***The Tenderer shall indicate here his proposed site establishment to execute the works if the contract is awarded to him.***

**Method Statement**

*The Tenderer shall indicate here his proposed method to execute the works if the contract is awarded to him.*

**Mobilization Schedule**

***The Tenderer shall indicate here his proposed mobilization schedule to execute the works if the contract is awarded to him.***

### **Construction Schedule**

To be furnished in the form of Bar chart (as per the clause for Time line)

*The Tenderer shall indicate here his proposed construction schedule to execute the works if the contract is awarded to him.*

### **Plants**

*The Tenderer shall indicate here his proposed Plants to execute the works if the contract is awarded to him.*

**Personnel****Form PER – 1: Proposed Personnel**

**Tenderers should provide the names of suitably qualified personnel to meet the requirements specified in Section 6 (Employer's Requirement).** The data on their experience should be supplied using the Form below for each candidate.

|      |                   |
|------|-------------------|
| 1.   | Title of position |
|      | Name              |
| 2.   | Title of position |
|      | Name              |
| 3.   | Title of position |
|      | Name              |
| 4.   | Title of position |
|      | Name              |
| etc. | Title of position |
|      | Name              |

**-- Note --**

***All titles of positions will be as listed in Section 6 (Employer's Requirements).***

**Form PER – 2: Resume of Proposed Personnel**

The Tenderer shall provide all the information requested below. Use one form for each position.

|                              |                                    |  |
|------------------------------|------------------------------------|--|
| <b>Position</b>              |                                    |  |
| <b>Personnel information</b> | <b>Name</b>                        | <b>Date of birth</b>                       |
|                              | <b>Professional qualifications</b> |  |
| <b>Present employment</b>    | <b>Name of employer</b>            |  |
|                              | <b>Address of employer</b>         |  |
|                              | <b>Telephone</b>                   | <b>Contact (manager/personnel officer)</b> |
|                              | <b>Fax</b>                         | <b>E-mail</b>                              |
|                              | <b>Job title</b>                   | <b>Years with present employer</b>         |

Summarize professional experience in reverse chronological order. Indicate particular technical and managerial experience relevant to the project.

| From | To | Company/Project/Position/Relevant Technical and Management Experience |
|------|----|---|
|      |    |   |
|      |    |   |
|      |    |   |
|      |    |   |
|      |    |   |
|      |    |   |
|      |    |   |
|      |    |   |
|      |    |   |
|      |    |   |
|      |    |   |

**Equipment****Form EQU: Equipment**

The Tenderer shall provide adequate information and details to demonstrate clearly that it has the capability to meet the equipment requirements indicated in Section 6 (Employer's Requirements)/Volume II (Technical Specification), using the Forms below. A separate Form shall be prepared for each item of equipment listed, or for alternative equipment proposed by the Tenderer.

|                              |   |                               |
|------------------------------|---|-------------------------------|
| <b>Item of Equipment</b>     |   |                               |
| <b>Equipment Information</b> | <b>Name of manufacturer</b>   | <b>Model and power rating</b> |
|                              | <b>Capacity</b>   | <b>Year of manufacture</b>    |
| <b>Current Status</b>        | <b>Current location</b>   |                               |
|                              | <b>Details of current commitments</b>   |                               |
| <b>Source</b>                | <b>Indicate source of the equipment</b><br><input type="checkbox"/> Owned <input type="checkbox"/> Rented <input type="checkbox"/> Leased <input type="checkbox"/> Specially manufactured |                               |

Omit the following information for equipment owned by the Tenderer.

|                   |   |                               |
|-------------------|---|-------------------------------|
| <b>Owner</b>      | <b>Name of owner</b>  |                               |
|                   | <b>Address of owner</b>   |                               |
|                   | <b>Telephone</b>  | <b>Contact name and title</b> |
|                   | <b>Fax</b>  | <b>Telex</b>                  |
| <b>Agreements</b> | <b>Details of rental/lease/manufacture agreements specific to the project</b> |                               |
|                   |   |                               |
|                   |   |                               |



**Proposed Subcontractors, Sub-Vendor and/or Manufacturers for Major Items of Plant and Services**

The following Subcontractors and/or Manufacturers are proposed for carrying out the item of the facilities indicated based on Section 3 (Evaluation and Qualification Criteria). Tenderers can propose upto maximum of 3 (three) distinct names of reputed subcontractors/sub vendors or manufacturers. The successful tenderer has to supply the equipments as per the subcontractor/sub vendor or manufacturers list as proposed hereunder in the table.

**Note: The tenderer should not use phrases like “other reputed MAKE/Equivalent” etc.**

| Major Items of Plant and Services | Proposed Subcontractors or Manufacturers | Nationality |
|-----------------------------------|--|-------------|
|                                   |  |             |
|                                   |  |             |
|                                   |  |             |
|                                   |  |             |
|                                   |  |             |

**Manufacturer's Authorization (MA)**  
**(For items other than GIS as specified in Volume-II of the tender)**  
**(MA shall be submitted by tenderer for each equipment and for each manufacturer)**  
**(Format should not be altered)**

Date: *[insert date (as day, month and year) of Tender submission]*

IoCT No.: *[insert number of Tender process]*

To:

The Chief General Manager(PP&D),  
 O/o The Managing Director, AEGCL,  
 Bijulee Bhawan, Paltan Bazar, Guwahati-781001

WHEREAS

We ***[insert complete name of the manufacturer or manufacturer's authorized agent]***, who are official manufacturers or agent authorized by the Manufacturer of ***[insert type of goods manufactured]***, having factories at ***[insert full address of manufacturer's factories]***, do hereby authorize ***[insert complete name of the Tenderer]*** to submit a Tender the purpose of which is to provide the following goods, manufactured by us ***[insert name and/or brief description of the goods]***, and to subsequently negotiate and sign the Contract.

We hereby extend our full guarantee and warranty in accordance with Clause 27 of the General Conditions of Contract, with respect to the goods offered by the above firm.

We hereby confirm that the necessary spares and service for equipment/materials/accessories shall be available for the period for 10years from the date of commissioning of substation.

Further, we also hereby declare that we and ....., ***[insert: name of the Tenderer]*** have entered into a formal relationship in which, during the duration of the Contract (**including related services and warranty / defects liability**) we, the Manufacturer or Producer, will make our technical and engineering staff fully available to the technical and engineering staff of the successful Tenderer to assist that Tenderer, on a reasonable and best effort basis, in the performance of all its obligations to the Purchaser under the Contract.

In the capacity of ***[insert: title of position or other appropriate designation]*** **(and this should be signed by a person having the power of attorney to legally bind the manufacturer).**

Signed: *[insert signature(s) of authorized representative(s) of the manufacturer]*

Name: *[insert complete name(s) of authorized representative(s) of the manufacturer]*

Title: *[insert title]*

Duly authorized to sign this Authorization on behalf of *[insert complete name of the manufacturer]*

Dated on \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ *[insert date of signing]*

**Notes:**

1. *The letter of Undertaking should be on the letterhead of the Manufacturer and should be signed by a person competent and having **Power of Attorney to sign on behalf of the Manufacturer** (to be attached with this MA) to legally bind the Manufacturer. It shall be included by the tenderer in its tender.*
2. ***Above undertaking shall be as per ITT 31.2;***
3. ***Alteration/deletion of the writing as per prescribed formats shall lead to rejection.***

**(Manufacturer's Authorization for 400KV, 220KV and 132KV GIS Equipment being offered)  
(MA shall be submitted by tenderer for each manufacturer)**

Date: *[insert date (as day, month and year) of Tender submission]*

IoCT No.: *[insert number of Tender process]*

To,

The Chief General Manager(PP&D),

O/o The Managing Director, AEGCL,

Bijulee Bhawan, Paltan Bazar, Guwahati-781001

We, \_\_\_\_\_ who are established and reputed manufacturer, meeting the Qualifying requirement of Supply of 400KV, 220KV and 132KV GIS equipment as per your tender specification having, factories in .....do hereby authorize M/s\_\_\_\_\_ to offer our equipment for tender Against IoCT NO..... dated.....& Tender Specification-----

We hereby extend our full guarantee and warranty in accordance with Clause 27 of the General Conditions of Contract and clause no. 27.10 of the Special Conditions of Contract, with respect to the goods offered by the above firm.

We hereby confirm that the necessary spares and service for equipment/materials/accessories shall be available for the period for 10years from the date of commissioning of substation. We hereby undertake that 400KV, 220KV and 132KV GIS equipment being offered will meet the relevant technical specification (as per technical specification in Volume II) including supervision of erection, testing and commissioning of the offered equipment at site which will be carried out under your supervision.

Further, we also hereby declare that we and ....., ***[insert: name of the Tenderer]*** have entered into a formal relationship in which, during the duration of the Contract **(including related services and warranty / defects liability)** we, the Manufacturer or Producer, will make our technical and engineering staff fully available to the technical and engineering staff of the successful Tenderer to assist that Tenderer, on a reasonable and best effort basis, in the performance of all its obligations to the Purchaser under the Contract.

In the capacity of ***[insert: title of position or other appropriate designation]*** **(and this should be signed by a person having the power of attorney to legally bind the manufacturer).**

..

(Signature of Authorized Representative)

Name:

Design Common Seal of the Company:

Witness Signature with address

1.

2.

Notes:-

*1. The manufacturer authorization shall be submitted from the GIS equipment manufacturer, which should be filled in non-judicial stamp paper of worth Rs.100/- along with the tender. Successful tenderer shall have to submit all the undertakings and Manufacturing Authorization (MA) in notarized form **before signing of the contract**. The signatory of the manufacturer authorization should have the authorization from their Board of Director of the concerned Firm (notarized PoA). The tenderer shall submit the manufacturer authorization from any GIS manufacturers who meets the requirements as stated above for GIS equipment.*

*2. Alteration/deletion of the writing as per prescribed formats shall lead to rejection.*

**Affiliate Company Guarantee  
(If applicable)**

Name of ICT No.: \_\_\_\_\_

Name and address of Employer: \_\_\_\_\_

*[together with successors and assigns].*

We have been informed that *[name of Contractor]* (hereinafter called the "Contractor") is submitting an offer for the above-referenced Contract in response to your invitation, and that the conditions of your invitation require its offer to be supported by an affiliate company guarantee.

In consideration of you, the Employer, awarding the Contract to the Contractor, we *[name of affiliated company]* irrevocably and unconditionally guarantee to you, as a primary obligation, that (i) throughout the duration of the Contract, we will make available to the Contractor our financial, technical capacity, expertise and resources required for the Contractor's satisfactory performance of the Contract; and (ii) we are fully committed, along with the Contractor, to ensuring a satisfactory performance of the Contract.

If the Contractor fails to so perform its obligations and liabilities and comply with the Contract, we will indemnify the Employer against and from all damages, losses and expenses (including legal fees and expenses) which arise from any such failure for which the Contractor is liable to the Employer under the Contract.

This guarantee shall come into full force and effect when the Contract comes into full force and effect. If the Contract does not come into full force and effect within a year of the date of this guarantee, or if you demonstrate that you do not intend to enter into the Contract with the Contractor, this guarantee shall be void and ineffective. This guarantee shall continue in full force and effect until all the Contractor's obligations and liabilities under the Contract have been discharged, when this guarantee shall expire and shall be returned to us, and our liability hereunder shall be discharged absolutely.

This guarantee shall apply and be supplemental to the Contract as amended or varied by the Employer and the Contractor from time to time. We hereby authorize them to agree on any such amendment or variation, the due performance of which and compliance with which by the Contractor are likewise guaranteed hereunder. Our obligations and liabilities under this guarantee shall not be discharged by any allowance of time or other indulgence whatsoever by the Employer to the Contractor, or by any variation or suspension of the works to be executed under the Contract, or by any amendments to the Contract or to the constitution of the Contractor or the Employer, or by any other matters, whether with or without our knowledge or consent.

This guarantee shall be governed by the law of the same country (or other jurisdiction) that governs the Contract and any dispute under this guarantee shall be finally settled under the *[Rules or Arbitration provided in the Contract]*. We confirm that the benefit of this guarantee may be assigned subject only to the provisions for assignment of the Contract.

Signed by:..... Signed by: .....

*[signature]*

*[signature]*

.....

.....

*[name]*

*[name]*

*[position in parent/subsidiary company]*

*[position in parent/subsidiary company]*

Date:.....

**-- Note --**

*If permitted in accordance with ITT 35.2 of the TDS, the Tenderer shall fill out the Affiliate Company Guarantee Form for each subsidiary, parent entity, affiliate, subcontractor, etc. that the Tenderer submits for consideration of the Employer in determining its qualifications.*

**Time Schedule (Not Applicable)**

To be used by Tenderer when alternative Time for Completion is invited in ITT 13.2.



### Functional Guarantee of the Proposed Facilities

#### Form FUNC

The Tenderer shall copy on the left column of the table below, the identification of each functional guarantee required in the Specification and stated by the Employer in EQC 1.3.4 of Section 3, Evaluation and Qualification Criteria, and on the right column, provide the corresponding value for each functional guarantee of the proposed plant and equipment.

| <b>Functional Guarantee</b> <i>[as required by the Employer in Section 3]</i> | <b>Functional Guarantee Value Offered by the Tenderer</b> |
|---|---|
| 1.  |   |
| 2.  |   |
| 3.  |   |
| ...   |   |

#### Tenderer's Qualification

To establish its qualifications to perform the contract in accordance with Section 3 (Evaluation and Qualification Criteria) the Tenderer shall provide the following information requested in the corresponding Information Sheets.

**Form ELI - 1: Tenderer's Information Sheet**

| <b>Tenderer's Information</b>  |  |
|--|--|
| <b>Tenderer's legal name</b>   |  |
| <b>In case of a Joint Venture, legal name of each partner</b>  |  |
| <b>Tenderer's country of constitution</b>  |  |
| <b>Tenderer's year of constitution</b>   |  |
| <b>Tenderer's legal address in country of constitution</b>   |  |
| <b>Tenderer's authorized representative</b><br>(name, address, telephone number(s), fax number(s), e-mail address)   |  |
| <p><b>Attached are copies of the following documents:</b></p> <p><input type="checkbox"/> 1. In case of a single entity, articles of incorporation or constitution of the legal entity named above, in accordance with ITT 4.1 and ITT 4.2</p> <p><input type="checkbox"/> 2. Authorization to represent the firm or Joint Venture named above, in accordance with ITT 22.2</p> <p><input type="checkbox"/> 3. In case of a Joint Venture, a letter of intent to form a Joint Venture or Joint Venture agreement, in accordance with ITT 4.1</p> <p><input type="checkbox"/> 4. In case of a government-owned enterprise, any additional documents not covered under 1 above required to comply with ITT 4.5</p> |  |

**Form ELI - 2: Joint Venture Information Sheet**

Each member of the Joint Venture must fill out this form separately. Subcontractor must fill out this form (As per Clause 2.6 of Section 3).

| <b>Joint Venture/Subcontractor Information</b>   |  |
|--|--|
| <b>Tenderer's legal name</b>   |  |
| <b>Joint Venture Partner's or Subcontractor's legal name</b>   |  |
| <b>Joint Venture Partner's or Subcontractor's country of constitution</b>  |  |
| <b>Joint Venture Partner's or Subcontractor's year of constitution</b>   |  |
| <b>Joint Venture Partner's or Subcontractor's legal address in country of constitution</b>   |  |
| <b>Joint Venture Partner's or Subcontractor's authorized representative information</b><br>(name, address, telephone number(s), fax number(s), e-mail address)   |  |
| <b>Attached are copies of the following documents:</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> 1. Articles of incorporation or constitution of the legal entity named above, in accordance with ITT 4.1 and ITT 4.2</li> <li><input type="checkbox"/> 2. Authorization to represent the firm named above, in accordance with ITT 22.2</li> <li><input type="checkbox"/> 3. In the case of a government-owned enterprise, documents establishing legal and financial autonomy and compliance with commercial law, in accordance with ITT 4.5</li> </ul> |  |

Subcontractors are those listed in Technical Proposal – Proposed Subcontractors and/or Manufacturers for Major Items of Plant and Services.

**Form LIT - Pending Litigation**

Each Tenderer must fill in this form

| Pending Litigation  |                   |                                  |   |
|---|-------------------|----------------------------------|---|
| <input type="checkbox"/> No pending litigation in accordance with Criteria 2.0 of Section 3 (Evaluation and Qualification Criteria) |                   |                                  |   |
| <input type="checkbox"/> Pending litigation in accordance with Criteria 2.1.3 of Section 3 (Evaluation and Qualification Criteria)  |                   |                                  |   |
| Year  | Matter in Dispute | Value of Pending Claim in Rupees | Value of Pending Claim as a Percentage of Net Worth |
|   |                   |                                  |   |
|   |                   |                                  |   |
|   |                   |                                  |   |
|   |                   |                                  |   |

**Form CON – 1: Historical Contract Nonperformance**

Each Tenderer must fill out this form in accordance with Criteria 2.2.1 and 2.2.3 of Section 3 (Evaluation and Qualification Criteria) to describe any history of nonperforming contracts and pending litigation or arbitration formally commenced against it.

In case of a Joint Venture, each Joint Venture Partner must fill out this form separately and provide the Joint Venture Partner's name:

Joint Venture Partner: \_\_\_\_\_

**Table 1: History of Nonperforming Contracts**

**Choose one of the following:**

- ☐ No nonperforming contracts.
- ☐ Below is a description of nonperforming contracts involving the Tenderer (or each Joint Venture member if Tenderer is a Joint Venture).

| Year                 | Description  | Amount of Nonperformed Portion of Contract (\$ equivalent) | Total Contract Amount (\$ equivalent) |
|----------------------|--|--|---------------------------------------|
| <i>[insert year]</i> | Contract Identification: <i>[indicate complete contract name/ number, and any other identification]</i><br><br>Name of Employer: <i>[insert full name]</i><br><br>Address of Employer: <i>[insert street/city/country]</i><br><br>Reason(s) for nonperformance: <i>[indicate main reason(s)]</i> | <i>[insert amount]</i>                                     | <i>[insert amount]</i>                |
|                      |  |  |                                       |

**Table 2: Pending Litigation and Arbitration**

**Choose one of the following:**

- ☐ No pending litigation and arbitration.
- ☐ Below is a description of all pending litigation and arbitration against the Tenderer (or each Joint Venture member if Tenderer is a Joint Venture).

| Year | Matter in Dispute | Value of Pending Claim in \$ Equivalent | Value of Pending Claim as a Percentage of Net Worth |
|------|-------------------|---|---|
|      |                   |   |   |

|               |  |                 |                 |
|---------------|--|-----------------|-----------------|
| [insert year] | Contract Identification: <i>[indicate complete contract name/ number, and any other identification]</i><br><br>Name of Employer: <i>[insert full name]</i><br><br>Address of Employer: <i>[insert street/city/country]</i><br><br>Matter of Dispute: <i>[indicate full description of dispute]</i><br>Party who initiated the dispute: <i>[indicate "Employer" or "Contractor"]</i><br>Status: <i>[indicate status of dispute]</i> | [insert amount] | [insert amount] |
|               |  |                 |                 |

**- Note -**

Table 2 of this form shall only be included if Criterion 2.2.3 of Section 3 (Evaluation and Qualification Criteria) is applicable.

**Form FIN - 1: Historical Financial Performance**

Each Tenderer must fill out this form.

In case of a Joint Venture, each Joint Venture Partner must fill out this form separately and provide the Joint Venture Partner's name:

Joint Venture Partner: \_\_\_\_\_

| Financial Data for Previous _____ Years [\$ Equivalent] |         |         |         |         |
|---|---------|---------|---------|---------|
| Year 1:   | Year 2: | Year 3: | Year 4: | Year 5: |
|   |         |         |         |         |

**Information from Balance Sheet**

|                           |  |  |  |  |  |
|---------------------------|--|--|--|--|--|
| Total Assets (TA)         |  |  |  |  |  |
| Total Liabilities (TL)    |  |  |  |  |  |
| Net Worth = TA-TL         |  |  |  |  |  |
| Current Assets (CA)       |  |  |  |  |  |
| Current Liabilities (CL)  |  |  |  |  |  |
| Working Capital = CA - CL |  |  |  |  |  |

|                             |  |   |
|-----------------------------|--|---|
| Most Recent Working Capital |  | To be obtained for most recent year and carried forward to FIN - 3 Line 1; in case of Joint Ventures, to the corresponding Joint Venture Partner's FIN – 3. |
|-----------------------------|--|---|

**Information from Income Statement**

|                      |  |  |  |
|----------------------|--|--|--|
| Total Revenues       |  |  |  |
| Profits Before Taxes |  |  |  |
| Profits After Taxes  |  |  |  |

- ☐ Attached are copies of financial statements (balance sheets including all related notes, and income statements) for the last \_\_\_\_ years, as indicated above, complying with the following conditions.
- Unless otherwise required by Section 3 of the Tender Documents, all such documents reflect the financial situation of the legal entity or entities comprising the Tenderer and not the Tenderer's parent companies, subsidiaries or affiliates.
  - Historical financial statements must be audited by a certified accountant.
  - Historical financial statements must be complete, including all notes to the financial statements.
  - Historical financial statements must correspond to accounting periods already completed and audited (no statements for partial periods shall be requested or accepted).



**Form FIN - 2: Average Annual Turnover**

Each Tenderer must fill out this form.

The information supplied should be the Annual Turnover of the Tenderer or each member of a Joint Venture in terms of the amounts billed to clients for each year for work in progress or completed, converted to US dollars at the rate of exchange at the end of the period reported.

In case of a Joint Venture, each Joint Venture Partner must fill out this form separately and provide the Joint Venture Partner's name:

Joint Venture Partner: \_\_\_\_\_

| Annual Turnover Data for the Last ____ Years |                    |                  |                  |
|--|--------------------|------------------|------------------|
| Year   | Amount<br>Currency | Exchange<br>Rate | \$<br>Equivalent |
|  |                    |                  |                  |
|  |                    |                  |                  |
|  |                    |                  |                  |
| Average Annual Turnover                      |                    |                  |                  |

**Form FIN – 3: Availability of Financial Resources**

Tenderers must demonstrate sufficient financial resources, usually comprising of Working Capital supplemented by credit line statements or overdraft facilities and others to meet the Tenderer's financial requirements for

- (a) its current contract commitments, and
- (b) the subject contract.

In case of a Joint Venture, each Joint Venture Partner must fill out this form separately and provide the Joint Venture Partner's name:

Joint Venture Partner: \_\_\_\_\_

| Financial Resources                 |  |                        |
|-------------------------------------|--|------------------------|
| No.                                 | Source of financing                        | Amount (\$ equivalent) |
| 1                                   | Working Capital (to be taken from FIN - 1) |                        |
| 2                                   | Credit Line <sup>a</sup>                   |                        |
| 3                                   | Other Financial Resources                  |                        |
| Total Available Financial Resources |  |                        |

<sup>a</sup> To be substantiated by a letter from the bank issuing the line of credit.

**Form FIN- 4: Financial Requirements for Current Contract Commitments**

Tenderers (or each Joint Venture partner) should provide information on their current commitments on all contracts that have been awarded, or for which a letter of intent or acceptance has been received, or for contracts approaching completion, but for which an unqualified, full completion certificate has yet to be issued.

In case of a Joint Venture, each Joint Venture Partner must fill out this form separately and provide the Joint Venture Partner's name:

Joint Venture Partner: \_\_\_\_\_

| Current Contract Commitments   |                  |   |                             |  |  |  |
|--|------------------|---|-----------------------------|--|--|--|
| No .   | Name of Contract | Employer's Contact<br>(Address, Tel, Fax) | Contract Completion<br>Date | Outstanding Contract Value<br>(X) <sup>a</sup> | Remaining Contract Period in months (Y) <sup>b</sup> | Monthly Financial Resources Requirement<br>(X / Y) |
| 1  |                  |   |                             |  |  |  |
| 2  |                  |   |                             |  |  |  |
| 3  |                  |   |                             |  |  |  |
| 4  |                  |   |                             |  |  |  |
| Total Monthly Financial Requirement for Current Contract Commitments |                  |   |                             |  |  | \$ .....   |

<sup>a</sup> Remaining outstanding contract values to be calculated from 28 days prior to the Tender submission deadline (\$ equivalent based on the foreign exchange rate as of the same date).

<sup>b</sup> Remaining contract period to be calculated from 28 days prior to Tender submission deadline.

**Form FIN - 5: Self-Assessment Tool for Tenderer's Compliance to Financial Resources (Criterion 2.3.3 of Section 3)**

This form requires the same information submitted in Forms FIN - 3 and FIN - 4. All conditions of "Available Financial Resources Net of CCC  $\geq$  Requirement for the Subject Contract" must be satisfied to qualify.

**Form FIN - 5A: For Single Entities**

| For Single Entities:<br>(A) | Total Available Financial Resources from FIN – 3<br>(B) | Total Monthly Financial Requirement for Current Contract Commitments (CCC) from FIN – 4<br>(C) | Available Financial Resources Net of CCC<br>$D = (B - C)$ | Requirement for the Subject Contract<br>(E) | Results:<br>Yes or No<br>[D must be greater than or equal to E]<br>(F) |
|-----------------------------|---|--|---|---|--|
| _____<br>(Name of Tenderer) |   |  |   | .....                                       |  |

**Form FIN - 5B: For Joint Ventures**

| For Joint Ventures:<br>(A)   | Total Available Financial Resources from FIN – 3<br>(B) | Total Monthly Financial Requirement for Current Contract Commitments (CCC) from FIN – 4<br>(C) | Available Financial Resources Net of CCC<br>$D = (B - C)$ | Requirement for the Subject Contract<br>(E) | Results:<br>Yes or No<br>[D must be greater than or equal to E]<br>(F) |
|------------------------------|---|--|---|---|--|
| One Partner:                 |   |  |   |   |  |
| _____<br>(Name of Partner)   |   |  |   | .....                                       |  |
| Each Partner:                |   |  |   |   |  |
| _____<br>(Name of Partner 1) |   |  |   | .....                                       |  |
| _____<br>(Name of Partner 2) |   |  |   | .....                                       |  |

|                                 |  |  |                  |       |  |
|---------------------------------|--|--|------------------|-------|--|
| _____<br>(Name of Partner<br>3) |  |  |                  | ..... |  |
| All partners<br>combined        | $\sum D$ = Sum of available financial resources<br>net of current contract commitments for all<br>partners |  | $\sum D$ = _____ | ..... |  |

*Form FIN – 5 is made available for use by the Tenderer as a self-assessment tool, and by the Employer as an evaluation work sheet, to determine compliance with the financial resources requirement as stated in 2.3.3. Failure to submit Form FIN - 5 by the Tenderer shall not lead to Tender rejection.*

**Form EXP – 1: Contracts of Similar Size and Nature**

Fill out one (1) form per contract.

The exchange rate to be used to calculate the value of the contract for conversion to a specific currency shall be the selling rate of the Borrower's national bank on the date of the contract.

| Contract of Similar Size and Nature   |   |                 |
|---|---|-----------------|
| Contract No . . . . . of . . . . .<br>.   | Contract Identification   |                 |
| Award Date  |   | Completion Date |
| Role in Contract  | <input type="checkbox"/> Contractor <input type="checkbox"/> Management Contractor <input type="checkbox"/> Subcontractor |                 |
| Total Contract Amount   | \$  |                 |
| If partner in a Joint Venture or Subcontractor, specify participation of total contract amount                        | Percent of Total  | Amount          |
| Employer's name<br>Address<br>Telephone number<br>Fax number<br>E-mail  |   |                 |
| Description of the Similarity in Accordance with Criterion 2.4.1 of Section 3 (Evaluation and Qualification Criteria) |   |                 |
|   |   |                 |

**Form EXP - 2: Experience in Key Activities**

Fill out one (1) form per contract.

Each Tenderer must fill out this form.

If complied by Specialist Subcontractor, each Specialist Subcontractor must fill out this form and provide the Specialist Subcontractor's name:

Specialist Subcontractor: \_\_\_\_\_

| Contract with Similar Key Activities  |   |        |
|---|---|--------|
| Contract No . . . . . of . . . . .  | Contract Identification   |        |
| Award Date  | Completion Date   |        |
| Role in Contract  | <input type="checkbox"/> Contractor <input type="checkbox"/> Management Contractor <input type="checkbox"/> Subcontractor |        |
| Total Contract Amount   | \$  |        |
| If partner in a Joint Venture or Subcontractor, specify participation of total contract amount                            | Percent of Total  | Amount |
| Employer's name<br>Address<br>Telephone number<br>Fax number<br>E-mail  |   |        |
| Description of the Key Activities in Accordance with Criterion 2.4.2 of Section 3 (Evaluation and Qualification Criteria) |   |        |
|   |   |        |

**Form EXP - 3: Subcontractors**

Fill out one (1) form per contract.

| Contract for the Major Items   |   |                 |
|--|---|-----------------|
| Contract No . . . . . of . . . . .<br>...  | Contract Identification   |                 |
| Award Date   |   | Completion Date |
| Role in Contract   | <input type="checkbox"/> Contractor <input type="checkbox"/> Management Contractor <input type="checkbox"/> Subcontractor |                 |
| Total Contract Amount  | \$  |                 |
| If partner in a Joint Venture or Subcontractor, specify participation of total contract amount                       | Percent of Total  | Amount          |
| Employer's name<br>Address<br>Telephone number<br>Fax number<br>E-mail   |   |                 |
| Description of the Major Items in Accordance with Criterion 2.5 of Section 3 (Evaluation and Qualification Criteria) |   |                 |
|  |   |                 |



**Form TC: Technical Compliance**  
**(To be filled in and signed by the Tenderder)**  
**(Only the relevant items for this Project to be filled)**

To :  
AEGCL

From :  
Tenderder Name & Address

| SL NO | Name of the equipment/materials of all voltage class   | Whether type test as per IS/IEC (carried out on identically designed material/equipment as per technical specification) (Yes/NO) | Type test done from govt. recognised test house or laboratory/NABL accredited laboratory (Yes/NO) | Whether GTP of offered materials/equipment/Accessories shall conform Technical specification, S.T.P and relevant IS and IEC. (Yes/NO) |
|-------|--|--|---|---|
| 1     | 400KV, 220KV and 132KV GIS   |  |   |   |
| 2     | 500MVA, 400/220kV; 100MVA, 220/33kV, and 50MVA 132/33kV Power Transformer along with all accessories |  |   |   |
| 3     | 400KV, 220KV and 132KV LA  |  |   |   |
| 4     | 400KV, 220KV and 132KV Wave Trap   |  |   |   |
| 5     | 400KV, 220KV and 132KV CVT   |  |   |   |
| 6     | 400KV, 220KV and 132KV Isolator  |  |   |   |
| 7     | 33kV LA  |  |   |   |
| 8     | 33kV Isolator  |  |   |   |
| 9     | XLPE cable   |  |   |   |
| 10    | Conductors   |  |   |   |
| 11    | 245kV GIS  |  |   |   |
| a     | Bus Bar Protection Panel   |  |   |   |
| b     | Line Protection Panel with Auto Reclose and LBB  |  |   |   |
| c     | Transformer Protection Panel   |  |   |   |
| d     | Bus Coupler Protection Panel   |  |   |   |

|    |  |  |  |  |
|----|--|--|--|--|
| 12 | 36kV Indoor AIS  |  |  |  |
| a  | Line Protection Panel with LBB   |  |  |  |
| b  | Transformer Protection Panel   |  |  |  |
| c  | Bus Sectionalizer Panel  |  |  |  |
| 13 | Station Service Transformer Panel  |  |  |  |
| 14 | 33kV, 3 Phase, 13 Panel Indoor Drawn out type switchgear as per specification with complete protection schemes (Single bus with sectionalizer including 33kV PT) |  |  |  |
| 15 | Complete Substation Automation System (as per Technical Specification)   |  |  |  |
| a  | Bay Control Units for 220kV Bays   |  |  |  |
| b  | Bay Control Units for 33kV Bays  |  |  |  |
| c  | Bay control Units for auxiliary system   |  |  |  |
| d  | All other accessories like FO armoured cables, Patch cords, furniture for HMIs and printers, cables etc  |  |  |  |
| e  | GPS Clock System   |  |  |  |
| f  | Ethernet Switch  |  |  |  |
| 16 | Battery & Battery Chargers, DCDB & ACDB  |  |  |  |
|    | (a) 220V VRLA Battery, 500AH   |  |  |  |
|    | (b) 220V, Dual Float Cum Boost Chargers, 120A  |  |  |  |
|    | (c) 220V, DCDB   |  |  |  |
|    | (d) 48V VRLA type Battery Bank, 300 AH   |  |  |  |
|    | (e) 48V, Float cum Boost Chargers, 150AH   |  |  |  |

|    |   |  |  |  |
|----|---|--|--|--|
| 17 | Auxiliary Station<br>Service Transformers   |  |  |  |
| 18 | PLCC System (if<br>applicable)  |  |  |  |
| 19 | OPGW Equipment  |  |  |  |
| 20 | Clamp & Connectors  |  |  |  |
| 21 | GIS Bus duct  |  |  |  |
| 22 | Post/disc/long rod<br>insulator and<br>insulator hardware<br>fittings                     |  |  |  |
| 23 | Supply & Testing<br>equipment of GIS  |  |  |  |
| 24 | Transmission Towers<br>(including Type Test<br>Certificates as per<br>IS802 Version 2015) |  |  |  |

Date:

Signature of the Tenderer:

Place:

Name:

Designation:

Seal:

## **Section 5: Eligible Countries**

### **Eligibility for the Provision of Goods, Works and Non-Consulting Services in Bank-Financed Procurement**

In reference to ITT 4.8 and 5.1, for the information of the Tenderers, at the present time firms, goods and services from the following countries are excluded from this Tendering process:

Under ITB 4.8 (a) and 5.1: none

Under ITB 4.8 (b) and 5.1: none

## Section 6: Employer's Requirements

### Table of Contents

This Section contains the Specification, the Drawings, and supplementary information that describe the Works to be procured.

### Table of Contents

|           |  |       |
|-----------|--|-------|
| <b>1</b>  | <b>Scope of Supply of Plant and Services</b> | 6-106 |
| <b>2</b>  | <b>Specification</b>                         | 6-106 |
| <b>3</b>  | <b>Drawings</b>                              | 6-106 |
| <b>4</b>  | <b>Supplementary Information</b>             | 6-106 |
| <b>5</b>  | <b>Certificates</b>                          | 6-107 |
| 01        | Form of Completion Certificate               | 6-107 |
| 1.01.1    | Form of Operational Acceptance Certificate   | 6-108 |
| <b>6</b>  | <b>Change Orders</b>                         | 6-109 |
| 6.1       | Change Order Procedure                       | 6-109 |
| 6.1.1     | General                                      | 6-109 |
| 6.1.2     | Change Order Log                             | 6-109 |
| 6.1.3     | References for Changes                       | 6-109 |
| 6.2       | Change Order Forms                           | 6-110 |
| 6.2.1     | Request for Change Proposal Form             | 6-110 |
| 6.2.2     | Estimate for Change Proposal Form            | 6-112 |
| 6.2.3     | Acceptance of Estimate Form                  | 6-114 |
| 6.2.4     | Change Proposal Form                         | 6-115 |
| 6.2.5     | Change Order Form                            | 6-118 |
| 6.2.6     | Pending Agreement Change Order Form          | 6-120 |
| 6.2.7     | Application for Change Proposal Form         | 6-121 |
| <b>7.</b> | Personnel Requirements.....                  | 6-122 |
| <b>8.</b> | Equipment Requirements.....                  | 6-123 |

## Section 6

### Employer's Requirements

#### 1. Scope of Supply of Plant and Services

The scope of supply of plant and services in details are covered in **Volume-II (Part-II, Technical Specification)** of this Tendering Document.

- 1.1. *The tentative Bill of Quantities are furnished in Price Schedule.*
- 1.2. *The quantities are provisional in nature and for tendering purpose and for tender comparison purpose only. Quantities may vary to the extent of (+) 15 % to (-) 15% in terms of total Contract Price.*
- 1.3. *If any items which is not specifically mentioned in Price Schedule but required to complete the works as per Specification shall deemed to be included in any of the items of these Annexure. Additions, deletions or modification of these items while preparing the Price Tender by the Tenderer shall render his tender non responsive.*

#### 2. Specification

- 2.1. The technical specifications for plant and services are covered in a separate volume (**Volume-II, Technical Specification**) of this Tendering Document.
- 2.2. The following Sections are included in the Technical Specification:  
(The Tenderer shall refer to Volume II & III)

#### 3. Drawings

- 3.1. Drawings based on which the facilities shall be built are enclosed in the **Volume-III** of the Tendering Document.  
  
Drawings provided in the tender are only indicative in nature and should not be considered as final. The successful tenderer shall have to submit minimum of 5 (five) copies of completed drawings generated by them to the Employer for necessary approval and consequently undertake construction based on those approved drawings.

#### 4. Supplementary Information

- 4.1. For any information regarding the employer's requirements, tenderers shall refer to **Volume-II & III** of the Tendering Document.

## 5. Certificates

### 5.1 Form of Completion Certificate

Contract: [ . . . **insert name of contract and contract identification details** . . . ]

Date: .....

Certificate No.: .....

To: [ . . . **insert name and address of Contractor** . . . ]

Dear Ladies and/or Gentlemen,

Pursuant to GC Clause 24 (Completion of the Facilities) of the General Conditions of the Contract entered into between yourselves and the Employer dated [ . . . **insert date** . . . ], relating to the [ . . . **brief description of the Facilities** . . . ], we hereby notify you that the following part(s) of the Facilities was (were) complete on the date specified below, and that, in accordance with the terms of the Contract, the Employer hereby takes over the said part(s) of the Facilities, together with the responsibility for care and custody and the risk of loss thereof on the date mentioned below.

1. Description of the Facilities or part thereof: [ . . . **description** . . . ]

2. Date of Completion: [ . . . **date** . . . ]

However, you are required to complete the outstanding items listed in the attachment hereto as soon as practicable.

This letter does not relieve you of your obligation to complete the execution of the Facilities in accordance with the Contract nor of your obligations during the Defect Liability Period.

Very truly yours,

[ . . . **Signature** . . . ]

Project Manager

**1.1 Form of Operational Acceptance Certificate**

Contract: [ . . . . *insert name of contract and contract identification details* . . . . ]

Date: .....

Certificate No.: .....

To: [ . . . . *insert name and address of Contractor* . . . . ]

Pursuant to GC Sub-Clause 25.3 (Operational Acceptance) of the General Conditions of the Contract entered into between yourselves and the Employer dated [***date***], relating to the [***brief description of the Facilities***], we hereby notify you that the Functional Guarantees of the following part(s) of the Facilities were satisfactorily attained on the date specified below.

1. Description of the Facilities or part thereof: [***description***]
2. Date of Operational Acceptance: [***date***]

This letter does not relieve you of your obligation to complete the execution of the Facilities in accordance with the Contract nor of your obligations during the Defect Liability Period.

Very truly yours,

[ . . . . ***Signature*** . . . . ]

Project Manager



**6. Change Orders****6.1. Change Order Procedure****6.1.1. General**

This section provides samples of procedures and forms for implementing changes in the Facilities during the performance of the Contract in accordance with GC Clause 39 (Change in the Facilities) of the General Conditions.

**6.1.2. Change Order Log**

The Contractor shall keep an up-to-date Change Order Log to show the current status of Requests for Change and Changes authorized or pending, as Annex 8. Entries of the Changes in the Change Order Log shall be made to ensure that the log is up-to-date. The Contractor shall attach a copy of the current Change Order Log in the monthly progress report to be submitted to the Employer.

**6.1.3. References for Changes**

- (1) Request for Change as referred to in GC Clause 39 shall be serially numbered CR-X-nnn.
- (2) Estimate for Change Proposal as referred to in GC Clause 39 shall be serially numbered CN-X-nnn.
- (3) Acceptance of Estimate as referred to in GC Clause 39 shall be serially numbered CA-X-nnn.
- (4) Change Proposal as referred to in GC Clause 39 shall be serially numbered CP-X-nnn.
- (5) Change Order as referred to in GC Clause 39 shall be serially numbered CO-X-nnn.

Note:

- (a) Requests for Change issued from the Employer's Home Office and the Site representatives of the Employer shall have the following respective references:

|             |          |
|-------------|----------|
| Home Office | CR-H-nnn |
| Site        | CR-S-nnn |

- (b) The above number "nnn" is the same for Request for Change, Estimate for Change Proposal, Acceptance of Estimate, Change Proposal and Change Order.

## 6.2. Change Order Forms

### 6.2.1. Request for Change Proposal Form

[ *Employer's Letterhead* ]

To: [ *Contractor's name and address* ]

Date:

Attention: [ *Name and title* ]

Contract Name: [ *Contract name* ]

Contract Number: [ *Contract number* ]

Dear Ladies and/or Gentlemen:

With reference to the captioned Contract, you are requested to prepare and submit a Change Proposal for the Change noted below in accordance with the following instructions within [ *number* ] days of the date of this letter [or on or before ( *date* )].

1. Title of Change: [ *Title* ]
2. Change Request No./Rev.: [ *Number* ]
3. Originator of Change:

***Employer: [Name]***

***Contractor (by Application for Change Proposal No. [Number Refer to Annex 5.2.7]***

4. Brief Description of Change: [ *Description* ]
5. Facilities and/or Item No. of equipment related to the requested Change: [ *Description* ]
6. Reference drawings and/or technical documents for the request of Change:

***Drawing No./Document No.***

***Description***

7. Detailed conditions or special requirements on the requested Change: [ *Description* ]
8. General Terms and Conditions:

- (a) Please submit your estimate to us showing what effect the requested Change will have on the Contract Price.
- (b) Your estimate shall include your claim for the additional time, if any, for completion of the requested Change.
- (c) If you have any critical opinion regarding the adoption of the requested Change in connection with the conformability to the other provisions of the Contract or the safety of the Plant or Facilities, please inform us of your opinion in your proposal of revised provisions.

- (d) Any increase or decrease in the work of the Contractor relating to the services of its personnel shall be calculated.
- (e) You shall not proceed with the execution of the work for the requested Change until we have accepted and confirmed the amount and nature in writing.

[ ***Employer's Name*** ]

[ ***Signature*** ]

[ ***Name of signatory*** ]

[ ***Title of signatory*** ]

**6.2.2. Estimate for Change Proposal Form**[ **Contractor's Letterhead** ]To: [ **Employer's name and address** ]

Date:

Attention: [ **Name and title** ]Contract Name: [ **Contract name** ]Contract Number: [ **Contract number** ]

Dear Ladies and/or Gentlemen:

With reference to your Request for Change Proposal, we are pleased to notify you of the approximate cost of preparing the below-referenced Change Proposal in accordance with GC Sub-Clause 39.2.1 of the General Conditions. We acknowledge that your agreement to the cost of preparing the Change Proposal, in accordance with GC Sub-Clause 39.2.2, is required before estimating the cost for change work.

1. Title of Change: [ **Title** ]
2. Change Request No./Rev.: [ **Number** ]
3. Brief Description of Change: [ **Description** ]
4. Scheduled Impact of Change: [ **Description** ]
5. Cost for Preparation of Change Proposal: [ **insert costs which shall be in the currencies of the Contract** ]

(a) Engineering (Amount)

(i) Engineer \_\_\_\_\_ hrs x \_\_\_\_\_ rate/hr = \_\_\_\_\_

(ii) Draftsperson \_\_\_\_\_ hrs x \_\_\_\_\_ rate/hr = \_\_\_\_\_

Sub-total \_\_\_\_\_ hrs \_\_\_\_\_

Total Engineering Cost \_\_\_\_\_

(b) Other Cost \_\_\_\_\_

Total Cost (a) + (b) \_\_\_\_\_

[ ***Contractor's Name*** ]

[ ***Signature*** ]

[ ***Name of signatory*** ]

[ ***Title of signatory*** ]

**6.2.3. Acceptance of Estimate Form****[Employer's Letterhead]**To: [ **Contractor's name and address** ]

Date:

Attention: [ **Name and title** ]Contract Name: [ **Contract name** ]Contract Number: [ **Contract number** ]

Dear Ladies and/or Gentlemen:

We hereby accept your Estimate for Change Proposal and agree that you should proceed with the preparation of the Change Proposal.

1. Title of Change: [ **Title** ]
2. Change Request No./Rev.: [ **Request number/revision** ]
3. Estimate for Change Proposal No./Rev.: [ **Proposal number/revision** ]
4. Acceptance of Estimate No./Rev.: [ **Estimate number/revision** ]
5. Brief Description of Change: [ **Description** ]
6. Other Terms and Conditions: In the event that we decide not to order the Change accepted, you shall be entitled to compensation for the cost of preparation of Change Proposal described in your Estimate for Change Proposal mentioned in para. 3 above in accordance with GC Clause 39 of the General Conditions.

[ **Employer's Name** ][ **Signature** ][ **Name of signatory** ][ **Title of signatory** ]

**6.2.4. Change Proposal Form**[Contractor's **Letterhead**]To: [Employer's **name and address**]

Date:

Attention: [**Name and title** ]Contract Name: [**Contract name** ]Contract Number: [**Contract number** ]

Dear Ladies and/or Gentlemen:

In response to your Request for Change Proposal No. [Number], we hereby submit our proposal as follows:

1. Title of Change: [ **Name** ]
2. Change Proposal No./Rev.: [ **Proposal number / revision** ]
3. Originator of Change: Employer: [ **Name** ] / Contractor: [ **Name** ]
4. Brief Description of Change: [ **Description** ]
5. Reasons for Change: [ **Reason** ]
6. Facilities and/or Item No. of Equipment related to the requested Change: [ **Facilities** ]
7. Reference drawings and/or technical documents for the requested Change:  
[**Drawing/Document No./Description**]
8. Estimate of increase/decrease to the Contract Price resulting from Change Proposal:

Amount

[ **insert amounts in the currencies of the****Contract** ]

(a) Direct material

(b) Major construction equipment

|  |  |   |       |
|--|--|---|-------|
| (c)  | Direct field labor (Total                    | hrs)  | _____ |
| (d)  | Subcontracts                                 |   | _____ |
| (e)  | Indirect material and labor                  |   | _____ |
| (f)  | Site supervision                             |   | _____ |
| (g)  | Head office technical staff salaries         |   |       |
|  | Process engineer                             | _____ hrs @ _____ rate/hr                         | _____ |
|  | Project engineer                             | _____ hrs @ _____ rate/hr                         | _____ |
|  | Equipment engineer                           | _____ hrs @ _____ rate/hr                         | _____ |
|  | Procurement                                  | _____ hrs @ _____ rate/hr                         | _____ |
|  | Draftsperson                                 | _____ hrs @ _____ rate/hr                         | _____ |
|  | Total  | _____ hrs   |       |
| (h)  | Extraordinary costs (computer, travel, etc.) |   | _____ |
| (i)  | Fee for general administration,              | % of Items  | _____ |
| (j)  | Taxes and customs duties                     |   | _____ |
| Total lump sum cost of Change Proposal       |  | <b>[Sum of items (a) to (j)]</b>                  |       |
| Cost to prepare Estimate for Change Proposal |  | <b>[Amount payable if Change is not accepted]</b> |       |

9. Additional time for Completion required due to Change Proposal
10. Effect on the Functional Guarantees
11. Effect on the other terms and conditions of the Contract
12. Validity of this Proposal: within [Number] days after receipt of this Proposal by the Employer
13. Other terms and conditions of this Change Proposal:
  - (a) You are requested to notify us of your acceptance, comments or rejection of this detailed Change Proposal within [Number] days from your receipt of this Proposal.
  - (b) The amount of any increase and/or decrease shall be taken into account in the adjustment of the Contract Price.
  - (c) Contractor's cost for preparation of this Change Proposal: [ . . . **insert amount. This cost shall be reimbursed by the Employer in case of Employer's withdrawal or rejection of this Change Proposal without default of the Contractor in accordance with GC Clause 39 of the General Conditions . . .** ]

[ **Contractor's Name** ]

[ **Signature** ]

[ **Name of signatory** ]

[ **Title of signatory** ]



**6.2.5. Change Order Form****[Employer's Letterhead]**To: [ **Contractor's name and address** ]

Date:

Attention: [ **Name and title** ]Contract Name: [ **Contract name** ]Contract Number: [ **Contract number** ]

Dear Ladies and/or Gentlemen:

We approve the Change Order for the work specified in the Change Proposal (No. [ **number** ]), and agree to adjust the Contract Price, Time for Completion and/or other conditions of the Contract in accordance with GC Clause 39 of the General Conditions.

1. Title of Change: [ **Name** ]
2. Change Request No./Rev.: [ **Request number / revision** ]
3. Change Order No./Rev.: [ **Order number / revision** ]
4. Originator of Change: Employer: [ **Name** ] / Contractor: [ **Name** ]
5. Authorized Price:  
Ref. No.: [ **Number** ] Date: [ **Date** ]  
Foreign currency portion [ **Amount** ] plus Local currency portion [ **Amount** ]
6. Adjustment of Time for Completion  
None                      Increase [ **Number** ] days                      Decrease [ **Number** ] days
7. Other effects, if any

Authorized by: \_\_\_\_\_

Employer

Date: \_\_\_\_\_

Accepted by: \_\_\_\_\_

Contractor

Date: \_\_\_\_\_

**6.2.6. Pending Agreement Change Order Form****[Employer's Letterhead]**To: [ **Contractor's name and address** ]

Date:

Attention: [ **Name and title** ]Contract Name: [ **Contract name** ]Contract Number: [ **Contract number** ]

Dear Ladies and/or Gentlemen:

We instruct you to carry out the work in the Change Order detailed below in accordance with GC Clause 39 of the General Conditions.

1. Title of Change: [ **Name** ]
2. Employer's Request for Change Proposal No./Rev.: [ **number/revision** ]      dated: [ **date** ]
3. Contractor's Change Proposal No./Rev.: [ **number / revision** ]      dated: [ **date** ]
4. Brief Description of Change: [ **Description** ]
5. Facilities and/or Item No. of equipment related to the requested Change: [ **Facilities** ]
6. Reference Drawings and/or technical documents for the requested Change:  
[ **Drawing / Document No. / Description** ]
7. Adjustment of Time for Completion:
8. Other change in the Contract terms:
9. Other terms and conditions:

[ **Employer's Name** ][ **Signature** ][ **Name of signatory** ][ **Title of signatory** ]

**6.2.7. Application for Change Proposal Form**[ **Contractor's Letterhead** ]To: [**Employer's name and address** ]

Date:

Attention: [**Name and title** ]Contract Name: [**Contract name** ]Contract Number: [**Contract number** ]

Dear Ladies and/or Gentlemen:

We hereby propose that the below-mentioned work be treated as a Change in the Facilities.

1. Title of Change: [ **Name** ]
2. Application for Change Proposal No./Rev.: [ **Number / revision** ] dated: [ **Date** ]
3. Brief Description of Change: [ **Description** ]
4. Reasons for Change:
5. Order of Magnitude Estimation (amount in the currencies of the Contract): [ **Amount** ]
6. Scheduled Impact of Change:
7. Effect on Functional Guarantees, if any:
8. Appendix:

[ **Contractor's Name** ][ **Signature** ][ **Name of signatory** ][ **Title of signatory** ]

## 7. Personnel Requirements

Using Form PER - 1 and PER - 2 in Section 4 (Tendering Forms), the Tenderer must demonstrate that it has personnel who meet the following requirements:

| No. | Position  | Total Work Experience [years]                                   | Experience In Similar Work [years]                            |
|-----|---|---|---|
| 1   | Project Manager (should be at least Bachelor/Diploma in Electrical/Civil/Mechanical engineering. Experienced in managing day to day activities of at least one turnkey project preferable in transmission sector.   | 10 years for Bachelor engineer<br>15 years for Diploma engineer | 5 years for Bachelor engineer<br>7 years for Diploma engineer |
| 2   | Design Engineer (Electrical): Experienced in detailed engineering of GIS (132kV to 400KV or above )   | 5   | 3   |
| 3   | Design Engineer (Civil): Experienced in structural design of RCC and Steel structures   | <u>5</u>  | 3   |
| 4   | Supervision Engineers/construction supervisions: Experience in erection and commissioning of substation of (132kV to 400KV or above ).  | <u>5</u>  | <u>3</u>  |
| 5   | Community Consultation Officer: Master of Social Work or similar suitable qualification with at least 8 years of experience in Stakeholder Consultations for linear infrastructure projects. Good understanding of social sensitivities and community structure and specialized consultation needs would be essential.  | <u>8</u>  | NA  |
| 6   | Environmental, Social, Health and Safety Officer (HSHO): Degree of diploma in engineering or master's degree in Environmental Sciences with degree or diploma in occupational health and safety and electrical safety.<br><br>Must have at least 8 years of experience in the transmission line sector (Construction, tower erection, stringing activities). Must have at least 1 similar project experience for bilateral/multilateral funding agencies at national, regional and international levels. The expert should also be conversant with the Labour Law, Labour Code and OHS policies of multilateral development banks (MDBs) in general and AIIB in particular. | <u>8</u>  | NA  |

### 8. Equipment Requirements

Using Form EQU in Section 4 (Tendering Forms), the Tenderder must demonstrate that it has the key equipment listed below:

| No. | Equipment Type and Characteristics | Minimum Number Required |
|-----|------------------------------------|-------------------------|
| 1   |                                    |                         |
| 2   |                                    |                         |
| 3   |                                    |                         |
| 4   |                                    |                         |
| 5   |                                    |                         |
|     |                                    |                         |

**Section 7: General Conditions of Contract**

These General Conditions of Contract (GCC) are based on the Model Form of International Contract for Process Plant Construction published by the Engineering Advancement Association of Japan (ENAA). The Multilateral Development Banks (MDBs) participating in the procurement harmonization process gratefully acknowledge the contribution of ENAA to the advancement of good contracting practices by its borrowers. The GCC contain general clauses to be applied on all contracts. The GCC in this section, read in conjunction with the Special Conditions of Contract in Section 8 and other documents listed therein, should be a complete document expressing all the rights and obligations of the contracting parties. The General Conditions herein shall not be altered.

## Table of Clauses

|   |            |
|---|------------|
| <b>A. Contract and Interpretation</b>             | <b>127</b> |
| 1. Definitions.....                               | 127        |
| 2. Contract Documents .....                       | 129        |
| 3. Interpretation .....                           | 129        |
| 4. Communications.....                            | 130        |
| 5. Law and Language .....                         | 131        |
| 6. Prohibited Practices .....                     | 131        |
| <b>B. Subject Matter of Contract</b>              | <b>133</b> |
| 7. Scope of Facilities.....                       | 133        |
| 8. Time for Commencement and Completion .....     | 133        |
| 9. Contractor's Responsibilities .....            | 133        |
| 10. Employer's Responsibilities.....              | 135        |
| <b>C. Payment</b>                                 | <b>136</b> |
| 11. Contract Price.....                           | 136        |
| 12. Terms of Payment.....                         | 136        |
| 13. Securities.....                               | 136        |
| 14. Taxes and Duties.....                         | 137        |
| <b>D. Intellectual Property</b>                   | <b>138</b> |
| 15. License/Use of Technical Information.....     | 138        |
| 16. Confidential Information .....                | 138        |
| <b>E. Execution of the Facilities</b>             | <b>139</b> |
| 17. Representatives.....                          | 139        |
| 18. Work Program .....                            | 139        |
| 19.Subcontracting .....                           | 142        |
| 20. Design and Engineering.....                   | 142        |
| 21. Procurement.....                              | 144        |
| 22. Installation .....                            | 145        |
| 23. Test and Inspection.....                      | 151        |
| 24. Completion of the Facilities .....            | 153        |
| 25.Commissioning and Operational Acceptance ..... | 154        |
| <b>F. Guarantees and Liabilities</b>              | <b>157</b> |
| 26. Completion Time Guarantee .....               | 157        |



|   |   |            |
|---|---|------------|
| 27.   | Defect Liability .....  | 157        |
| 28.   | Functional Guarantees .....   | 159        |
| 29.   | Patent Indemnity .....  | 160        |
| 30.   | Limitation of Liability .....   | 160        |
| <b>G. Risk Distribution</b>                 |   | <b>161</b> |
| 31.   | Transfer of Ownership .....   | 161        |
| 32.   | Care of Facilities .....  | 161        |
| 33.   | Loss of or Damage to Property; Accident or Injury to Workers; Indemnification ..... | 162        |
| 34.   | Insurance .....   | 163        |
| 35.   | Unforeseen Conditions .....   | 165        |
| 36.   | Change in Laws and Regulations .....  | 166        |
| 37.   | Force Majeure .....   | 166        |
| 38.   | War Risks .....   | 166        |
| <b>H. Change in Contract Elements</b>       |   | <b>169</b> |
| 39.   | Change in the Facilities .....  | 169        |
| 40.   | Extension of Time for Completion .....  | 171        |
| 41.   | Suspension .....  | 172        |
| 42.   | Termination .....   | 174        |
| 43.   | Assignment .....  | 179        |
| <b>I. Claims, Disputes, and Arbitration</b> |   | <b>179</b> |
| 44.   | Contractor's Claims .....   | 179        |
| 45.   | Disputes and Arbitration .....  | 180        |

## A. Contract and Interpretation

### 1. Definitions

- 1.1 The following words and expressions shall have the meanings hereby assigned them:
- (a) "Contract" means the Contract Agreement entered into between the Employer and the Contractor, together with the Contract Documents referred to therein; they shall constitute the Contract, and the term "the Contract" shall in all such documents be construed accordingly.
  - (b) "Contract Documents" means the documents listed in Article 1.1 (Contract Documents) of the Contract Agreement (including any amendments thereto).
  - (c) "GCC" means the General Conditions of Contract.
  - (d) "SCC" means the Special Conditions of Contract.
  - (e) "day" means calendar day.
  - (f) "year" means 365 days.
  - (g) "month" means calendar month.
  - (h) "Party" means the Employer or the Contractor, as the context requires.
  - (i) "Employer" means the person named as such in the SCC and includes the legal successors or permitted assigns of the Employer.
  - (j) "Project Manager" means the person appointed by the Employer in the manner provided in GCC Subclause 17.1 (Project Manager) hereof and named as such in the SCC to perform the duties delegated by the Employer.
  - (k) "Contractor" means the person(s) named as Contractor in the Contract Agreement, and includes the legal successors or permitted assigns of the Contractor.
  - (l) "Contractor's Representative" means any person nominated by the Contractor and approved by the Employer in the manner provided in GCC Subclause 17.2 (Contractor's Representative and Construction Manager) hereof to perform the duties delegated by the Contractor.
  - (m) "Construction Manager" means the person appointed by the Contractor's Representative in the manner provided in GCC Subclause 17.2.4.
  - (n) "Subcontractor," including manufacturers, means any person to whom execution of any part of the Facilities, including preparation of any design or supply of any Plant, is sub-contracted directly or indirectly by the Contractor, and includes its legal successors or permitted assigns.
  - (o) "Dispute Board" means the person or persons named as such in the SCC appointed by agreement between the Employer and the Contractor to make a decision on or to settle any dispute or difference between the Employer and the Contractor referred to him or her by the parties pursuant to GCC Subclause 45.1 (Dispute Board) hereof.
  - (p) "The Bank" means the financing institution named in the SCC.
  - (q) "Contract Price" means the sum specified in Article 2.1 (Contract Price) of the Contract Agreement, subject to such additions and adjustments thereto or deductions therefrom, as may be made pursuant to the Contract.
  - (r) "Facilities" means the Plant to be supplied and installed, as well as all

the Installation Services to be carried out by the Contractor under the Contract.

- (s) "Plant" means permanent plant, equipment, machinery, apparatus, articles and things of all kinds to be provided and incorporated in the Facilities by the Contractor under the Contract (including the spare parts to be supplied by the Contractor under GCC Subclause 7.3 hereof), but does not include Contractor's Equipment.
- (t) "Installation Services" means all those services ancillary to the supply of the Plant for the Facilities, to be provided by the Contractor under the Contract, such as transportation and provision of marine or other similar insurance, inspection, expediting, site preparation works (including the provision and use of Contractor's Equipment and the supply of all construction materials required), installation, testing, pre-commissioning, commissioning, operations, maintenance, the provision of operations and maintenance manuals, training, etc. as the case may require.
- (u) "Contractor's Equipment" means all facilities, equipment, machinery, tools, apparatus, appliances, or things of every kind required in or for installation, completion and maintenance of Facilities that are to be provided by the Contractor, but does not include Plant, or other things intended to form or forming part of the Facilities.
- (v) "Country of Origin" means the countries and territories eligible under the rules of the Bank as further elaborated in the SCC.
- (w) "Site" means the land and other places upon which the Facilities are to be installed, and such other land or places as may be specified in the Contract as forming part of the Site.
- (x) "Effective Date" means the date of fulfillment of all conditions stated in Article 3 (Effective Date) of the Contract Agreement, upon which the period until the Time for Completion shall be counted from.
- (y) "Time for Completion" means the time within which Completion of the Facilities as a whole (or of a part of the Facilities where a separate Time for Completion of such part has been prescribed) is to be attained, as referred to in GCC Clause 8 and in accordance with the relevant provisions of the Contract.
- (z) "Completion" means that the Facilities (or a specific part thereof where specific parts are specified in the Contract) have been completed operationally and structurally and put in a tight and clean condition, that all work in respect of Pre-commissioning of the Facilities or such specific part thereof has been completed, and that the Facilities or specific part thereof are ready for Commissioning as provided in GCC Clause 24 (Completion) hereof.
- (aa) "Pre-commissioning" means the testing, checking and other requirements specified in the Employer's Requirements that are to be carried out by the Contractor in preparation for Commissioning as provided in GCC Clause 24 (Completion) hereof.
- (bb) "Commissioning" means operation of the Facilities or any part thereof by the Contractor following Completion, which operation is to be carried out by the Contractor as provided in GCC Subclause 25.1 (Commissioning) hereof, for the purpose of carrying out Guarantee Test(s).
- (cc) "Guarantee Test(s)" means the test(s) specified in the Employer's Requirements to be carried out to ascertain whether the Facilities or a specified part thereof is able to attain the Functional Guarantees specified in the Appendix (Functional Guarantees) to the Contract

Agreement in accordance with the provisions of GCC Subclause 25.2 (Guarantee Test) hereof.

- (dd) "Operational Acceptance" means the acceptance by the Employer of the Facilities (or any part of the Facilities where the Contract provides for acceptance of the Facilities in parts), which certifies the Contractor's fulfillment of the Contract in respect of Functional Guarantees of the Facilities (or the relevant part thereof) in accordance with the provisions of GCC Clause 28 (Functional Guarantees) hereof and shall include deemed acceptance in accordance with GCC Clause 25 (Commissioning and Operational Acceptance) hereof.
- (ee) "Defect Liability Period" means the period of validity of the warranties given by the Contractor commencing at Completion of the Facilities or a part thereof, during which the Contractor is responsible for defects with respect to the Facilities (or the relevant part thereof) as provided in GCC Clause 27 (Defect Liability) hereof.

## 2. Contract Documents

- 2.1 Subject to Article 1.2 (Order of Precedence) of the Contract Agreement, all documents forming part of the Contract (and all parts thereof) are intended to be correlative, complementary and mutually explanatory. The Contract shall be read as a whole.

## 3. Interpretation

- 3.1 In the Contract, except where the context requires otherwise,
  - (a) words indicating one gender include all genders;
  - (b) words indicating the singular also include the plural and words indicating the plural also include the singular;
  - (c) provisions including the word "agree," "agreed," or "agreement" require the agreement to be record in writing;
  - (d) the word "tender" is synonymous with "Tender," "tenderer" with "Tenderer," and "tender documents" with "Tendering Documents;" and
  - (e) "written" or "in writing" means handwritten, typewritten, printed or electronically made, and resulting in a permanent record.

The marginal words and other headings shall not be taken into consideration in the interpretation of these Conditions.

### 3.2 Incoterms

Unless inconsistent with any provision of the Contract, the meaning of any trade term and the rights and obligations of parties thereunder shall be as prescribed by Incoterms.

"Incoterms" means international rules for interpreting trade terms published by the International Chamber of Commerce (latest edition), 38 Cours Albert 1<sup>er</sup>, 75008 Paris, France.

### 3.3 Entire Agreement

Subject to GCC Subclause 16.4 hereof, the Contract constitutes the entire agreement between the Employer and Contractor with respect to the subject matter of Contract and supersedes all communications, negotiations, and agreements (whether written or oral) of parties with respect thereto made prior to the date of Contract.

### 3.4 Amendment

No amendment or other variation of the Contract shall be effective unless it is in writing, is dated, expressly refers to the Contract, and is signed by a duly authorized representative of each party hereto.

### 3.5 Independent Contractor

The Contractor shall be an independent contractor performing the Contract. The Contract does not create any agency, partnership, joint venture, or other joint relationship between the parties hereto. Subject to the provisions of the Contract, the Contractor shall be solely responsible for the manner in which the Contract is performed. All employees, representatives, or Subcontractors engaged by the Contractor in connection with the performance of the Contract shall be under the complete control of the Contractor and shall not be deemed to be employees of the Employer, and nothing contained in the Contract or in any subcontract awarded by the Contractor shall be construed to create any contractual relationship between any such employees, representatives, or Subcontractors and the Employer.

### 3.6 Non-Waiver

3.6.1 Subject to GCC Subclause 3.6.2 below, no relaxation, forbearance, delay, or indulgence by either party in enforcing any of the terms and conditions of the Contract or the granting of time by either party to the other shall prejudice, affect, or restrict the rights of that party under the Contract, nor shall any waiver by either party of any breach of Contract operate as waiver of any subsequent or continuing breach of Contract.

3.6.2 Any waiver of a party's rights, powers, or remedies under the Contract must be in writing, must be dated, and signed by an authorized representative of the party granting such waiver, and must specify the right and the extent to which it is being waived.

### 3.7 Severability

If any provision or condition of the Contract is prohibited or rendered invalid or unenforceable, such prohibition, invalidity, or unenforceability shall not affect the validity or enforceability of any other provisions and conditions of the Contract.

### 3.8 Country of Origin

"Origin" means the place where the plant and component parts thereof are mined, grown, produced, or manufactured, and from which the services are provided. Plant components are produced when, through manufacturing, processing, or substantial or major assembling of components, a commercially recognized product results that is substantially in its basic characteristics or in purpose or utility from its components.

## 4. Communications

4.1 Wherever these Conditions provide for the giving or issuing of approvals, certificates, consents, determinations, notices, requests, and discharges, these communications shall be

(a) in writing and delivered against receipt; and

(b) delivered, sent, or transmitted to the address for the recipient's

communications as stated in the Contract Agreement.

When a certificate is issued to a Party, the certifier shall send a copy to the other Party. When a notice is issued to a Party, by the other Party or the Project Manager, a copy shall be sent to the Project Manager or the other Party, as the case may be.

## 5. Law and Language

- 5.1 The Contract shall be governed by and interpreted in accordance with laws of the country specified in the SCC.
- 5.2 The ruling language of the Contract shall be that stated in the SCC.
- 5.3 The language for communications shall be the ruling language unless otherwise stated in the SCC.

## 6. Prohibited Practices

- 6.1 AIIB's Policy on Prohibited Practices (2016, as amended to date) requires Borrowers (including and all other beneficiaries of the Bank financing), as well as Tenderers, Suppliers, and Contractors, concessionaires and consultants under AIIB-financed contracts, observe the highest standard of transparency and integrity during the procurement, execution and implementation of such contracts. In pursuance of this policy, AIIB
  - (a) defines, for the purposes of this provision, the terms set forth below as follows:
    - (i) "coercive practice" means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
    - (ii) "collusive practice" means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party;
    - (iii) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;
    - (iv) "fraudulent practice" means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
    - (v) a misuse of the Bank's 's resources which means improper use of the Bank's resources, carried out either intentionally or through reckless disregard;;
    - (i) "obstructive practice" means (a) deliberately destroying, falsifying, altering, or concealing of evidence material to an AIIB investigation, or deliberately making false statements to investigators, with the intent to impede an AIIB investigation; (b) threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to a Bank investigation or from pursuing the investigation; or (c) deliberate acts intended to impede the exercise of AIIB's contractual rights of audit or inspection or access to information; and
    - (ii) "theft" means the misappropriation of property belonging to another party.
  - (b) will reject a proposal for award if it determines that the Tenderer recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices or other

integrity violations in competing for the Contract;

- (c) will cancel the portion of the financing allocated to a contract if it determines at any time that representatives of the borrower or of a beneficiary of AIIB-financing engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices or other integrity violations during the procurement or the execution of that contract, without the borrower having taken timely and appropriate action satisfactory to AIIB to remedy the situation;
  - (d) will impose remedial actions on a firm or an individual, at any time, in accordance with AIIB's Anticorruption Policy and Integrity Principles and Guidelines, including declaring ineligible, either indefinitely or for a stated period of time, to participate<sup>6</sup> in AIIB-financed, -administered, or -supported activities or to benefit from an AIIB-financed, -administered, or -supported contract, financially or otherwise, if it at any time determines that the firm or individual has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices or other integrity violations; and
  - (e) will have the right to require suppliers and contractors to permit AIIB or its representative to inspect their accounts and records and other documents relating to the Tender submission and contract performance and to have them audited by auditors appointed by AIIB.
- 6.2 All Tenderers, consultants, contractors, suppliers and other third parties engaged or involved in AIIB-related activities have a duty to cooperate fully in any screening or investigation when requested by AIIB to do so. Such cooperation includes, but is not limited to, the following:
- (a) being available to be interviewed and replying fully and truthfully to all questions asked;
  - (b) providing AIIB with any items requested that are within the party's control including, but not limited to, documents and other physical objects;
  - (c) upon written request by AIIB, authorizing other related entities to release directly to AIIB such information that is specifically and materially related, directly or indirectly, to the said entities or issues which are the subject of the investigation;
  - (d) cooperating with all reasonable requests to search or physically inspect their person and/or work areas, including files, electronic databases, and personal property used on AIIB activities, or that utilizes AIIB's Information and Communications Technology (ICT) resources or systems (including mobile phones, personal electronic devices, and electronic storage devices such as external disk drives);
  - (e) cooperating in any testing requested by AIIB, including but not limited to, fingerprint identification, handwriting analysis, and physical examination and analysis; and
  - (f) preserving and protecting confidentiality of all information discussed with, and as required by, AIIB.
- 6.3 All Tenderers, consultants, contractors and suppliers shall ensure that, in its contract with its sub-consultants, subcontractors, and other third parties engaged or involved in AIIB-related activities, such sub-consultants,

---

<sup>6</sup>

Whether as a Contractor, Subcontractor, Consultant, Manufacturer or Supplier, or Service Provider; or in any other capacity (different names are used depending on the particular Tender Document).

subcontractors, and other third parties similarly undertake the foregoing duty to cooperate fully in any screening or investigation when requested by AIIB to do so.

## **B. Subject Matter of Contract**

- |  |   |
|--|---|
| <b>7. Scope of Facilities</b>                  | <p>7.1 Unless otherwise expressly limited in the Employer's Requirements, the Contractor's obligations cover the provision of all Plant and the performance of all Installation Services required for the design, the manufacture (including procurement, quality assurance, construction, installation, associated civil works, pre-commissioning and delivery) of the Plant and the installation, completion, and commissioning of the Facilities in accordance with the plans, procedures, specifications, drawings, codes, and any other documents as specified in the section Employer's Requirements. Such specifications include, but are not limited to, the provision of supervision and engineering services; the supply of labor, materials, equipment, spare parts (as specified in GCC Subclause 7.3 below) and accessories; Contractor's Equipment; construction utilities and supplies; temporary materials, structures, and facilities; transportation (including, without limitation, unloading and hauling to, from and at the Site); and storage, except for those supplies, works, and services that will be provided or performed by the Employer, as set forth in the Appendix (Scope of Works and Supply by the Employer) to the Contract Agreement.</p> <p>7.2 The Contractor shall, unless specifically excluded in the Contract, perform all such work and/or supply all such items and materials not specifically mentioned in the Contract but that can be reasonably inferred from the Contract as being required for attaining Completion of the Facilities as if such work and/or items and materials were expressly mentioned in the Contract.</p> <p>7.3 In addition to the supply of Mandatory Spare Parts included in the Contract, the Contractor agrees to supply spare parts required for the operation and maintenance of the Facilities for the period specified in the SCC and the provisions, if any, specified in the SCC. However, the identity, specifications, and quantities of such spare parts and the terms and conditions relating to the supply thereof are to be agreed between the Employer and the Contractor, and the price of such spare parts shall be that given in Price Schedule No. 6, which shall be added to the Contract Price. The price of such spare parts shall include the purchase price therefore and other costs and expenses (including the Contractor's fees) relating to the supply of spare parts.</p> |
| <b>8. Time for Commencement and Completion</b> | <p>8.1 The Contractor shall commence work on the Facilities within the period specified in the SCC and without prejudice to GCC Subclause 26.2 hereof, the Contractor shall thereafter proceed with the Facilities in accordance with the time schedule specified in the Appendix 4 (Time Schedule) to the Contract Agreement.</p> <p>8.2 The Contractor 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 Contractor shall be entitled under GCC Clause 40 hereof.</p>  |
| <b>9. Contractor's Responsibilities</b>        | <p>9.1 The Contractor shall design, manufacture, including associated purchases and/or subcontracting, install, and complete the Facilities in accordance with</p>  |



the Contract. When completed, the Facilities should be fit for the purposes for which they are intended as defined in the Contract.

- 9.2 The Contractor 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 Employer, and on the basis of information that the Contractor 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 of the date 28 days prior to Tender submission. The Contractor 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 Contractor 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 Contractor to obtain in its name and which are necessary for the performance of the Contract, including, without limitation, visas for the Contractor's and Subcontractor's personnel and entry permits for all imported Contractor's Equipment. The Contractor shall acquire all other permits, approvals, and/or licenses that are not the responsibility of the Employer under GCC Subclause 10.3 hereof and that are necessary for the performance of the Contract.
- 9.4 The Contractor shall comply with all laws in force in the country where the Facilities are to be implemented. The laws will include all local, state, national, or other laws that affect the performance of the Contract and bind upon the Contractor. The Contractor shall indemnify and hold harmless the Employer 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 its personnel, including the Subcontractors and their personnel, but without prejudice to GCC Subclause 10.1 hereof.
- 9.5 Any plant 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 1 (Country of Origin). Any Subcontractors retained by the Contractor shall be from a country as specified in GCC Clause 1 (Country of Origin).
- 9.6 The Contractor shall permit AIIB to inspect the Contractor's accounts and records relating to the performance of the Contractor and to have them audited by auditors appointed by AIIB, if so required by AIIB.
- 9.7 If the Contractor is a joint venture or consortium of two or more persons, all such persons shall be jointly and severally bound to the Employer for the fulfilment of the provisions of the Contract and shall designate one of such persons to act as a leader with authority to bind the joint venture or consortium. The composition or the constitution of the joint venture or consortium shall not be altered without the prior consent of the Employer.
- 9.8 Protection of the Environment
  - (a) The Contractor shall take all reasonable steps to protect the environment (both on and off the Site) and to limit damage and nuisance to people and property resulting from pollution, noise, and other results of his operations.
  - (b) The Contractor shall ensure that emissions, surface discharges, and effluent from the Contractor's activities shall not exceed the values stated

in the Specification or prescribed by applicable Laws.

#### **10. Employer's Responsibilities**

- 10.1 All information and/or data to be supplied by the Employer as described in the Appendix (Scope of Works and Supply by the Employer) to the Contract Agreement shall be deemed to be accurate, except when the Employer expressly states otherwise.
- 10.2 The Employer 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 the Appendix (Scope of Works and Supply by the Employer) to the Contract Agreement. The Employer shall give full possession of and accord all rights of access thereto on or before the date(s) specified in that Appendix.
- 10.3 The Employer 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 (a) such authorities or undertakings require the Employer to obtain in the Employer's name, (b) are necessary for the execution of the Contract, including those required for the performance by both the Contractor and the Employer of their respective obligations under the Contract, and (c) are specified in the Appendix (Scope of Works and Supply by the Employer) to the Contract Agreement.
- 10.4 If requested by the Contractor, the Employer shall use its best endeavour to assist the Contractor 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 Subcontractors or the personnel of the Contractor or Subcontractors, as the case may be, to obtain.
- 10.5 Unless otherwise specified in the Contract or agreed upon by the Employer and the Contractor, the Employer 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, including those required by the Contractor to properly carry out Pre-commissioning, Commissioning, and Guarantee Tests, all in accordance with the provisions of the Appendix (Scope of Works and Supply by the Employer) to the Contract Agreement at or before the time specified in the program furnished by the Contractor under GCC Subclause 18.2 hereof and in the manner thereupon specified or as otherwise agreed upon by the Employer and the Contractor.
- 10.6 The Employer shall be responsible for the continued operation of the Facilities after Completion, in accordance with GCC Subclause 24.8, and shall be responsible for facilitating the Guarantee Test(s) for the Facilities, in accordance with GCC Subclause 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 Employer, except those incurred by the Contractor with respect to the performance of Guarantee

Tests, in accordance with GCC Subclause 25.2.

- 10.8 In the event that the Employer shall be in breach of any of his obligations imposed by the Contract, then the additional cost reasonably incurred by the Contractor in consequence thereof shall be added to the Contract Price.

## 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 Contract Agreement.
- 11.2 Unless an adjustment clause is provided for in the SCC, the Contract Price shall be a firm lump sum not subject to any alteration, except in the event of a Change in the Facilities or as otherwise provided in the Contract.
- 11.3 Subject to GCC Subclauses 9.2, 10.1, and 35 hereof, the Contractor shall be deemed to have satisfied itself as to the correctness and sufficiency of the Contract Price, which shall, except 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 Article 2 (Contract Price and Terms of Payment) of the Contract Agreement and in the Appendix (Terms and Procedures of Payment) to the Contract Agreement, which also outlines the procedures to be followed in making application for and processing payments.
- 12.2 No payment made by the Employer herein shall be deemed to constitute acceptance by the Employer of the Facilities or any part(s) thereof.
- 12.3 In the event that the Employer fails to make any payment by its respective due date or within the period set forth in the Contract, the Employer shall pay to the Contractor interest on the amount of such delayed payment at the rate(s) shown in the Appendix (Terms and Procedures of Payment) to the Contract Agreement for the period of delay until payment has been made in full, whether before or after judgment or arbitration award.
- 12.4 The currency or currencies in which payments are made to the Contractor under this Contract shall be specified in the Appendix (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 Contractor's Tender.
- 13. Securities**
- 13.1 Issuance of Securities
- The Contractor shall provide the securities specified below in favor of the Employer at the times, and in the amount, manner, and form specified below.
- 13.2 Advance Payment Security
- 13.2.1 The Contractor shall, within 28 days of the notification of contract award, provide a security in an amount equal to the advance payment calculated in accordance with the Appendix (Terms and Procedures of Payment) to the Contract Agreement, and in the same currency or currencies.
- 13.2.2 The security shall be in the form provided in the Tendering Documents or in another form acceptable to the Employer. The amount of the security shall be reduced in proportion to the value of the Facilities

executed by and paid to the Contractor from time to time, and shall automatically become null and void when the full amount of the advance payment has been recovered by the Employer. The security shall be returned to the Contractor immediately after its expiration.

### 13.3 Performance Security

13.3.1 The Contractor shall, within 28 days of the notification of contract award, provide a security for the due performance of the Contract in the amount specified in the SCC.

13.3.2 The security shall be denominated in the currency or currencies of the Contract, or in a freely convertible currency acceptable to the Employer, and shall be in one of the forms of bank guarantees provided in the Tendering Documents, as stipulated by the Employer in the SCC, or in another form acceptable to the Employer.

13.3.3 Unless otherwise specified in the SCC, the security shall be reduced by half on the date of the Operational Acceptance. The Security shall become null and void, or shall be reduced pro rata to the Contract Price of a part of the Facilities for which a separate Time for Completion is provided, 540 days after Completion of the Facilities or 365 days after Operational Acceptance of the Facilities, whichever occurs first; provided, however, that if the Defects Liability Period has been extended on any part of the Facilities pursuant to GCC Subclause 27.8 hereof, the Contractor shall issue an additional security in an amount proportionate to the Contract Price of that part. The security shall be returned to the Contractor immediately after its expiration, provided, however, that if the Contractor, pursuant to GCC Subclause 27.10, is liable for an extended defect liability obligation, the performance security shall be extended for the period and up to the amount specified in the SCC.

## 14. Taxes and Duties

14.1 Except as otherwise specifically provided in the Contract, the Contractor shall bear and pay all taxes, duties, levies, and charges assessed on the Contractor, its Subcontractors, or their employees by all municipal, state, or national government authorities in connection with the Facilities in and outside of the country where the Site is located.

14.2 Notwithstanding GCC Subclause 14.1 above, the Employer shall bear and promptly pay all customs and import duties as well as other local taxes like, e.g., a value-added tax (VAT), imposed by the law of the country where the Site is located on the Plant specified in Price Schedule No. 1 and that are to be incorporated into the Facilities.

14.3 If any tax exemptions, reductions, allowances, or privileges may be available to the Contractor in the country where the Site is located, the Employer shall use its best endeavors to enable the Contractor 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 28 days prior to the date of Tender submission in the country where the Site is located (hereinafter called "Tax" in this GCC Subclause 14.4). If any rates of Tax are increased or decreased, 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 Contractor, Subcontractors, or their employees 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 therefrom, as the case may be, in accordance with GCC Clause 36 hereof.

#### **D. Intellectual Property**

##### **15. License/Use of Technical Information**

- 15.1 For the operation and maintenance of the Plant, the Contractor hereby grants a non-exclusive and nontransferable license (without the right to sublicense) to the Employer under the patents, utility models, or other industrial property rights owned by the Contractor or by a third party from whom the Contractor has received the right to grant licenses thereunder, and shall also grant to the Employer a nonexclusive and nontransferable right (without the right to sublicense) to use the know-how and other technical information disclosed to the Employer under the Contract. Nothing contained herein shall be construed as transferring ownership of any patent, utility model, trademark, design, copyright, know-how, or other intellectual property right from the Contractor or any third party to the Employer.
- 15.2 The copyright in all drawings, documents, and other materials containing data and information furnished to the Employer by the Contractor herein shall remain vested in the Contractor or, if they are furnished to the Employer directly or through the Contractor by any third party, including suppliers of materials, the copyright in such materials shall remain vested in such third party.

##### **16. Confidential Information**

- 16.1 The Employer and the Contractor shall keep confidential and shall not, without the written consent of the other party hereto, divulge to any third party any documents, data or other information furnished directly or indirectly 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 may furnish to its Subcontractor(s) such documents, data, and other information it receives from the Employer to the extent required for the Subcontractor(s) to perform its work under the Contract, in which event the Contractor shall obtain from such Subcontractor(s) an undertaking of confidentiality similar to that imposed on the Contractor under this GCC Clause 16.
- 16.2 The Employer shall not use such documents, data, and other information received from the Contractor for any purpose other than the operation and maintenance of the Facilities. Similarly, the Contractor shall not use such documents, data, and other information received from the Employer for any purpose other than the design, procurement of Plant, 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 Subclauses 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; and

- (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 whatever reason, of the Contract.

## **E. Execution of the Facilities**

### **17. Representatives      17.1 Project Manager**

If the Project Manager is not named in the Contract, then within 14 days of the Effective Date, the Employer shall appoint and notify the Contractor in writing of the name of the Project Manager. The Employer may from time to time appoint some other person as the Project Manager in place of the person previously so appointed, and shall give notice of the name of such other person to the Contractor without delay. No such appointment shall be made at such a time or in such a manner as to impede the progress of work on the Facilities. Such appointment shall only take effect upon receipt of such notice by the Contractor. The Project Manager shall represent and act for the Employer at all times during the performance 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 Contractor to the Employer under the Contract shall be given to the Project Manager, except as herein otherwise provided.

### **17.2 Contractor's Representative and Construction Manager**

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

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

All notices, instructions, information, and all other communications given by the Employer or the Project Manager to the Contractor under the Contract shall be given to the Contractor's Representative or, in its

absence, its deputy, except as herein otherwise provided.

The Contractor shall not revoke the appointment of the Contractor's Representative without the Employer's prior written consent, which shall not be unreasonably withheld. If the Employer consents thereto, the Contractor shall appoint some other person as the Contractor's Representative, pursuant to the procedure set out in GCC Subclause 17.2.1.

- 17.2.3 The Contractor's Representative may, subject to the approval of the Employer 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 Contractor's Representative, 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 Employer 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 Subclause 17.2.3 shall be deemed to be an act or exercise by the Contractor's Representative.

- 17.2.4 From the commencement of installation of the Facilities at the Site until Completion, the Contractor's Representative shall appoint a suitable person as the Construction Manager. The Construction Manager shall supervise all work done at the Site by the Contractor 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. Whenever the Construction Manager is absent from the Site, the Contractor's Representative or the Construction Manager shall appoint a suitable person to act as the Construction Manager's deputy.

- 17.2.5 The Employer may by notice to the Contractor object to any representative or person employed by the Contractor in the execution of the Contract who, in the reasonable opinion of the Employer, may behave inappropriately, may be incompetent or negligent, or may commit a serious breach of the Site regulations provided under GCC Subclause 22.4. The Employer shall provide evidence of the same, whereupon the Contractor shall remove such person from the Facilities.

- 17.2.6 If any representative or person employed by the Contractor is removed in accordance with GCC Subclause 17.2.5, the Contractor shall, where required, promptly appoint a replacement.

## **18. Work Program**

### **18.1 Contractor's Organization**

The Contractor shall supply to the Employer and the Project Manager a chart showing the proposed organization to be established by the Contractor for carrying out work on the Facilities within 21 days of the Effective Date. The chart shall include the identities of the key personnel, and the curricula vitae of such key personnel to be employed shall be supplied together with the chart.

The Contractor shall promptly inform the Employer and the Project Manager in writing of any revision or alteration of such an organization chart.

#### 18.2 Program of Performance

Within 28 days after the Effective Date, the Contractor shall submit to the Project Manager a detailed program of performance of the Contract, made in a form acceptable to the Project Manager and showing the sequence in which it proposes to design, manufacture, transport, assemble, install, and pre-commission the Facilities, as well as the date by which the Contractor reasonably requires that the Employer shall have fulfilled its obligations under the Contract so as to enable the Contractor to execute the Contract in accordance with the program and to achieve Completion, Commissioning, and Acceptance of the Facilities in accordance with the Contract. The program so submitted by the Contractor shall accord with the Time Schedule included in the Appendix (Time Schedule) to the Contract Agreement and any other dates and periods specified in the Contract. The Contractor shall update and revise the program as and when appropriate or when required by the Project Manager, but without modification in the Times for 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 shall monitor progress of all the activities specified in the program referred to in GCC Subclause 18.2 above, and supply a progress report to the Project Manager every month.

The progress report shall be in a form acceptable to the Project Manager and shall 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 Contractor's actual progress falls behind the program referred to in GCC Subclause 18.2, or it becomes apparent that it will so fall behind, the Contractor shall, at the request of the Employer 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 Subclause 8.2, any extension thereof entitled under GCC Subclause 40.1, or any extended period as may otherwise be agreed upon between the Employer and the Contractor.

#### 18.5 Procedures

The Contract shall be executed in accordance with the Contract Documents including the procedures given in the Forms and Procedures of the Employer's Requirements.

The Contractor 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.



- 19.Subcontracting**
- 19.1 The Appendix 5 (List of Major Items of Plant and Services and List of Approved Subcontractors) to the Contract Agreement specifies major items of plant and services and a list of approved Subcontractors against each item, including manufacturers. Insofar as no Subcontractors are listed against any such item, the Contractor shall prepare a list of Subcontractors for such item for inclusion in such list. The Contractor may from time to time propose any addition to or deletion from any such list. The Contractor shall submit any such list or any modification thereto to the Employer for its approval in sufficient time so as not to impede the progress of work on the Facilities. Such approval by the Employer for any of the Subcontractors shall not relieve the Contractor from any of its obligations, duties, or responsibilities under the Contract.
- 19.2 The Contractor shall select and employ its Subcontractors 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 the Appendix (List of Major Items of Plant and Services and List of Approved Subcontractors for Major Items) to the Contract Agreement, the Contractor may employ such Subcontractors as it may select, at its discretion.
- 19.4 Each subcontract shall include provisions which would entitle the Employer to require the sub-contract to be assigned to the Employer under GCC 19.5 (if and when applicable), or in event of termination by the Employer under GCC 42.2.
- 19.5 If a Sub-contractor's obligations extend beyond the expiry date of the relevant Defects Liability Period and the Project Manager, prior to that date, instructs the Contractor to assign the benefits of such obligations to the Employer, then the Contractor shall do so.
- 20. Design and Engineering**
- 20.1 Specifications and Drawings
- 20.1.1 The Contractor 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 good engineering practice.
- The Contractor shall be responsible for any discrepancies, errors, or omissions in the specifications, drawings, and other technical documents that it has prepared, whether such specifications, drawings, and other documents have been approved by the Project Manager or not, provided that such discrepancies, errors, or omissions are not because of inaccurate information furnished in writing to the Contractor by or on behalf of the Employer.
- 20.1.2 The Contractor shall be entitled to disclaim responsibility for any design, data, drawing, specification, or other document, or any modification thereof provided or designated by or on behalf of the Employer, 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 standards in accordance with which the Contract shall be executed, the edition or the revised version of such codes and standards current at the date 28 days prior to date of Tender submission shall apply unless otherwise specified. During Contract execution, any changes in such codes and standards shall be applied subject to approval by the Employer and shall be treated in accordance with GCC Clause 39.

### 20.3 Approval/Review of Technical Documents by Project Manager

- 20.3.1 The Contractor shall prepare or cause its Subcontractors to prepare, and furnish to the Project Manager the documents listed in the Appendix (List of Documents for Approval or Review) to the Contract Agreement for its approval or review as specified and in accordance with the requirements of GCC Subclause 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 Subclauses 20.3.2 through 20.3.7 shall apply to those documents requiring the Project Manager's approval, but not to those furnished to the Project Manager for its review only.

- 20.3.2 Within 14 days after receipt by the Project Manager of any document requiring the Project Manager's approval in accordance with GCC Subclause 20.3.1, the Project Manager shall either return one copy thereof to the Contractor with its approval endorsed thereon or shall notify the Contractor in writing of its disapproval thereof and the reasons therefor and the modifications that the Project Manager proposes.

If the Project Manager fails to take such action within the said 14 days, then the said document shall be deemed to have been approved by the Project Manager.

- 20.3.3 The Project Manager shall not disapprove any document, except on the grounds that the document does not comply with the Contract or that it is contrary to good engineering practice. If the Project Manager disapproves a document, he shall specify the reasons for his decision.

- 20.3.4 If the Project Manager disapproves the document, the Contractor shall modify the document and resubmit it for the Project Manager's approval in accordance with GCC Subclause 20.3.2. If the Project Manager approves the document subject to modification(s), the Contractor shall make the required modification(s), whereupon the document shall be deemed to have been approved.

- 20.3.5 If any dispute or difference occurs between the Employer and the Contractor 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 a Dispute Board for determination in accordance with GCC Subclause 45.3 hereof. If such dispute or difference is referred to a Dispute Board, the Project Manager shall give instructions as to whether and, if so, how, performance of the Contract is to proceed. The Contractor shall proceed with the Contract in accordance with the Project Manager's instructions, provided that if the Dispute Board upholds the Contractor's view on the dispute and if the Employer has not given notice under Subclause 45.3 hereof, then the Contractor shall be reimbursed by the Employer 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 Dispute Board 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 Contractor, shall not relieve the Contractor 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 Contractor shall not depart from any approved document unless the Contractor has first submitted to the Project Manager an amended document and obtained the Project Manager's approval thereof, pursuant to the provisions of this GCC Subclause 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 shall apply to such request.

## 21. Procurement

### 21.1 Materials

Subject to GCC Subclause 14.2, the Contractor shall procure and transport all materials in an expeditious and orderly manner to the Site.

### 21.2 Employer-Supplied Materials

If the Appendix (Scope of Works and Supply by the Employer) to the Contract Agreement provides that the Employer shall furnish any specific items to the Contractor, the following provisions shall apply:

21.2.1 The Employer shall, at its own risk and expense, transport each item to the place on or near the Site as agreed upon by the parties and make such item available to the Contractor at the time specified in the program furnished by the Contractor, pursuant to GCC Subclause 18.2, unless otherwise mutually agreed.

21.2.2 Upon receipt of such item, the Contractor shall inspect the same visually and notify the Project Manager of any detected shortage, defect, or default. The Employer shall immediately remedy any shortage, defect, or default, or the Contractor shall, if practicable and possible, at the request of the Employer, remedy such shortage, defect, or default at the Employer's cost and expense. After inspection, such item shall fall under the care, custody, and control of the Contractor. The provision of this GCC Subclause 21.2.2 shall apply to any item supplied to remedy any such shortage or default or to substitute for any defective item, or shall apply to defective items that have been repaired.

21.2.3 The foregoing responsibilities of the Contractor and its obligations of care, custody, and control shall not relieve the Employer of liability for any undetected shortage, defect, or default, nor place the Contractor under any liability for any such shortage, defect or default whether under GCC Clause 27 or under any other provision of Contract.

### 21.3 Transportation

21.3.1 The Contractor shall at its own risk and expense transport all the materials and the Contractor's Equipment to the Site by the mode of

transport that the Contractor judges most suitable under all the circumstances.

21.3.2 Unless otherwise provided in the Contract, the Contractor shall be entitled to select any safe mode of transport operated by any person to carry the materials and the Contractor's Equipment.

21.3.3 Upon dispatch of each shipment of materials and the Contractor's Equipment, the Contractor shall notify the Employer by telex, cable, facsimile, or electronic means, of the description of the materials and of the Contractor'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 Contractor shall furnish the Employer with relevant shipping documents to be agreed upon between the parties.

21.3.4 The Contractor shall be responsible for obtaining, if necessary, approvals from the authorities for transportation of the materials and the Contractor's Equipment to the Site. The Employer shall use its best endeavors in a timely and expeditious manner to assist the Contractor in obtaining such approvals, if requested by the Contractor. The Contractor shall indemnify and hold harmless the Employer from and against any claim for damage to roads, bridges, or any other traffic facilities that may be caused by the transport of the materials and the Contractor's Equipment to the Site.

#### 21.4 Customs Clearance

The Contractor shall, at its own expense, handle all imported materials and Contractor's Equipment at the point(s) of import and shall handle any formalities for customs clearance, subject to the Employer's obligations under GCC Subclause 14.2, provided that if applicable laws or regulations require any application or act to be made by or in the name of the Employer, the Employer shall take all necessary steps to comply with such laws or regulations. In the event of delays in customs clearance that are not the fault of the Contractor, the Contractor shall be entitled to an extension in the Time for Completion, pursuant to GCC Clause 40.

## 22. Installation

### 22.1 Setting Out/Supervision

#### 22.1.1 Benchmark

- (a) The Contractor 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 Employer.
- (b) 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 Contractor 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 Employer, the expense of rectifying the same shall be borne by the Employer.

### 22.1.2 Contractor's Supervision

The Contractor 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 Contractor 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.

## 22.2 Labor

### 22.2.1 Engagement of Staff and Labor

- (a) Except as otherwise stated in the Specification, the Contractor shall make arrangements for the engagement of all staff and labor, local or otherwise, and for their payment, housing, feeding, and transport.
- (b) The Contractor 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 Contractor is encouraged to use local labor that has the necessary skills.
- (c) The Contractor 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. The Employer will, if requested by the Contractor, use his best endeavors in a timely and expeditious manner to assist the Contractor in obtaining any local, state, national, or government permission required for bringing in the Contractor's personnel.
- (d) The Contractor shall at its own expense provide the means of repatriation to all of its and its Subcontractor's personnel employed on the Contract at the Site to the place where they were recruited or to their domicile. 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 Contractor defaults in providing such means of transportation and temporary maintenance, the Employer may provide the same to such personnel and recover the cost of doing so from the Contractor.

### 22.2.2 Persons in the Service of Employer

The Contractor shall not recruit, or attempt to recruit, staff and labor from amongst the Employer's Personnel.

### 22.2.3 Labor Laws

- (a) The Contractor shall comply with all the relevant labor Laws applicable to the Contractor's Personnel, including Laws relating to their employment, health, safety, welfare, immigration, and

emigration, and shall allow them all their legal rights.

- (b) The Contractor 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 Subcontractors.
- (c) The Contractor shall, in all dealings with its labor and the labor of its Subcontractors 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.

#### 22.2.4 Rates of Wages and Conditions of Labor

- (a) The Contractor shall pay rates of wages, and observe conditions of labor, which are not lower than those established for the trade or industry where the work is carried out. If no established rates or conditions are applicable, the Contractor shall pay rates of wages and observe conditions which are not lower than the general level of wages and conditions observed locally by employers whose trade or industry is similar to that of the Contractor.
- (b) The Contractor shall inform the Contractor's Personnel about their liability to pay personal income taxes in the Country in respect of such of their salaries, wages, and allowances as are chargeable under the Laws for the time being in force, and the Contractor shall perform such duties in regard to such deductions thereof as may be imposed on him by such Laws.

#### 22.2.5 Working Hours

- (a) No work shall be carried out on the Site on locally recognized days of rest, or outside the normal working hours stated in the SCC, unless
  - (i) otherwise stated in the Contract;
  - (ii) the Project Manager gives consent; or
  - (iii) the work is unavoidable, or necessary for the protection of life or property or for the safety of the Works, in which case the Contractor shall immediately advise the Project Manager.
- (b) If and when the Contractor considers it necessary to carry out work at night or on public holidays so as to meet the Time for Completion and requests the Project Manager's consent thereto, the Project Manager shall not unreasonably withhold such consent.
- (c) This Subclause shall not apply to any work which is customarily carried out by rotary or double shifts.

#### 22.2.6 Facilities for Staff and Labor

- (a) Except as otherwise stated in the Specification, the Contractor shall provide and maintain all necessary accommodation and welfare facilities for the Contractor's Personnel. The Contractor

shall also provide facilities for the Employer's Personnel as stated in the Specification.

- (b) The Contractor shall not permit any of the Contractor's Personnel to maintain any temporary or permanent living quarters within the structures forming part of the Permanent Works.

#### 22.2.7 Health and Safety

- (a) The Contractor shall at all times take all reasonable precautions to maintain the health and safety of the Contractor's Personnel. In collaboration with local health authorities, the Contractor shall ensure that medical staff, first aid facilities, sick bay, and ambulance service are available at all times at the Site and at any accommodation for Contractor's and Employer's Personnel, and that suitable arrangements are made for all necessary welfare and hygiene requirements and for the prevention of epidemics.
- (b) The Contractor shall appoint an accident prevention officer at the Site, responsible for maintaining safety and protection against accidents. This person shall be qualified for this responsibility, and shall have the authority to issue instructions and take protective measures to prevent accidents. Throughout the performance of the Contract, the Contractor shall provide whatever is required by this person to exercise this responsibility and authority.
- (c) The Contractor shall send to the Project Manager, details of any accident as soon as practicable after its occurrence. The Contractor shall maintain records and make reports concerning health, safety, and welfare of persons, and damage to property, as the Project Manager may reasonably require.

#### 22.2.8 Funeral Arrangements

In the event of the death of any of the Contractor's personnel or accompanying members of their families, the Contractor shall be responsible for making the appropriate arrangements for their return or burial, unless otherwise specified in the SCC.

#### 22.2.9 Records of Contractor's Personnel

The Contractor shall keep accurate records of the Contractor's personnel, including the number of each class of Contractor's Personnel on the Site and the names, ages, gender, hours worked, and wages paid to all workers. These records shall be summarized on a monthly basis in a form approved by the Project Manager and shall be available for inspection by the Project Manager until the Contractor has completed all work.

#### 22.2.10 Supply of Foodstuff

The Contractor shall arrange for the provision of a sufficient supply of suitable food as may be stated in the Specification at reasonable prices for the Contractor's Personnel for the purposes of or in

connection with the Contract.

#### 22.2.11 Supply of Water

The Contractor shall, having regard to local conditions, provide on the Site an adequate supply of drinking and other water for the use of the Contractor's Personnel.

#### 22.2.12 Measures against Insect and Pest Nuisance

The Contractor shall at all times take the necessary precautions to protect the Contractor's Personnel employed on the Site from insect and pest nuisance, and to reduce their danger to health. The Contractor shall comply with all the regulations of the local health authorities, including use of appropriate insecticide.

#### 22.2.13 Alcoholic Liquor or Drugs

The Contractor shall not, otherwise than in accordance with the Laws of the Country, import, sell, give barter, or otherwise dispose of any alcoholic liquor or drugs, or permit or allow importation, sale, gift barter, or disposal by Contractor's Personnel.

#### 22.2.14 Arms and Ammunition

The Contractor shall not give, barter, or otherwise dispose of, to any person, any arms or ammunition of any kind, or allow Contractor's Personnel to do so.

#### 22.2.15 Prohibition of All Forms of Forced or Compulsory Labor

The contractor shall not employ "forced or compulsory labor" in any form. "Forced or compulsory labor" consists of all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty.

#### 22.2.16 Prohibition of Harmful Child Labor

The Contractor shall not employ any child to perform any work that is economically exploitative, or is likely to be hazardous to, or to interfere with, the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral, or social development.

### 22.3 Contractor's Equipment

22.3.1 All Contractor's Equipment brought by the Contractor onto the Site shall be deemed to be intended to be used exclusively for the execution of the Contract. The Contractor shall not remove the same from the Site without the Project Manager's consent that such Contractor's Equipment is no longer required for the execution of the Contract.

22.3.2 Unless otherwise specified in the Contract, upon completion of the Facilities, the Contractor shall remove from the Site all Equipment brought by the Contractor onto the Site and any surplus materials remaining thereon.

22.3.3 The Employer will, if requested, use its best endeavors to assist the Contractor in obtaining any local, state or national government



permission required by the Contractor for the export of the Contractor's Equipment imported by the Contractor for use in the execution of the Contract that is no longer required for the execution of the Contract.

#### 22.4 Site Regulations and Safety

The Employer and the Contractor 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 Contractor shall prepare and submit to the Employer, with a copy to the Project Manager, proposed Site regulations for the Employer'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.

#### 22.5 Opportunities for Other Contractors

22.5.1 The Contractor shall, upon written request from the Employer or the Project Manager, give all reasonable opportunities for carrying out the work to any other contractors employed by the Employer on or near the Site.

22.5.2 If the Contractor, upon written request from the Employer or the Project Manager, makes available to other contractors any roads or ways the maintenance for which the Contractor is responsible, permits the use by such other contractors of the Contractor's Equipment, or provides any other service of whatsoever nature for such other contractors, the Employer shall fully compensate the Contractor for any loss or damage caused or occasioned by such other contractors in respect of any such use or service, and shall pay to the Contractor reasonable remuneration for the use of such equipment or the provision of such services.

22.5.3 The Contractor shall also so arrange to perform its work as to minimize, to the extent possible, interference with the work of other contractors. The Project Manager shall determine the resolution of any difference or conflict that may arise between the Contractor and other contractors and the workers of the Employer in regard to their work.

22.5.4 The Contractor shall notify the Project Manager promptly of any defects in the other Contractors' work that come to its notice, and that could affect the Contractor'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 Contractor.

#### 22.6 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 Contractor shall immediately carry out such work.

If the Contractor is unable or unwilling to do such work immediately, the Employer may do or cause such work to be done as the Employer may

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

## 22.7 Site Clearance

### 22.7.1 Site Clearance in Course of Performance

In the course of carrying out the Contract, the Contractor 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 Contractor's Equipment no longer required for execution of the Contract.

### 22.7.2 Clearance of Site after Completion

After Completion of all parts of the Facilities, the Contractor shall clear away and remove all wreckage, rubbish, and debris of any kind from the Site, and shall leave the Site and Facilities in a clean and safe condition.

## 22.8 Watching and Lighting

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

## 23. **Test and Inspection**

23.1 The Contractor 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 Plant and any part of the Facilities as are specified in the Contract.

23.2 The Employer and the Project Manager or their designated representatives shall be entitled to attend the aforesaid test and/or inspection, provided that the Employer 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 Contractor is ready to carry out any such test and/or inspection, the Contractor shall give a reasonable advance notice of such test and/or inspection and of the place and time thereof to the Project Manager. The Contractor shall obtain from any relevant third party or manufacturer any necessary permission or consent to enable the Employer and the Project Manager or their designated representatives to attend the test and/or inspection.

23.4 The Contractor shall provide the Project Manager with a certified report of the results of any such test and/or inspection.

If the Employer 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 Contractor 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 Contractor to carry out any test and/or inspection not required by the Contract, provided that the Contractor'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 Contractor'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 or any part of the Facilities fails to pass any test and/or inspection, the Contractor shall either rectify or replace such Plant or part of the Facilities and shall repeat the test and/or inspection upon giving a notice under GCC Subclause 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 or part of the Facilities that cannot be settled between the parties within a reasonable period of time, it may be referred to an Dispute Board for determination in accordance with GCC Subclause 45.3.
- 23.8 The Contractor shall afford the Employer and the Project Manager, at the Employer's expense, access at any reasonable time to any place where the Plant 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 Contractor a reasonable prior notice.
- 23.9 The Contractor agrees that neither the execution of a test and/or inspection of Plant or any part of the Facilities, nor the attendance by the Employer or the Project Manager, nor the issue of any test certificate pursuant to GCC Subclause 23.4, shall release the Contractor 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 Contractor carrying out any test and/or inspection required under the Contract. The Contractor shall give a reasonable notice to the Project Manager whenever any such parts 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 Contractor 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 parts of the Facilities or foundations have been covered up at the Site after compliance with the requirement of GCC Subclause 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 Employer, and the Time for Completion shall be reasonably adjusted to the extent that the Contractor 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 or any part thereof has, in the opinion of the Contractor, been completed operationally and structurally and put in a tight and clean condition as specified in the Employer's Requirements, excluding minor items not materially affecting the operation or safety of the Facilities, the Contractor shall so notify the Employer in writing.

24.2 Within 7 days after receipt of the notice from the Contractor under GCC Subclause 24.1, the Employer shall supply the operating and maintenance personnel specified in the Appendix (Scope of Works and Supply by the Employer) to the Contract Agreement for Pre-commissioning of the Facilities or any part thereof.

Pursuant to the Appendix (Scope of Works and Supply by the Employer) to the Contract Agreement, the Employer shall also provide, within the said 7-day period, the raw materials, utilities, lubricants, chemicals, catalysts, facilities, services, and other matters required for Pre-commissioning 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 Employer and the raw materials, utilities, lubricants, chemicals, catalysts, facilities, services, and other matters have been provided by the Employer in accordance with GCC Subclause 24.2, the Contractor shall commence Pre-commissioning of the Facilities or the relevant part thereof in preparation for Commissioning, subject to GCC Subclause 25.5.

24.4 As soon as all works in respect of Pre-commissioning are completed and, in the opinion of the Contractor, the Facilities or any part thereof is ready for Commissioning, the Contractor shall so notify the Project Manager in writing.

24.5 The Project Manager shall, within 14 days after receipt of the Contractor's notice under GCC Subclause 24.4, either issue a Completion Certificate in the form specified in the Employer's Requirements (Forms and Procedures), stating that the Facilities or that part thereof have reached Completion as of the date of the Contractor's notice under GCC Subclause 24.4, or notify the Contractor in writing of any defects and/or deficiencies.

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

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

If the Project Manager is not so satisfied, then it shall notify the Contractor in writing of any defects and/or deficiencies within 7 days after receipt of the Contractor'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 Contractor of any defects and/or deficiencies within 14 days after receipt of the Contractor's notice under GCC Subclause 24.4 or within 7 days

after receipt of the Contractor's repeated notice under GCC Subclause 24.5, or if the Employer 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 Contractor's notice or repeated notice, or as of the Employer's use of the Facilities, as the case may be.

- 24.7 As soon as possible after Completion, the Contractor shall complete all outstanding minor items so that the Facilities are fully in accordance with the requirements of the Contract, failing which the Employer will undertake such completion and deduct the costs thereof from any monies owing to the Contractor.
- 24.8 Upon Completion, the Employer 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 and Operational Acceptance**

### **25.1 Commissioning**

25.1.1 Commissioning of the Facilities or any part thereof shall be commenced by the Contractor immediately after issue of the Completion Certificate by the Project Manager, pursuant to GCC Subclause 24.5, or immediately after the date of the deemed Completion, under GCC Subclause 24.6.

25.1.2 The Employer shall supply the operating and maintenance personnel and all raw materials, utilities, lubricants, chemicals, catalysts, facilities, services, and other matters required for Commissioning.

25.1.3 In accordance with the requirements of the Contract, the Contractor's and Project Manager's advisory personnel shall attend the Commissioning, including the Guarantee Test, and shall advise and assist the Employer.

### **25.2 Guarantee Test**

25.2.1 Subject to GCC Subclause 25.5, the Guarantee Test and repeats thereof shall be conducted by the Contractor during 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 Appendix (Functional Guarantees) to the Contract Agreement. The Employer shall promptly provide the Contractor with such information as the Contractor 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 Contractor, 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 Employer and the Contractor, the Contractor shall be deemed to have fulfilled its obligations with respect to the Functional Guarantees, and GCC Subclauses 28.2 and 28.3 shall not apply.

### 25.3 Operational Acceptance

25.3.1 Subject to GCC Subclause 25.4 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 Contractor within the period from the date of Completion specified in the SCC, or any other agreed upon period as specified in GCC Subclause 25.2.2 above; or
- (c) the Contractor has paid the liquidated damages specified in GCC Subclause 28.3 hereof; and
- (d) any minor items mentioned in GCC Subclause 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 Subclause 25.3.1 have occurred, the Contractor may give a notice to the Project Manager requesting the issue of an Operational Acceptance Certificate in the form provided in the Employer's Requirements (Forms and Procedures) in respect of the Facilities or the part thereof specified in such notice as of the date of such notice.

25.3.3 The Project Manager shall, after consultation with the Employer, and within 7 days after receipt of the Contractor's notice, issue an Operational Acceptance Certificate.

25.3.4 If within 7 days after receipt of the Contractor's notice, the Project Manager fails to issue the Operational Acceptance Certificate or fails to inform the Contractor 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 of the date of the Contractor's said notice.

### 25.4 Partial Acceptance

25.4.1 If the Contract specifies that Completion and Commissioning shall be 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, for which 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 Contractor shall thereafter complete any outstanding minor items that are listed in the Operational Acceptance Certificate.

### 25.5 Delayed Pre-Commissioning and/or Guarantee Test

25.5.1 In the event that the Contractor is unable to proceed with the Pre-

commissioning of the Facilities pursuant to Subclause 24.3, or with the Guarantee Test pursuant to Subclause 25.2, for reasons attributable to the Employer either on account of non availability of other facilities under the responsibilities of other contractor(s), or for reasons beyond the Employer's control, the provisions leading to "deemed" completion of activities such as Completion, pursuant to GCC Subclause 24.6, and Operational Acceptance, pursuant to GCC Subclause 25.3.4, and Contractor's obligations regarding Defect Liability Period, pursuant to GCC Subclause 27.2, Functional Guarantee, pursuant to GCC Clause 28, and Care of Facilities, pursuant to GCC Clause 32, and GCC Clause 41.1, Suspension, shall not apply. In this case, the following provisions shall apply.

25.5.2 When the Contractor is notified by the Project Manager that he will be unable to proceed with the activities and obligations pursuant to above Subclause 25.5.1, the Contractor shall be entitled to the following:

- (a) the Time of Completion shall be extended for the period of suspension without imposition of liquidated damages pursuant to GCC Subclause 26.2;
- (b) payments due to the Contractor in accordance with the provision specified in the Appendix (Terms and Procedures of Payment) to the Contract Agreement, which would not have been payable in normal circumstances due to noncompletion of the subject activities, shall be released to the Contractor against submission of a security in the form of a bank guarantee of equivalent amount acceptable to the Employer, and which shall become null and void when the Contractor will have complied with its obligations regarding those payments, subject to the provision of Subclause 25.5.3 below;
- (c) the expenses towards the above security and extension of other securities under the contract, of which validity needs to be extended, shall be reimbursed to the Contractor by the Employer;
- (d) the additional charges towards the care of the Facilities pursuant to GCC Subclause 32.1 shall be reimbursed to the Contractor by the Employer for the period between the notification mentioned above and the notification mentioned in Subclause 25.5.4 below. The provision of GCC Subclause 33.2 shall apply to the Facilities during the same period.

25.5.3 In the event that the period of suspension under above Subclause 25.5.1 actually exceeds 180 days, the Employer and Contractor shall mutually agree to any additional compensation payable to the Contractor.

25.5.4 When the Contractor is notified by the Project Manager that the plant is ready for Pre-commissioning, the Contractor shall proceed without delay in performing all the specified activities and obligations under the contract.

**F. Guarantees and Liabilities****26. Completion Time Guarantee**

26.1 The Contractor guarantees that it shall attain Completion of the Facilities (or a part for which a separate time for completion is specified) within the Time for Completion specified in the SCC pursuant to GCC Subclause 8.2, or within such extended time to which the Contractor shall be entitled under GCC Clause 40 hereof.

26.2 If the Contractor fails to attain Completion of the Facilities or any part thereof within the Time for Completion or any extension thereof under GCC Clause 40, the Contractor shall pay to the Employer liquidated damages in the amount specified in the SCC as a percentage rate of the Contract Price or the relevant part thereof. The aggregate amount of such liquidated damages shall in no event exceed the amount specified as "Maximum" in the SCC as a percentage rate of the Contract Price. Once the "Maximum" is reached, the Employer may consider termination of the Contract, pursuant to GCC Subclause 42.2.2.

Such payment shall completely satisfy the Contractor's obligation to attain Completion of the Facilities or the relevant part thereof within the Time for Completion or any extension thereof under GCC Clause 40. The Contractor shall have no further liability whatsoever to the Employer in respect thereof.

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

Save for liquidated damages payable under this GCC Subclause 26.2, the failure by the Contractor to attain any milestone or other act, matter or thing by any date specified in the Appendix (Time Schedule) to the Contract Agreement and/or other program of work prepared pursuant to GCC Subclause 18.2 shall not render the Contractor liable for any loss or damage thereby suffered by the Employer.

26.3 If the Contractor attains Completion of the Facilities or any part thereof before the Time for Completion or any extension thereof under GCC Clause 40, the Employer shall pay to the Contractor a bonus in the amount specified in the SCC. The aggregate amount of such bonus shall in no event exceed the amount specified as "Maximum" in the SCC.

**27. Defect Liability**

27.1 The Contractor warrants that the Facilities or any part thereof shall be free from defects in the design, engineering, materials, and workmanship of the Plant supplied and of the work executed.

27.2 The Defect Liability Period shall be 540 days from the date of Completion of the Facilities (or any part thereof) or 1 year from the date of Operational Acceptance of the Facilities (or any part thereof), whichever first occurs, unless specified otherwise in the SCC pursuant to GCC Subclause 27.10.

If during the Defect Liability Period any defect should be found in the design, engineering, materials, and workmanship of the Plant supplied or of the work executed by the Contractor, the Contractor shall promptly, in consultation and agreement with the Employer regarding appropriate remedying of the defects, and at its cost, repair, replace, or otherwise make good as the Contractor shall determine at its discretion, such defect as well as any damage to the Facilities



caused by such defect. The Contractor shall not be responsible for the repair, 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 Employer,
- (b) operation of the Facilities outside specifications provided in the Contract, or
- (c) normal wear and tear.

27.3 The Contractor's obligations under this GCC Clause 27 shall not apply to:

- (a) any materials that are supplied by the Employer under GCC Subclause 21.2, 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 Employer or any matters for which the Contractor has disclaimed responsibility herein; or
- (c) any other materials supplied or any other work executed by or on behalf of the Employer, except for the work executed by the Employer under GCC Subclause 27.7.

27.4 The Employer shall give the Contractor a notice stating the nature of any such defect together with all available evidence thereof, promptly following the discovery thereof. The Employer shall afford all reasonable opportunity for the Contractor to inspect any such defect.

27.5 The Employer shall afford the Contractor all necessary access to the Facilities and the Site to enable the Contractor to perform its obligations under this GCC Clause 27.

The Contractor may, with the consent of the Employer, remove from the Site any Plant 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 Employer may give to the Contractor a notice requiring that tests of the defective part of the Facilities shall be made by the Contractor immediately upon completion of such remedial work, whereupon the Contractor shall carry out such tests.

If such part fails the tests, the Contractor 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 shall be agreed upon by the Employer and the Contractor.

27.7 If the Contractor 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 15 days), the Employer may, following notice to the Contractor, proceed to do such work, and the reasonable costs incurred by the Employer in connection therewith shall be paid to the Employer by the Contractor or may be deducted by the Employer from any monies due the Contractor 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 Employer because of any of the aforesaid reasons.
- 27.9 Except as provided in GCC Clauses 27 and 33, the Contractor shall be under no liability whatsoever and howsoever arising, and whether under the Contract or at law, in respect of defects in the Facilities or any part thereof, the Plant, design, or engineering, or work executed that appear after Completion of the Facilities or any part thereof, except where such defects are the result of the gross negligence, fraud, criminal, or willful action of the Contractor.
- 27.10 In addition, any such component of the Facilities and during the period of time as may be specified in the SCC shall be subject to an extended Defect Liability Period. Such obligation of the Contractor shall be in addition to the Defect Liability Period specified under GCC Subclause 27.2.

## **28. Functional Guarantees**

- 28.1 The Contractor guarantees that during the Guarantee Test, the Facilities and all parts thereof shall attain the Functional Guarantees specified in the Appendix (Functional Guarantees) to the Contract Agreement, subject to, and upon the conditions therein specified.
- 28.2 If, for reasons attributable to the Contractor, the minimum level of the Functional Guarantees specified in the Appendix (Functional Guarantees) to the Contract Agreement are not met either in whole or in part, the Contractor shall 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 at least the minimum level of such Guarantees. The Contractor shall notify the Employer upon completion of the necessary changes, modifications, and/or additions, and shall request the Employer to repeat the Guarantee Test until the minimum level of the Guarantees has been met. If the Contractor eventually fails to meet the minimum level of Functional Guarantees, the Employer may consider termination of the Contract, pursuant to GCC Subclause 42.2.2.
- 28.3 If, for reasons attributable to the Contractor, the Functional Guarantees specified in the Appendix (Functional Guarantees) to the Contract Agreement are not attained either in whole or in part, but the minimum level of the Functional Guarantees specified in the said Appendix to the Contract Agreement is met, the Contractor shall, at the Contractor's option, either
- (a) make such changes, modifications, and/or additions to the Facilities or any part thereof that are necessary to attain the Functional Guarantees at its cost and expense, and shall request the Employer to repeat the Guarantee Test or
  - (b) pay liquidated damages to the Employer in respect of the failure to meet the Functional Guarantees in accordance with the provisions in the Appendix (Functional Guarantees) to the Contract Agreement.
- 28.4 The payment of liquidated damages under GCC Subclause 28.3, up to the limitation of liability specified in the Appendix (Functional Guarantees) to the Contract Agreement, shall completely satisfy the Contractor's guarantees under GCC Subclause 28.3, and the Contractor shall have no further liability whatsoever to the Employer in respect thereof. Upon the payment of such liquidated damages by the Contractor, 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 Contractor shall, subject to the Employer's compliance with GCC Subclause 29.2, indemnify and hold harmless the Employer 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 Employer 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 Contractor 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 reasonably inferred from the Contract, any infringement resulting from the use of the Facilities or any part thereof, or any products produced thereby in association or combination with any other equipment, plant, or materials not supplied by the Contractor, pursuant to the Contract Agreement.

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

If the Contractor fails to notify the Employer within 28 days after receipt of such notice that it intends to conduct any such proceedings or claim, then the Employer shall be free to conduct the same on its own behalf. Unless the Contractor has so failed to notify the Employer within the 28-day period, the Employer shall make no admission that may be prejudicial to the defense of any such proceedings or claim.

The Employer shall, at the Contractor's request, afford all available assistance to the Contractor in conducting such proceedings or claim, and shall be reimbursed by the Contractor for all reasonable expenses incurred in so doing.

- 29.3 The Employer shall indemnify and hold harmless the Contractor and its employees, officers, and Subcontractors 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 Contractor 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 Employer.

- 30. Limitation of Liability**      30.1 Except in cases of criminal negligence or willful misconduct,
- (a) the Contractor shall not be liable to the Employer, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided

that this exclusion shall not apply to any obligation of the Contractor to pay liquidated damages to the Employer, and

- (b) the aggregate liability of the Contractor to the Employer, whether under the Contract, in tort or otherwise, shall not exceed a multiple of the Contract Price specified in the SCC or, if a multiple is not so specified, the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment, or to any obligation of the Contractor to indemnify the Employer with respect to patent infringement.

## **G. Risk Distribution**

### **31. Transfer of Ownership**

- 31.1 Ownership of the Plant (including spare parts) to be imported into the country where the Site is located shall be transferred to the Employer upon loading on to the mode of transport to be used to convey the Plant from the country of origin to that country.
- 31.2 Ownership of the Plant (including spare parts) procured in the country where the Site is located shall be transferred to the Employer when the Plant are brought on to the Site.
- 31.3 Ownership of the Contractor's Equipment used by the Contractor and its Subcontractors in connection with the Contract shall remain with the Contractor or its Subcontractors.
- 31.4 Ownership of any Plant in excess of the requirements for the Facilities shall revert to the Contractor upon Completion of the Facilities or at such earlier time when the Employer and the Contractor agree that the Plant in question are no longer required for the Facilities.
- 31.5 Notwithstanding the transfer of ownership of the Plant, the responsibility for care and custody thereof together with the risk of loss or damage thereto shall remain with the Contractor pursuant to GCC Clause 32 (Care of Facilities) hereof until Completion of the Facilities or the part thereof in which such Plant are incorporated.

### **32. Care of Facilities**

- 32.1 The Contractor 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 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 Contractor shall also be responsible for any loss or damage to the Facilities caused by the Contractor or its Subcontractors in the course of any work carried out, pursuant to GCC Clause 27. Notwithstanding the foregoing, the Contractor 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 Subclauses 32.2 and 38.1.
- 32.2 If any loss or damage occurs to the Facilities or any part thereof or to the Contractor'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 contractor 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 hereof; or
- (b) any use or occupation by the Employer or any third party other than a Subcontractor, authorized by the Employer of any part of the Facilities; or
- (c) any use of or reliance upon any design, data, or specification provided or designated by or on behalf of the Employer, or any such matter for which the Contractor has disclaimed responsibility herein,

the Employer shall pay to the Contractor all sums payable in respect of the Facilities executed, notwithstanding that the same be lost, destroyed, or damaged, and will pay to the Contractor the replacement value of all temporary facilities and all parts thereof lost, destroyed, or damaged. If the Employer requests the Contractor in writing to make good any loss or damage to the Facilities thereby occasioned, the Contractor shall make good the same at the cost of the Employer in accordance with GCC Clause 39. If the Employer does not request the Contractor in writing to make good any loss or damage to the Facilities thereby occasioned, the Employer shall either request a change in accordance with GCC Clause 39, 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 Employer shall terminate the Contract pursuant to GCC Subclause 42.1 hereof.

- 32.3 The Contractor shall be liable for any loss of or damage to any Contractor's Equipment, or any other property of the Contractor used or intended to be used for purposes of the Facilities, except (i) as mentioned in GCC Subclause 32.2 with respect to the Contractor's temporary facilities, and (ii) where such loss or damage arises by reason of any of the matters specified in GCC Subclauses 32.2 (b) and (c) and 38.1.
- 32.4 With respect to any loss or damage caused to the Facilities or any part thereof or to the Contractor's Equipment by reason of any of the matters specified in GCC Subclause 38.1, the provisions of GCC Subclause 38.3 shall apply.

**33. Loss of or Damage to Property;  
Accident or Injury to Workers;  
Indemnification**

- 33.1 Subject to GCC Subclause 33.3, the Contractor shall indemnify and hold harmless the Employer 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, in respect of the death or injury of any person or loss of or damage to any property other than the Facilities whether accepted or not, arising in connection with the supply and installation of the Facilities and by reason of the negligence of the Contractor or its Subcontractors, or their employees, officers, or agents, except any injury, death, or property damage caused by the negligence of the Employer, its contractors, employees, officers, or agents.

- 33.2 If any proceedings are brought or any claim is made against the Employer that might subject the Contractor to liability under GCC Subclause 33.1, the Employer shall promptly give the Contractor a notice thereof and the Contractor may at its own expense and in the Employer's name conduct such proceedings or claim and any negotiations for the settlement of any such proceedings or claim.

If the Contractor fails to notify the Employer within 28 days after receipt of such notice that it intends to conduct any such proceedings or claim, then the Employer shall be free to conduct the same on its own behalf. Unless the Contractor has so failed to notify the Employer within the 28-day period, the Employer shall make no admission that may be prejudicial to the defense of any such proceedings or claim.

The Employer shall, at the Contractor's request, afford all available assistance to the Contractor in conducting such proceedings or claim, and shall be reimbursed by the Contractor for all reasonable expenses incurred in so doing.

- 33.3 The Employer shall indemnify and hold harmless the Contractor and its employees, officers, and Subcontractors from any liability for loss of or damage to property of the Employer, other than the Facilities not yet taken over, that is caused by fire, explosion, or any other perils, in excess of the amount recoverable from insurances procured under GCC Clause 34, provided that such fire, explosion, or other perils were not caused by any act or failure of the Contractor.
- 33.4 The party entitled to the benefit of an indemnity under this GCC Clause 33 shall take all reasonable measures to mitigate any loss or damage which 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 the Appendix (Insurance Requirements) to the Contract Agreement, the Contractor shall at its expense take out and maintain in effect, or cause to be taken out and maintained in effect, during the performance of the Contract, the insurances set forth below in the sums and with the deductibles and other conditions specified in the said Appendix. The identity of the insurers and the form of the policies shall be subject to the approval of the Employer, who should not unreasonably withhold such approval.

(a) Cargo Insurance During Transport

Covering loss or damage occurring while in transit from the Contractor's or Subcontractor's works or stores until arrival at the Site, to the Plant (including spare parts therefor) and to the Contractor'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 extended maintenance coverage for the Contractor's liability in respect of any loss or damage occurring during the Defect Liability Period while the Contractor 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 Employer'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 Contractor or its Subcontractors, 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) Employer'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 Appendix (Insurance Requirements) to the Contract Agreement.

- 34.2 The Employer shall be named as co-insured under all insurance policies taken out by the Contractor pursuant to GCC Subclause 34.1, except for the Third Party Liability, Workers' Compensation, and Employer's Liability Insurances, and the Contractor's Subcontractors shall be named as co-insureds under all insurance policies taken out by the Contractor pursuant to GCC Subclause 34.1 except for the Cargo Insurance During Transport, Workers' Compensation, and Employer's Liability Insurances. All insurer's rights of subrogation against such co-insureds for losses or claims arising out of the performance of the Contract shall be waived under such policies.
- 34.3 The Contractor shall, in accordance with the provisions of the Appendix (Insurance Requirements) to the Contract Agreement, deliver to the Employer 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 21 days' notice shall be given to the Employer by insurers prior to cancellation or material modification of a policy.
- 34.4 The Contractor shall ensure that, where applicable, its Subcontractor(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 Subcontractors are covered by the policies taken out by the Contractor.
- 34.5 The Employer shall at its expense take out and maintain in effect during the performance of the Contract those insurances specified in the Appendix (Insurance Requirements) to the Contract Agreement, in the sums and with the deductibles and other conditions specified in the said Appendix. The Contractor and the Contractor's Subcontractors shall be named as co-insureds under all such policies. All insurers' rights of subrogation against such co-insureds for losses or claims arising out of the performance of the Contract shall be waived under such policies. The Employer shall deliver to the Contractor satisfactory evidence that the required insurances are in full force

and effect. The policies shall provide that not less than 21 days' notice shall be given to the Contractor by all insurers prior to any cancellation or material modification of the policies. If so requested by the Contractor, the Employer shall provide copies of the policies taken out by the Employer under this GCC Subclause 34.5.

34.6 If the Contractor fails to take out and/or maintain in effect the insurances referred to in GCC Subclause 34.1, the Employer may take out and maintain in effect any such insurances and may from time to time deduct from any amount due the Contractor under the Contract any premium that the Employer shall have paid to the insurer, or may otherwise recover such amount as a debt due from the Contractor. If the Employer fails to take out and/or maintain in effect the insurances referred to in GCC 34.5, the Contractor may take out and maintain in effect any such insurances and may from time to time deduct from any amount due the Employer under the Contract any premium that the Contractor shall have paid to the insurer, or may otherwise recover such amount as a debt due from the Employer. If the Contractor fails to or is unable to take out and maintain in effect any such insurances, the Contractor shall nevertheless have no liability or responsibility towards the Employer, and the Contractor shall have full recourse against the Employer for any and all liabilities of the Employer herein.

34.7 Unless otherwise provided in the Contract, the Contractor 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 Contractor. The Employer shall give to the Contractor all such reasonable assistance as may be required by the Contractor. With respect to insurance claims in which the Employer's interest is involved, the Contractor shall not give any release or make any compromise with the insurer without the prior written consent of the Employer. With respect to insurance claims in which the Contractor's interest is involved, the Employer shall not give any release or make any compromise with the insurer without the prior written consent of the Contractor.

### **35. Unforeseen Conditions**

35.1 If, during the execution of the Contract, the Contractor 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 contractor on the basis of reasonable examination of the data relating to the Facilities including any data as to boring tests, provided by the Employer, 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 Contractor determines that it will in consequence of such conditions or obstructions incur additional cost and 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 Contractor shall promptly, and before performing additional work or using additional Plant or Contractor's Equipment, notify the Project Manager in writing of

- (a) the physical conditions or artificial obstructions on the Site that could not have been reasonably foreseen;
- (b) the additional work and/or Plant and/or Contractor's Equipment



required, including the steps which the Contractor will or proposes to take to overcome such conditions or obstructions;

- (c) the extent of the anticipated delay; and
- (d) the additional cost and expense that the Contractor is likely to incur.

On receiving any notice from the Contractor under this GCC Subclause 35.1, the Project Manager shall promptly consult with the Employer and Contractor and decide upon the actions to be taken to overcome the physical conditions or artificial obstructions encountered. Following such consultations, the Project Manager shall instruct the Contractor, with a copy to the Employer, of the actions to be taken.

35.2 Any reasonable additional cost and expense incurred by the Contractor in following the instructions from the Project Manager to overcome such physical conditions or artificial obstructions referred to in GCC Subclause 35.1 shall be paid by the Employer to the Contractor as an addition to the Contract Price.

35.3 If the Contractor is delayed or impeded in the performance of the Contract because of any such physical conditions or artificial obstructions referred to in GCC Subclause 35.1, the Time for Completion shall be extended in accordance with GCC Clause 40.

### **36. Change in Laws and Regulations**

36.1 If, after the date 28 days prior to the date of Tender submission, in the country where the Site is located, any law, regulation, ordinance, order or by-law having the force of law is enacted, promulgated, abrogated, or changed, which shall be deemed to include any change in interpretation or application by the competent authorities, that subsequently affects the costs and expenses of the Contractor 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 Contractor has thereby been affected in the performance of any of its obligations under the Contract. Notwithstanding the foregoing, such additional or reduced costs shall 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 SCC, pursuant to GCC Subclause 11.2.

### **37. Force Majeure**

37.1 "Force Majeure" shall mean any event beyond the reasonable control of the Employer or of the Contractor, as the case may be, and which is unavoidable notwithstanding the reasonable care of the party affected, and shall include, without limitation, the following:

- (a) war, hostilities, or warlike operations whether a state of war be 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;
- (c) confiscation, nationalization, mobilization, commandeering or requisition by or under the order of any government or de jure or de facto authority or ruler or any other act or failure to act of any local state or national government authority;
- (d) strike, sabotage, lockout, embargo, import restriction, port congestion,

lack of usual means of public transportation and communication, industrial dispute, shipwreck, shortage or restriction of power supply, epidemics, quarantine, and plague;

- (e) earthquake, landslide, volcanic activity, fire, flood or inundation, tidal wave, typhoon or cyclone, hurricane, storm, lightning, or other inclement weather condition, nuclear, and pressure waves or other natural or physical disaster; and
  - (f) shortage of labor, materials, or utilities where caused by circumstances that are themselves Force Majeure.
- 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 14 days after the occurrence of such event.
- 37.3 The party who has given such notice shall be excused from the performance or punctual performance of its obligations under the Contract for 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 GCC Clause 40.
- 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 fulfill its or their obligations under the Contract, but without prejudice to either party's right to terminate the Contract under GCC Subclauses 37.6 and 38.5.
- 37.5 No delay or nonperformance by either party hereto caused by the occurrence of any event of Force Majeure shall
- (a) constitute a default or breach of the Contract; or
  - (b) give rise to any claim for damages or additional cost or expense occasioned thereby, subject to GCC Subclauses 32.2, 38.3 and 38.4
- if and to the extent that such delay or nonperformance 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 60 days or an aggregate period of more than 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 either party may terminate the Contract by giving a notice to the other, but without prejudice to either party's right to terminate the Contract under GCC Subclause 38.5.
- 37.7 In the event of termination pursuant to GCC Subclause 37.6, the rights and obligations of the Employer and the Contractor shall be as specified in GCC Subclauses 42.1.2 and 42.1.3.
- 37.8 Notwithstanding GCC Subclause 37.5, Force Majeure shall not apply to any obligation of the Employer to make payments to the Contractor herein.

### 38. War Risks

- 38.1 "War Risks" shall mean any event specified in paragraphs (a) and (b) of GCC Subclause 37.1 and any explosion or impact of any mine, bomb, shell,

grenade, or other projectile, missile, munitions or explosive of war, occurring or existing in or near the country (or countries) where the Site is located.

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

- (a) destruction of or damage to Facilities, Plant, or any part thereof;
- (b) destruction of or damage to property of the Employer or any third party;  
or
- (c) injury or loss of life

if such destruction, damage, injury or loss of life is caused by any war risks, and the Employer shall indemnify and hold the Contractor 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 or Contractor's Equipment or any other property of the Contractor used or intended to be used for the purposes of the Facilities shall sustain destruction or damage by reason of any war risks, the Employer shall pay the Contractor for

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

If the Employer does not require the Contractor to replace or make good any such destruction or damage to the Facilities, the Employer shall either request a change in accordance with GCC Clause 39, 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 Subclause 42.1.

If the Employer requires the Contractor to replace or make good on any such destruction or damage to the Facilities, the Time for Completion shall be extended in accordance with GCC 40.

38.4 Notwithstanding anything contained in the Contract, the Employer shall pay the Contractor 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 Contractor shall as soon as practicable notify the Employer 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 Contractor, the Contractor shall use its reasonable efforts to execute the Contract with due and proper consideration given to the safety of its and its Subcontractors' 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 either party may terminate the Contract by giving a notice to the other.

- 38.6 In the event of termination pursuant to GCC Subclauses 38.3 or 38.5, the rights and obligations of the Employer and the Contractor shall be specified in GCC Subclauses 42.1.2 and 42.1.3.

## H. Change in Contract Elements

### 39. Change in the Facilities

#### 39.1 Introducing a Change

39.1.1 Subject to GCC Subclauses 39.2.5 and 39.2.7, the Employer shall have the right to propose, and subsequently require, that the Project Manager order the Contractor 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 Contractor may from time to time during its performance of the Contract propose to the Employer with a copy to the Project Manager, any Change that the Contractor considers necessary or desirable to improve the quality, efficiency, or safety of the Facilities. The Employer may at its discretion approve or reject any Change proposed by the Contractor, provided that the Employer shall approve any Change proposed by the Contractor to ensure the safety of the Facilities.

39.1.3 Notwithstanding GCC Subclauses 39.1.1 and 39.1.2, no change made necessary because of any default of the Contractor 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 Subclauses 39.2 and 39.3, and further details and forms are provided in the Employer's Requirements (Forms and Procedures).

#### 39.2 Changes Originating from Employer

39.2.1 If the Employer proposes a Change pursuant to GCC Subclause 39.1.1, it shall send to the Contractor a "Request for Change Proposal," requiring the Contractor 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 the Facilities, and
- (f) effect on any other provisions of the Contract.

39.2.2 Prior to preparing and submitting the "Change Proposal," the Contractor shall submit to the Project Manager an "Estimate for Change Proposal," which shall be an estimate of the cost of preparing and submitting the Change Proposal.

Upon receipt of the Contractor's Estimate for Change Proposal, the Employer shall do one of the following:

- (a) accept the Contractor's estimate with instructions to the Contractor to proceed with the preparation of the Change Proposal,
- (b) advise the Contractor of any part of its Estimate for Change Proposal that is unacceptable and request the Contractor to review its estimate
- (c) advise the Contractor that the Employer does not intend to proceed with the Change.

39.2.3 Upon receipt of the Employer's instruction to proceed under GCC Subclause 39.2.2 (a), the Contractor shall, with proper expedition, proceed with the preparation of the Change Proposal, in accordance with GCC Subclause 39.2.1.

39.2.4 The pricing of any Change shall, as far as practicable, be calculated in accordance with the rates and prices included in the Contract. If such rates and prices are inequitable, the parties thereto shall agree on specific rates for the valuation of the Change.

39.2.5 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 Contractor 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 15%, the Contractor may give a written notice of objection thereto prior to furnishing the Change Proposal as aforesaid. If the Employer accepts the Contractor's objection, the Employer shall withdraw the proposed Change and shall notify the Contractor in writing thereof.

The Contractor's failure to so object shall neither affect its right to object to any subsequent requested Changes or Change Orders herein, nor affect its right to take into account, when making such subsequent objection, the percentage increase or decrease in the Contract Price that any Change not objected to by the Contractor

represents.

- 39.2.6 Upon receipt of the Change Proposal, the Employer and the Contractor shall mutually agree upon all matters therein contained. Within 14 days after such agreement, the Employer shall, if it intends to proceed with the Change, issue the Contractor with a Change Order.

If the Employer is unable to reach a decision within 14 days, it shall notify the Contractor with details of when the Contractor can expect a decision.

If the Employer decides not to proceed with the Change for whatever reason, it shall, within the said period of 14 days, notify the Contractor accordingly. Under such circumstances, the Contractor shall be entitled to reimbursement of all costs reasonably incurred by it in the preparation of the Change Proposal, provided that these do not exceed the amount given by the Contractor in its Estimate for Change Proposal submitted in accordance with GCC Subclause 39.2.2.

- 39.2.7 If the Employer and the Contractor 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 Employer may nevertheless instruct the Contractor to proceed with the Change by issue of a "Pending Agreement Change Order."

Upon receipt of a Pending Agreement Change Order, the Contractor 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.

If the parties cannot reach agreement within 60 days from the date of issue of the Pending Agreement Change Order, then the matter may be referred to the Dispute Board in accordance with the provisions of GCC Subclause 45.3.

### 39.3 Changes Originating from Contractor

- 39.3.1 If the Contractor proposes a Change pursuant to GCC Subclause 39.1.2, the Contractor 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 Subclause 39.2.1.

Upon receipt of the Application for Change Proposal, the parties shall follow the procedures outlined in GCC Subclauses 39.2.6 and 39.2.7. However, should the Employer choose not to proceed, the Contractor shall not be entitled to recover the costs of preparing the Application for Change Proposal.

## 40. Extension of Time for Completion

- 40.1 The Time(s) for Completion specified in the SCC shall be extended if the Contractor is delayed or impeded in the performance of any of its obligations under the Contract by reason of any of the following:
- (a) any Change in the Facilities as provided in GCC Clause 39;

- (b) any occurrence of Force Majeure as provided in GCC Clause 37, unforeseen conditions as provided in GCC Clause 35, or other occurrence of any of the matters specified or referred to in paragraphs (a), (b) and (c) of GCC Subclause 32.2;
- (c) any suspension order given by the Employer under GCC Clause 41 hereof or reduction in the rate of progress pursuant to GCC Subclause 41.2; or
- (d) any changes in laws and regulations as provided in GCC Clause 36; or
- (e) any default or breach of the Contract by the Employer, or any activity, act or omission of the Employer, or the Project Manager, or any other contractors employed by the Employer; or
- (f) any other matter specifically mentioned in the Contract; or
- (g) any delay on the part of a sub-contractor, provided such delay is due to a cause for which the Contractor himself would have been entitled to an extension of time under this Subclause

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 Contractor.

40.2 Except where otherwise specifically provided in the Contract, the Contractor 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 Employer and the Contractor shall agree upon the period of such extension. In the event that the Contractor does not accept the Employer's estimate of a fair and reasonable time extension, the Contractor shall be entitled to refer the matter to a Dispute Board, pursuant to GCC Subclause 45.3.

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

In all cases where the Contractor has given a notice of a claim for an extension of time under GCC 40.2, the Contractor shall consult with the Project Manager in order to determine the steps (if any) which can be taken to overcome or minimize the actual or anticipated delay. The Contractor shall there after comply with all reasonable instructions, which the Project Manager shall give in order to minimize such delay. If compliance with such instructions shall cause the Contractor to incur extra costs and the Contractor is entitled to an extension of time under GCC 40.1, the amount of such extra costs shall be added to the Contract Price.

## 41. Suspension

41.1 The Employer may request the Project Manager, by notice to the Contractor, to order the Contractor to suspend performance of any or all of its obligations under the Contract. Such notice shall specify the obligation of which performance is to be suspended, the effective date of the suspension and the reasons therefor. The Contractor shall thereupon suspend performance of such obligation, except those obligations necessary for the care or

preservation of the Facilities, until ordered in writing to resume such performance by the Project Manager.

If, by virtue of a suspension order given by the Project Manager, other than by reason of the Contractor's default or breach of the Contract, the Contractor's performance of any of its obligations is suspended for an aggregate period of more than 90 days, then at any time thereafter and provided that at that time such performance is still suspended, the Contractor may give a notice to the Project Manager requiring that the Employer shall, within 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, excluding the performance of the suspended obligations from the Contract.

If the Employer fails to do so within such period, the Contractor 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 or, where it affects the whole of the Facilities, as termination of the Contract under GCC Subclause 42.1.

#### 41.2 If

- (a) the Employer has failed to pay the Contractor any sum due under the Contract within the specified period, has failed to approve any invoice or supporting documents without just cause pursuant to the Appendix (Terms and Procedures of Payment) to the Contract Agreement, or commits a substantial breach of the Contract, the Contractor may give a notice to the Employer that requires payment of such sum, with interest thereon as stipulated in GCC Subclause 12.3, requires approval of such invoice or supporting documents, or specifies the breach and requires the Employer to remedy the same, as the case may be. If the Employer fails to pay such sum together with such interest, 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 14 days after receipt of the Contractor's notice; or
- (b) the Contractor is unable to carry out any of its obligations under the Contract for any reason attributable to the Employer, including but not limited to the Employer's failure to provide possession of or access to the Site or other areas in accordance with GCC Subclause 10.2, or failure to obtain any governmental permit necessary for the execution and/or completion of the Facilities,

then the Contractor may by 14 days' notice to the Employer suspend performance of all or any of its obligations under the Contract, or reduce the rate of progress.

- 41.3 If the Contractor'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 Subclause 40.1, and any and all additional costs or expenses incurred by the Contractor as a result of such suspension or reduction shall be paid by the Employer to the Contractor in addition to the Contract Price, except in the case of suspension order or reduction in the rate of progress by reason of the Contractor's default



or breach of the Contract.

- 41.4 During the period of suspension, the Contractor shall not remove from the Site any Plant, any part of the Facilities or any Contractor's Equipment, without the prior written consent of the Employer.

## 42. Termination

### 42.1 Termination for Employer's Convenience

- 42.1.1 The Employer may at any time terminate the Contract for any reason by giving the Contractor a notice of termination that refers to this GCC Subclause 42.1.

- 42.1.2 Upon receipt of the notice of termination under GCC Subclause 42.1.1, the Contractor shall, either immediately or upon the date specified in the notice of termination,

- (a) cease all further work, except for such work as the Employer 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 Employer pursuant to paragraph (d) (ii) below;
- (c) remove all Contractor's Equipment from the Site, repatriate the Contractor's and its Subcontractors' 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; and
- (d) subject to the payment specified in GCC Subclause 42.1.3,
  - (i) deliver to the Employer the parts of the Facilities executed by the Contractor up to the date of termination;
  - (ii) to the extent legally possible, assign to the Employer all right, title and benefit of the Contractor to the Facilities and to the Plant as of the date of termination, and, as may be required by the Employer, in any subcontracts concluded between the Contractor and its Subcontractors; and
  - (iii) deliver to the Employer all non-proprietary drawings, specifications and other documents prepared by the Contractor or its Subcontractors as at the date of termination in connection with the Facilities.

- 42.1.3 In the event of termination of the Contract under GCC Subclause 42.1.1, the Employer shall pay to the Contractor the following amounts:

- (a) the Contract Price, properly attributable to the parts of the Facilities executed by the Contractor as of the date of termination;
- (b) the costs reasonably incurred by the Contractor in the removal of the Contractor's Equipment from the Site and in the repatriation of the Contractor's and its Subcontractors'

personnel;

- (c) any amounts to be paid by the Contractor to its Subcontractors in connection with the termination of any subcontracts, including any cancellation charges;
- (d) costs incurred by the Contractor in protecting the Facilities and leaving the Site in a clean and safe condition pursuant to paragraph (a) of GCC Subclause 42.1.2; and
- (e) the cost of satisfying all other obligations, commitments and claims that the Contractor 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's Default

42.2.1 The Employer, 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 Contractor, referring to this GCC Subclause 42.2:

- (a) if the Contractor becomes bankrupt or insolvent, has a receiving order issued against it, compounds with its creditors, or, if the Contractor 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 Contractor takes or suffers any other analogous action in consequence of debt;
- (b) if the Contractor assigns or transfers the Contract or any right or interest therein in violation of the provision of GCC Clause 43; and
- (c) if the Contractor, in the judgment of the Employer has engaged in integrity violations, as defined in GCC Clause 6, in competing for or in executing the Contract.

#### 42.2.2 If the Contractor

- (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 Subclause 41.2, the progress of Contract performance for more than 28 days after receiving a written instruction from the Employer 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 Subclause 18.2 at rates of progress that give reasonable assurance to the Employer that the Contractor can attain Completion of the Facilities by the Time for Completion as extended;

then the Employer may, without prejudice to any other rights it may possess under the Contract, give a notice to the Contractor, stating the nature of the default and requiring the Contractor to remedy the same. If the Contractor fails to remedy or to take steps to remedy the same within 14 days of its receipt of such notice, then the Employer may terminate the Contract forthwith by giving a notice of termination to the Contractor that refers to this GCC Subclause 42.2.

42.2.3 Upon receipt of the notice of termination under GCC Subclauses 42.2.1 or 42.2.2, the Contractor shall, either immediately or upon such date as is specified in the notice of termination,

- (a) cease all further work, except for such work as the Employer 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 Employer pursuant to paragraph (d) below;
- (c) deliver to the Employer the parts of the Facilities executed by the Contractor up to the date of termination;
- (d) to the extent legally possible, assign to the Employer all right, title and benefit of the Contractor to the Facilities and to the Plant as of the date of termination, and, as may be required by the Employer, in any subcontracts concluded between the Contractor and its Subcontractors; and
- (e) deliver to the Employer all drawings, specifications and other documents prepared by the Contractor or its Subcontractors as of the date of termination in connection with the Facilities.

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

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

arrange removal of the same from the Site.

42.2.5 Subject to GCC Subclause 42.2.6, the Contractor shall be entitled to be paid the Contract Price attributable to the Facilities executed as of the date of termination, the value of any unused or partially used Plant 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 Subclause 42.2.3. Any sums due the Employer from the Contractor accruing prior to the date of termination shall be deducted from the amount to be paid to the Contractor under this Contract.

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

If the sum that the Contractor is entitled to be paid, pursuant to GCC Subclause 42.2.5, plus the reasonable costs incurred by the Employer in completing the Facilities, exceeds the Contract Price, the Contractor shall be liable for such excess.

If such excess is greater than the sums due the Contractor under GCC Subclause 42.2.5, the Contractor shall pay the balance to the Employer, and if such excess is less than the sums due the Contractor under GCC Subclause 42.2.5, the Employer shall pay the balance to the Contractor.

The Employer and the Contractor shall agree, in writing, on the computation described above and the manner in which any sums shall be paid.

#### 42.3 Termination by Contractor

##### 42.3.1 If

- (a) the Employer has failed to pay the Contractor any sum due under the Contract within the specified period, has failed to approve any invoice or supporting documents without just cause pursuant to the Appendix (Terms and Procedures of Payment) to the Contract Agreement, or commits a substantial breach of the Contract, the Contractor may give a notice to the Employer that requires payment of such sum, with interest thereon as stipulated in GCC Subclause 12.3, requires approval of such invoice or supporting documents, or specifies the breach and requires the Employer to remedy the same, as the case may be. If the Employer fails to pay such sum together with such interest, 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 14 days after receipt of the Contractor's notice; or
- (b) the Contractor is unable to carry out any of its obligations under the Contract for any reason attributable to the Employer, including but not limited to the Employer'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;

then the Contractor may give a notice to the Employer thereof, and if the Employer 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 28 days of such notice, or if the Contractor is still unable to carry out any of its obligations under the Contract for any reason attributable to the Employer within 28 days of the said notice, the Contractor may by a further notice to the Employer referring to this GCC Subclause 42.3.1, forthwith terminate the Contract.

42.3.2 The Contractor may terminate the Contract forthwith by giving a notice to the Employer to that effect, referring to this GCC Subclause 42.3.2, if the Employer 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 Employer takes or suffers any other analogous action in consequence of debt.

42.3.3 If the Contract is terminated under GCC Subclauses 42.3.1 or 42.3.2, then the Contractor 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 Employer pursuant to paragraph (d) (ii);
- (c) remove all Contractor's Equipment from the Site and repatriate the Contractor's and its Subcontractors' personnel from the Site; and
- (d) subject to the payment specified in GCC Subclause 42.3.4,
  - (i) deliver to the Employer the parts of the Facilities executed by the Contractor up to the date of termination;
  - (ii) to the extent legally possible, assign to the Employer all right, title and benefit of the Contractor to the Facilities and to the Plant as of the date of termination, and, as may be required by the Employer, in any subcontracts concluded between the Contractor and its Subcontractors; and
  - (iii) deliver to the Employer all drawings, specifications and other documents prepared by the Contractor or its Subcontractors as of the date of termination in connection with the Facilities.

42.3.4 If the Contract is terminated under GCC Subclauses 42.3.1 or 42.3.2, the Employer shall pay to the Contractor all payments specified in GCC Subclause 42.1.3, and reasonable compensation for all loss, except for loss of profit, or damage sustained by the Contractor arising

out of, in connection with or in consequence of such termination.

42.3.5 Termination by the Contractor pursuant to this GCC Subclause 42.3 is without prejudice to any other rights or remedies of the Contractor that may be exercised in lieu of or in addition to rights conferred by GCC Subclause 42.3.

42.4 In this GCC Clause 42, the expression "Facilities executed" shall include all work executed, Installation Services provided, and all Plant acquired, or subject to a legally binding obligation to purchase, by the Contractor 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 Employer to the Contractor, account shall be taken of any sum previously paid by the Employer to the Contractor under the Contract, including any advance payment paid pursuant to the Appendix (Terms and Procedures of Payment) to the Contract Agreement.

#### **43. Assignment**

43.1 Neither the Employer nor the Contractor shall, without the express prior written consent of the other party which consent shall not be unreasonably withheld, assign to any third party the Contract or any part thereof, or any right, benefit, obligation or interest therein or thereunder, except that the Contractor 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.

### **I. Claims, Disputes, and Arbitration**

#### **44. Contractor's Claims**

44.1 If the Contractor considers himself to be entitled to any extension of the Time for Completion and/or any additional payment, under any Clause of these Conditions or otherwise in connection with the Contract, the Contractor shall submit a notice to the Project Manager, describing the event or circumstance giving rise to the claim. The notice shall be given as soon as practicable, and not later than 28 days after the Contractor became aware, or should have become aware, of the event or circumstance.

If the Contractor fails to give notice of a claim within such period of 28 days, the Time for Completion shall not be extended, the Contractor shall not be entitled to additional payment, and the Employer shall be discharged from all liability in connection with the claim. Otherwise, the following provisions of this Subclause shall apply.

The Contractor shall also submit any other notices, which are required by the Contract, and supporting particulars for the claim, all as relevant to such event or circumstance.

The Contractor shall keep such contemporary records as may be necessary to substantiate any claim, either on the Site or at another location acceptable to the Project Manager. Without admitting the Employer's liability, the Project Manager may, after receiving any notice under this Subclause, monitor the record keeping and/or instruct the Contractor to keep further contemporary records. The Contractor shall permit the Project Manager to inspect all these records, and shall (if instructed) submit copies to the Project Manager.

Within 42 days after the Contractor became aware (or should have become aware) of the event or circumstance giving rise to the claim, or within such other period as may be proposed by the Contractor and approved by the

Project Manager, the Contractor shall send to the Project Manager a fully detailed claim, which includes full supporting particulars of the basis of the claim and of the extension of time and/or additional payment claimed. If the event or circumstance giving rise to the claim has a continuing effect,

- (a) this fully detailed claim shall be considered as interim;
- (b) the Contractor shall send further interim claims at monthly intervals, giving the accumulated delay and/or amount claimed, and such further particulars as the Project Manager may reasonably require; and
- (c) the Contractor shall send a final claim within 28 days after the end of the effects resulting from the event or circumstance, or within such other period as may be proposed by the Contractor and approved by the Project Manager.

Within 42 days after receiving a claim or any further particulars supporting a previous claim, or within such other period as may be proposed by the Project Manager and approved by the Contractor, the Project Manager shall respond with approval, or with disapproval and detailed comments. He may also request any necessary further particulars, but shall nevertheless give his response on the principles of the claim within such time.

Each payment certificate shall include such amounts for any claim as have been reasonably substantiated as due under the relevant provision of the Contract. Unless and until the particulars supplied are sufficient to substantiate the whole of the claim, the Contractor shall only be entitled to payment for such part of the claim as he has been able to substantiate.

The Project Manager shall agree with the Contractor or estimate: (i) the extension (if any) of the Time for Completion (before or after its expiry) in accordance with GCC Clause 40, and/or (ii) the additional payment (if any) to which the Contractor is entitled under the Contract.

The requirements of this Subclause are in addition to those of any other Subclause, which may apply to a claim. If the Contractor fails to comply with this or another Subclause in relation to any claim, any extension of time and/or additional payment shall take account of the extent (if any) to which the failure has prevented or prejudiced proper investigation of the claim, unless the claim is excluded under the second paragraph of this Subclause.

In the event that the Contractor and the Employer cannot agree on any matter relating to a claim, either party may refer the matter to the Dispute Board pursuant to GCC 45 hereof.

## **45. Disputes and Arbitration**

### **45.1 Appointment of the Dispute Board**

Disputes shall be referred to a Dispute Board for decision in accordance with GCC Subclause 45.3. The Parties shall appoint a Dispute Board by the date stated in the SCC.

The Dispute Board shall comprise, as stated in the SCC, either one or three suitably qualified persons ("the members"), each of whom shall be fluent in the language for communication defined in the Contract and shall be a professional experienced in the type of activities involved in the performance of the Contract and with the interpretation of contractual documents. If the number is not so stated and the Parties do not agree otherwise, the Dispute Board shall comprise three

persons, one of whom shall serve as chairman.

If the Parties have not jointly appointed the Dispute Board 21 days before the date stated in the SCC and the Dispute Board is to comprise three persons, each Party shall nominate one member for the approval of the other Party. The first two members shall recommend and the Parties shall agree upon the third member, who shall act as chairman.

However, if a list of potential members is included in the SCC, the members shall be selected from those on the list, other than anyone who is unable or unwilling to accept appointment to the Dispute Board.

The agreement between the Parties and either the sole member or each of the three members shall incorporate by reference the General Conditions of Dispute Board Agreement contained in the Appendix to these General Conditions, with such amendments as are agreed between them.

The terms of the remuneration of either the sole member or each of the three members, including the remuneration of any expert whom the Dispute Board consults, shall be mutually agreed upon by the Parties when agreeing the terms of appointment of the member or such expert (as the case may be). Each Party shall be responsible for paying one-half of this remuneration.

If a member declines to act or is unable to act as a result of death, disability, resignation or termination of appointment, a replacement shall be appointed in the same manner as the replaced person was required to have been nominated or agreed upon, as described in this Subclause.

The appointment of any member may be terminated by mutual agreement of both Parties, but not by the Employer or the Contractor acting alone. Unless otherwise agreed by both Parties, the appointment of the Dispute Board (including each member) shall expire when the Operational Acceptance Certificate has been issued in accordance with GCC Clause 25.3.

#### 45.2 Failure to Agree Dispute Board

If any of the following conditions apply, namely:

- (a) the Parties fail to agree upon the appointment of the sole member of the Dispute Board by the date stated in the first paragraph of GCC Subclause 45.1;
- (b) either Party fails to nominate a member (for approval by the other Party) of a Dispute Board of three persons by such date;
- (c) the Parties fail to agree upon the appointment of the third member (to act as chairman) of the Dispute Board by such date; or
- (d) the Parties fail to agree upon the appointment of a replacement person within 42 days after the date on which the sole member or one of the three members declines to act or is unable to act as a result of death, disability, resignation, or termination of appointment;

then the appointing entity or official named in the SCC shall, upon the request of either or both of the Parties and after due consultation with both Parties, appoint this member of the Dispute Board. This appointment shall be final and conclusive. Each Party shall be responsible for paying one-half of the



remuneration of the appointing entity or official.

#### 45.3 Obtaining Dispute Board's Decision

If a dispute (of any kind whatsoever) arises between the Parties in connection with the performance of the Contract, including any dispute as to any certificate, determination, instruction, opinion or valuation of the Project Manager, either Party may refer the dispute in writing to the Dispute Board for its decision, with copies to the other Party and the Project Manager. Such reference shall state that it is given under this Subclause.

For a Dispute Board of three persons, the Dispute Board shall be deemed to have received such reference on the date when it is received by the chairman of the Dispute Board.

Both Parties shall promptly make available to the Dispute Board all such additional information, further access to the Site, and appropriate facilities, as the Dispute Board may require for the purposes of making a decision on such dispute. The Dispute Board shall be deemed to be not acting as arbitrator(s).

Within 84 days after receiving such reference, or within such other period as may be proposed by the Dispute Board and approved by both Parties, the Dispute Board shall give its decision, which shall be reasoned and shall state that it is given under this Subclause. The decision shall be binding on both Parties, who shall promptly give effect to it unless and until it shall be revised in an amicable settlement or an arbitral award as described below. Unless the Contract has already been abandoned, repudiated or terminated, the Contractor shall continue to proceed with the performance of the Facilities in accordance with the Contract.

If either Party is dissatisfied with the Dispute Board's decision, then either Party may, within 28 days after receiving the decision, give notice to the other Party of its dissatisfaction and intention to commence arbitration. If the Dispute Board fails to give its decision within the period of 84 days (or as otherwise approved) after receiving such reference, then either Party may, within 28 days after this period has expired, give notice to the other Party of its dissatisfaction and intention to commence arbitration.

In either event, this notice of dissatisfaction shall state that it is given under this Subclause, and shall set out the matter in dispute and the reason(s) for dissatisfaction. Except as stated in GCC Subclauses 45.6 and 45.7, neither Party shall be entitled to commence arbitration of a dispute unless a notice of dissatisfaction has been given in accordance with this Subclause.

If the Dispute Board has given its decision as to a matter in dispute to both Parties, and no notice of dissatisfaction has been given by either Party within 28 days after it received the Dispute Board's decision, then the decision shall become final and binding upon both Parties.

#### 45.4 Amicable Settlement

Where notice of dissatisfaction has been given under GCC Subclause 45.3 above, both Parties shall attempt to settle the dispute amicably before the commencement of arbitration. However, unless both Parties agree otherwise, arbitration may be commenced on or after the fifty-sixth day after the day on which notice of dissatisfaction and intention to commence arbitration was

given, even if no attempt at amicable settlement has been made.

#### 45.5 Arbitration

Unless settled amicably, any dispute in respect of which the Dispute Board's decision (if any) has not become final and binding shall be finally settled by international arbitration. Unless otherwise agreed by both Parties,

- (a) arbitration proceedings shall be conducted as stated in the Special Conditions;
- (b) if no arbitration proceedings is so stated, the dispute shall be finally settled by institutional arbitration under the Rules of Arbitration of the International Chamber of Commerce;
- (c) the dispute shall be settled by three arbitrators; and
- (d) the arbitration shall be conducted in the language for communications defined in GCC Subclause 5.3.

The arbitrator(s) shall have full power to open up, review and revise any certificate, determination, instruction, opinion or valuation of the Project Manager, and any decision of the Dispute Board, relevant to the dispute. Nothing shall disqualify the Project Manager from being called as a witness and giving evidence before the arbitrator(s) on any matter whatsoever relevant to the dispute.

Neither Party shall be limited in the proceedings before the arbitrator(s) to the evidence or arguments previously put before the Dispute Board to obtain its decision, or to the reasons for dissatisfaction given in its notice of dissatisfaction. Any decision of the Dispute Board shall be admissible in evidence in the arbitration.

Arbitration may be commenced prior to or after completion of the Works. The obligations of the Parties, the Project Manager and the Dispute Board shall not be altered by reason of any arbitration being conducted during the progress of the Works.

#### 45.6 Failure to Comply with Dispute Board's Decision

In the event that a Party fails to comply with a Dispute Board decision which has become final and binding, then the other Party may, without prejudice to any other rights it may have, refer the failure itself to arbitration under GCC Subclause 45.5. GCC Subclauses 45.3 and 45.4 shall not apply to this reference.

#### 45.7 Expiry of Dispute Board's Appointment

If a dispute arises between the Parties in connection with the performance of the Contract, and there is no Dispute Board in place, whether by reason of the expiry of the Dispute Board's appointment or otherwise,

- (a) GCC Subclauses 45.3 and 45.4 shall not apply, and
- (b) the dispute may be referred directly to arbitration under GCC Subclause 45.5.

## APPENDIX A

### General Conditions of Dispute Board Agreement

#### 1 Definitions

Each "Dispute Board Agreement" is a tripartite agreement by and between

- (a) the "Employer";
- (b) the "Contractor"; and
- (c) the "Member" who is defined in the Dispute Board Agreement as being
  - (i) the sole member of the "Dispute Board" and, where this is the case, all references to the "Other Members" do not apply; or
  - (ii) one of the three persons who are jointly called the "Dispute Board" (or "dispute board") and, where this is the case, the other two persons are called the "Other Members".

The Employer and the Contractor have entered (or intend to enter) into a contract, which is called the "Contract" and is defined in the Dispute Board Agreement, which incorporates this Appendix. In the Dispute Board Agreement, words and expressions which are not otherwise defined shall have the meanings assigned to them in the Contract.

#### 2 General Provisions

Unless otherwise stated in the Dispute Board Agreement, it shall take effect on the latest of the following dates:

- (a) the Commencement Date defined in the Contract;
- (b) when the Employer, the Contractor and the Member have each signed the Dispute Board Agreement; or
- (c) when the Employer, the Contractor and each of the Other Members (if any) have respectively each signed a dispute board agreement.

This employment of the Member is a personal appointment. At any time, the Member may give not less than 70 days' notice of resignation to the Employer and to the Contractor, and the Dispute Board Agreement shall terminate upon the expiry of this period.

#### 3 Warranties

The Member warrants and agrees that he/she is and shall be impartial and independent of the Employer, the Contractor and the Project Manager. The Member shall promptly disclose, to each of them and to the Other Members (if any), any fact or circumstance which might appear inconsistent with his/her warranty and agreement of impartiality and independence.

When appointing the Member, the Employer and the Contractor relied upon the Member's representations that he/she is

- (a) experienced in the work, which the Contractor is to carry out under the Contract,
- (b) experienced in the interpretation of contract documentation, and

- (c) fluent in the language for communications defined in the Contract.

#### **4 General Obligations of the Member**

The Member shall

- (a) have no interest financial or otherwise in the Employer, the Contractor or the Project Manager, nor any financial interest in the Contract except for payment under the Dispute Board Agreement;
- (b) not previously have been employed as a consultant or otherwise by the Employer, the Contractor, or the Project Manager, except in such circumstances as were disclosed in writing to the Employer and the Contractor before they signed the Dispute Board Agreement;
- (c) have disclosed in writing to the Employer, the Contractor, and the Other Members (if any), before entering into the Dispute Board Agreement and to his/her best knowledge and recollection, any professional or personal relationships with any director, officer, or employee of the Employer, the Contractor, or the Project Manager, and any previous involvement in the overall project of which the Contract forms part;
- (d) not, for the duration of the Dispute Board Agreement, be employed as a consultant or otherwise by the Employer, the Contractor, or the Project Manager, except as may be agreed in writing by the Employer, the Contractor, and the Other Members (if any);
- (e) comply with the annexed procedural rules and with GCC Subclause 45.3;
- (f) not give advice to the Employer, the Contractor, the Employer's Personnel, or the Contractor's Personnel concerning the conduct of the Contract, other than in accordance with the annexed procedural rules;
- (g) not while a Member enter into discussions or make any agreement with the Employer, the Contractor, or the Project Manager regarding employment by any of them, whether as a consultant or otherwise, after ceasing to act under the Dispute Board Agreement;
- (h) ensure his/her availability for all site visits and hearings as are necessary;
- (i) become conversant with the Contract and with the progress of the Facilities (and of any other parts of the project of which the Contract forms part) by studying all documents received, which shall be maintained in a current working file;
- (j) treat the details of the Contract and all the Dispute Board's activities and hearings as private and confidential, and not publish or disclose them without the prior written consent of the Employer, the Contractor, and the Other Members (if any); and
- (k) be available to give advice and opinions on any matter relevant to the Contract when requested by both the Employer and the Contractor, subject to the agreement of the Other Members (if any).

#### **5 General Obligations of the Employer and the Contractor**

The Employer, the Contractor, the Employer's Personnel and the Contractor's Personnel shall not request advice from or consultation with the Member regarding the Contract, otherwise than in the normal course of the Dispute Board's activities under the Contract and the Dispute Board

Agreement. The Employer and the Contractor shall be responsible for compliance with this provision, by the Employer's Personnel and the Contractor's Personnel respectively.

The Employer and the Contractor undertake to each other and to the Member that the Member shall not, except as otherwise agreed in writing by the Employer, the Contractor, the Member and the Other Members (if any)

- (a) be appointed as an arbitrator in any arbitration under the Contract;
- (b) be called as a witness to give evidence concerning any dispute before arbitrator(s) appointed for any arbitration under the Contract; or
- (c) be liable for any claims for anything done or omitted in the discharge or purported discharge of the Member's functions, unless the act or omission is shown to have been in bad faith.

The Employer and the Contractor hereby jointly and severally indemnify and hold the Member harmless against and from claims from which he is relieved from liability under the preceding paragraph.

Whenever the Employer or the Contractor refers a dispute to the Dispute Board under GCC Subclause 45.3, which will require the Member to make a site visit and attend a hearing, the Employer or the Contractor shall provide appropriate security for a sum equivalent to the reasonable expenses to be incurred by the Member. No account shall be taken of any other payments due or paid to the Member.

## 6 Payment

The Member shall be paid as follows, in the currency named in the Dispute Board Agreement:

- (a) a retainer fee per calendar month, which shall be considered as payment in full for
  - (i) being available on 28 days' notice for all site visits and hearings;
  - (ii) becoming and remaining conversant with all project developments and maintaining relevant files;
  - (iii) all office and overhead expenses including secretarial services, photocopying and office supplies incurred in connection with his duties; and
  - (iv) all services performed hereunder except those referred to in sub-paragraphs (b) and (c) of this Clause.

The retainer fee shall be paid with effect from the last day of the calendar month in which the Dispute Board Agreement becomes effective; until the last day of the calendar month in which the Taking-Over Certificate is issued for the whole of the Works.

With effect from the first day of the calendar month following the month in which Taking-Over Certificate is issued for the whole of the Works, the retainer fee shall be reduced by one-third. This reduced fee shall be paid until the first day of the calendar month in which the Member resigns or the Dispute Board Agreement is otherwise terminated.

- (b) a daily fee, which shall be considered as payment in full for
  - (i) each day or part of a day up to a maximum of 2 days' travel time in each direction for the journey between the Member's home and the site, or another location of a meeting with the Other Members (if any);

- (ii) each working day on site visits, hearings, or preparing decisions; and
  - (iii) each day spent reading submissions in preparation for a hearing.
- (c) all reasonable expenses, including necessary travel expenses (air fare in less than first class, hotel and subsistence and other direct travel expenses) incurred in connection with the Member's duties, as well as the cost of telephone calls, courier charges, facsimiles, and telexes, and use of the internet: a receipt shall be required for each item in excess of 5% of the daily fee referred to in sub-paragraph (b) of this Clause;
- (d) any taxes properly levied in the Country on payments made to the Member (unless a national or permanent resident of the Country) under this Clause 6.

The retainer and daily fees shall be as specified in the Dispute Board Agreement. Unless it specifies otherwise, these fees shall remain fixed for the first 24 calendar months, and shall thereafter be adjusted by agreement between the Employer, the Contractor and the Member, at each anniversary of the date on which the Dispute Board Agreement became effective.

If the parties fail to agree on the retainer fee or the daily fee, the appointing entity or official named in the SCC shall determine the amount of the fees to be used.

The Member shall submit invoices for payment of the monthly retainer and air fares quarterly in advance. Invoices for other expenses and for daily fees shall be submitted following the conclusion of a site visit or hearing. All invoices shall be accompanied by a brief description of activities performed during the relevant period and shall be addressed to the Contractor.

The Contractor shall pay each of the Member's invoices in full within 56 calendar days after receiving each invoice and shall apply to the Employer (in the Statements under the Contract) for reimbursement of one-half of the amounts of these invoices. The Employer shall then pay the Contractor in accordance with the Contract.

If the Contractor fails to pay to the Member the amount to which he/she is entitled under the Dispute Board Agreement, the Employer shall pay the amount due to the Member and any other amount which may be required to maintain the operation of the Dispute Board; and without prejudice to the Employer's rights or remedies. In addition to all other rights arising from this default, the Employer shall be entitled to reimbursement of all sums paid in excess of one-half of these payments, plus all costs of recovering these sums and financing charges calculated at the rate specified in accordance with GCC Subclause 12.3.

If the Member does not receive payment of the amount due within 70 days after submitting a valid invoice, the Member may (i) suspend his/her services (without notice) until the payment is received, and/or (ii) resign his/her appointment by giving notice under Clause 7.

## 7 Termination

At any time: (i) the Employer and the Contractor may jointly terminate the Dispute Board Agreement by giving 42 days' notice to the Member, or (ii) the Member may resign as provided for in Clause 2.

If the Member fails to comply with the Dispute Board Agreement, the Employer and the Contractor may, without prejudice to their other rights, terminate it by notice to the Member. The notice shall take effect when received by the Member.

If the Employer or the Contractor fails to comply with the Dispute Board Agreement, the Member may, without prejudice to his other rights, terminate it by notice to the Employer and the Contractor. The notice shall take effect when received by them both.

Any such notice, resignation and termination shall be final and binding on the Employer, the Contractor and the Member. However, a notice by the Employer or the Contractor, but not by both, shall be of no effect.

## **8 Default of the Member**

If the Member fails to comply with any of his obligations under Clause 4 concerning his impartiality or independence in relation to the Employer or the Contractor, he/she shall not be entitled to any fees or expenses hereunder and shall, without prejudice to their other rights, reimburse each of the Employer and the Contractor for any fees and expenses received by the Member and the Other Members (if any), for proceedings or decisions (if any) of the Dispute Board which are rendered void or ineffective by the said failure to comply.

## **9 Disputes**

Any dispute or claim arising out of or in connection with this Dispute Board Agreement, or the breach, termination or invalidity thereof, shall be finally settled by institutional arbitration. If no other arbitration institute is agreed, the arbitration shall be conducted under the Rules of Arbitration of the International Chamber of Commerce by one arbitrator appointed in accordance with these Rules of Arbitration.

**Annex - DISPUTE BOARD GUIDELINES**

1. Unless otherwise agreed by the Employer and the Contractor, the Dispute Board shall visit the site at intervals of not more than 140 days, including times of critical construction events, at the request of either the Employer or the Contractor. Unless otherwise agreed by the Employer, the Contractor, and the Dispute Board, the period between consecutive visits shall not be less than 70 days, except as required to convene a hearing as described below.
2. The timing of and agenda for each site visit shall be as agreed jointly by the Dispute Board, the Employer, and the Contractor, or in the absence of agreement, shall be decided by the Dispute Board. The purpose of site visits is to enable the Dispute Board to become and remain acquainted with the progress of the Works and of any actual or potential problems or claims, and, as far as reasonable, to prevent potential problems or claims from becoming disputes.
3. Site visits shall be attended by the Employer, the Contractor, and the Project Manager and shall be coordinated by the Employer in cooperation with the Contractor. The Employer shall ensure the provision of appropriate conference facilities and secretarial and copying services. At the conclusion of each site visit and before leaving the site, the Dispute Board shall prepare a report on its activities during the visit and shall send copies to the Employer and the Contractor.
4. The Employer and the Contractor shall furnish to the Dispute Board one copy of all documents which the Dispute Board may request, including Contract documents, progress reports, variation instructions, certificates, and other documents pertinent to the performance of the Contract. All communications between the Dispute Board and the Employer or the Contractor shall be copied to the other Party. If the Dispute Board comprises three persons, the Employer and the Contractor shall send copies of these requested documents and these communications to each of these persons.
5. If any dispute is referred to the Dispute Board in accordance with GCC Subclause 45.3, the Dispute Board shall proceed in accordance with GCC Subclause 45.3 and these Guidelines. Subject to the time allowed to give notice of a decision and other relevant factors, the Dispute Board shall
  - (a) act fairly and impartially as between the Employer and the Contractor, giving each of them a reasonable opportunity of putting his case and responding to the other's case; and
  - (b) adopt procedures suitable to the dispute, avoiding unnecessary delay or expense.
6. The Dispute Board may conduct a hearing on the dispute, in which event it will decide on the date and place for the hearing and may request that written documentation and arguments from the Employer and the Contractor be presented to it prior to or at the hearing.
7. Except as otherwise agreed in writing by the Employer and the Contractor, the Dispute Board shall have power to adopt an inquisitorial procedure, to refuse admission to hearings or audience at hearings to any persons other than representatives of the Employer, the Contractor, and the Project Manager, and to proceed in the absence of any party who the Dispute Board is satisfied received notice of the hearing; but shall have discretion to decide whether and to what extent this power may be exercised.
8. The Employer and the Contractor empower the Dispute Board, among other things, to
  - (a) establish the procedure to be applied in deciding a dispute;
  - (b) decide upon the Dispute Board's own jurisdiction, and as to the scope of any dispute referred to it;



- (c) conduct any hearing as it thinks fit, not being bound by any rules or procedures other than those contained in the Contract and these Guidelines;
  - (d) take the initiative in ascertaining the facts and matters required for a decision;
  - (e) make use of its own specialist knowledge, if any;
  - (f) decide upon the payment of financing charges in accordance with the Contract;
  - (g) decide upon any provisional relief such as interim or conservatory measures;
  - (h) open up, review and revise any certificate, decision, determination, instruction, opinion or valuation of the Project Manager, relevant to the dispute; and
  - (i) appoint, should the Dispute Board so consider necessary and the Parties agree, a suitable expert at the cost of the Parties to give advice on a specific matter relevant to the dispute.
9. The Dispute Board shall not express any opinions during any hearing concerning the merits of any arguments advanced by the Parties. Thereafter, the Dispute Board shall make and give its decision in accordance with GCC Subclause 45.3, or as otherwise agreed by the Employer and the Contractor in writing. If the Dispute Board comprises three persons
- (a) it shall convene in private after a hearing, in order to have discussions and prepare its decision;
  - (b) it shall endeavour to reach a unanimous decision: if this proves impossible the applicable decision shall be made by a majority of the Members, who may require the minority Member to prepare a written report for submission to the Employer and the Contractor; and
  - (c) if a Member fails to attend a meeting or hearing, or to fulfil any required function, the other two Members may nevertheless proceed to make a decision, unless
    - (i) either the Employer or the Contractor does not agree that they do so, or
    - (ii) the absent Member is the chairman and he/she instructs the other Members to not make a decision.

### Section 8: Special Conditions of Contract

The following Special Conditions of Contract (SCC) shall supplement the General Conditions of Contract (GCC). Whenever there is a conflict, the provisions herein shall prevail over those in the GCC. The clause number of the SCC is the corresponding clause number of the GCC.

#### Table of Clauses

|            |   |                     |
|------------|---|---------------------|
| <b>1.</b>  | <b><i>Definitions.....</i></b>                              | <b><i>8-194</i></b> |
| <b>5.</b>  | <b><i>Law and Language .....</i></b>                        | <b><i>8-194</i></b> |
| <b>7.</b>  | <b><i>Scope of Facilities .....</i></b>                     | <b><i>8-193</i></b> |
| <b>8.</b>  | <b><i>Time for Commencement and Completion .....</i></b>    | <b><i>8-194</i></b> |
| <b>9.</b>  | <b><i>Contractor's Responsibilities.....</i></b>            | <b><i>8-193</i></b> |
| <b>11.</b> | <b><i>Contract Price .....</i></b>                          | <b><i>8-195</i></b> |
| <b>13.</b> | <b><i>Securities .....</i></b>                              | <b><i>8-195</i></b> |
| <b>19.</b> | <b><i>Subcontracting.....</i></b>                           | <b><i>8-194</i></b> |
| <b>22</b>  | <b><i>Installation .....</i></b>                            | <b><i>8-196</i></b> |
| <b>25.</b> | <b><i>Commissioning and Operational Acceptance.....</i></b> | <b><i>8-195</i></b> |
| <b>26.</b> | <b><i>Completion Time Guarantee .....</i></b>               | <b><i>8-195</i></b> |
| <b>27.</b> | <b><i>Defect Liability.....</i></b>                         | <b><i>8-196</i></b> |
| <b>30.</b> | <b><i>Limitation of Liability.....</i></b>                  | <b><i>8-196</i></b> |
| <b>45.</b> | <b><i>Disputes and Arbitration .....</i></b>                | <b><i>8-196</i></b> |
| <b>46.</b> | <b><i>Eligibility .....</i></b>                             | <b><i>8-196</i></b> |

|  |   |
|--|---|
| <b>1. Definitions</b>                          |   |
|  | <p>The Employer is: <b>Assam Electricity Grid Corporation Limited.</b></p> <p>The Bank is: <b>Asian Infrastructure Investment Bank</b></p> <p>Country of Origin: <b>India</b></p>   |
| <b>5. Law and Language</b>                     |   |
|  | 5.1 The Contract shall be interpreted in accordance with the laws of: <b>India</b>  |
|  | 5.2 The ruling language is: <b>English</b>  |
|  | 5.3 The language for communications is: <b>English.</b>   |
| <b>7</b>                                       | <b>Scope of Facilities</b>  |
| <b>7.3</b>                                     | <p>The Contractor agrees to supply spare parts for a period of years: <b>Ten (10) Years.</b></p> <p><b>An undertaking to the effect that the spare parts shall be made available to AEGCL by the contractor for a period of ten (10) years should be furnished by the contractor. The undertaking shall be executed through Non-judicial stamp paper of Rs. 100/- or above to be submitted along with the tender. Undertaking notarized in India shall be submitted before signing of the contract.</b></p> <p>The Contractor shall carry sufficient inventories to ensure an ex-stock supply of consumable spares for the Plant. Other spare parts and components shall be supplied as promptly as possible, but at the most within 6 months of placing the order. In addition, in the event of termination of the production of spare parts, advance notification will be made to the Employer of the pending termination, with sufficient time to permit the Employer to procure the needed requirement. Following such termination, the Contractor will furnish to the extent possible and at no cost to the Employer the blueprints, drawings and specifications of the spare parts, if requested.</p> |
| <b>8. Time for Commencement and Completion</b> |   |
|  | 8.1 The Contractor shall commence work on the Facilities within <b>14 (Fourteen) days</b> from the Notice to Proceed which will be issued from Employer upon effectiveness of contract,   |
|  | 8.2 The Time for Completion of the whole of the Facilities shall be <b>24 (Twenty Four) months</b> from the Effective Date as described in the Contract Agreement.  |

## 9 Contractor's Responsibilities:

### 9.8 Environmental and Social risk mitigation

- (a) The contractor/subcontractor should adhere to the Environmental and Social Management Plan (ESMP). The payment is linked towards compliance to responsibility specified under the generic ESMP attached in Annexure-B. The overall responsibility for compliance of ESMP will stand with the Project Manager with support of Health and safety Specialist. The contractor have to comply with the project specific ESMP which is part of this tendering document (Volume III).
- (b) The Contractor shall take all reasonable steps to mitigate any and all environmental and social (both on and off the Site) risks associated with the Project to limit negative impact on Project-affected people (PAP) and property resulting from project-related activities. This includes measures to reduce Gender-based violence and Sexual exploitation (GBV/SE) risks.
- (c) The Contractor shall ensure that emissions, surface discharges, and effluent from the Contractor's activities shall not exceed the values stated in the Specification or prescribed by applicable Laws.
- (d) The Contractor shall develop and seek AEGCL and AIIB's approval of a Code of Conduct for Personnel to ensure that safe working practices are adopted on site by Contractors and Subcontractors, thereby reducing the risk of accidents and injuries so far as is reasonably practicable, either to themselves or to others.
- (e) The Contractor shall develop and seek AEGCL and AIIB's approval for the implementation of a multi-tiered Grievance Redress Mechanism (GRM) which will accept and seek to resolve any complaints brought by PAPs, Contractors or Subcontractors. The GRM operation shall be widely publicized in Project area, free to access and transparent.

## 11. Contract Price

- |      |   |
|------|---|
| 11.2 | <p>(a) The Contract Price shall be adjusted in accordance with the provisions of Appendix 2 (Price Adjustment) to the Contract Agreement.</p> <p>(b) Contract price shall be adjusted for increase or decrease in rates and price of labour, materials, fuels and lubricants and other inputs to the works in accordance with the principles and procedures outlined in IEEMA (using PV calculator in IEEMA website).</p> |
|------|---|

## 13. Securities

- |        |   |
|--------|---|
| 13.3.1 | The amount of performance security, as a percentage of the Contract Price for the Facility shall be: <b>ten(10) percent of the contract price.</b>  |
| 13.3.2 | The performance security shall be in the form of the DD/banker cheque drawn on any Scheduled Bank of India in the favour of Assam Electricity Grid Corporation Limited, payable at Guwahati or or through RTGS or Bank Guarantee (BG) as per form included in Section 9 (Contract Forms).   |
| 13.3.3 | For GIS equipment manufactured and supplied, the contractor <b>shall</b> have to extend <b>the</b> Performance BG within one month prior to expiry of the Performance BG furnished for the main contract to cover the extended guarantee period plus two months as part of the contract performance to cover the Contractor's extended defect liability in accordance |

|      |   |
|------|---|
|      | <p>with the provision in the SCC, pursuant to GCC Subclause 27.10.</p> <p>Extended guarantee for the GIS equipment shall be for five (5) years beyond the defect liability period of the contract . The amount of the BG shall be 10% of the GIS equipment cost and shall be in Non-Judiciary stamp papers of worth minimum Rs. 100/-</p> <p>However, BG period may be split up subject to the condition that BG would be extended from time to time to cover the warranty period. Moreover, before one month (i.e. 30 days) of expiry of the BG, renewal is to be done by the contractor, otherwise revocation would be done by AEGCL within claim period.</p> <p><b>The performance security shall not be reduced on the date of the Operational Acceptance</b></p>   |
| 19   | <p><b>Subcontracting</b></p> <p>19.1 The Turnkey contractor shall be under obligation to provide information to AEGCL regarding the credentials of the sub-contractor(s) and sub-vendor intended to be deployed by the turnkey contractor as per clause 2.4.2 (b) of section 3 (EQC) for execution of any part of the project. Such information must be furnished to AEGCL before the deployment of the sub-contractor(s) and sub-vendor</p> <p>19.2 The information on the sub-contractors including sub-vendor intended to be deployed shall include (but not limited to) on the Experience &amp; financial capability of the sub-contractor(s), and the identity, address &amp; the professional qualification of the employees to be engaged by the turnkey contractor.</p> <p>19.3 AEGCL shall thoroughly scrutinize the credentials of the sub-contractor(s) as well as sub vendor and give its consent for such deployment by the turnkey contractor. The turnkey contractor shall deploy the sub-contractor(s) only after getting written approval from AEGCL</p>   |
| 22.  | <p><b>Installation</b></p>  |
| 22.2 | <p><b>Labor</b></p> <p>22.2.5 Working Hours</p> <p>(a) Normal working hours are: <b>As per Labour Act applicable in the State of Assam.</b></p>   |
|      | <p><b>22.2.7 Health and Safety</b></p> <p>Following point is added</p> <p>(d) The Contractor shall throughout the contract (including the Defect Liability Period):</p> <ul style="list-style-type: none"> <li>(i) conduct Information, Education and Consultation Communication (IEC) campaigns, at least every other month, addressed to all the Site staff and labor (including all the Contractor's employees, all Subcontractors and Employer's and Project Manager's employees, and all truck drivers and crew making deliveries to Site for construction activities) and to the immediate local communities, concerning the risks, dangers and impact, and appropriate avoidance behavior with respect to Gender-based violence/Sexual exploitation (GBV/SE) and Sexually Transmitted Diseases (STD)—or Sexually Transmitted Infections (STI) in general and HIV/AIDS in particular;</li> <li>(ii) provide male or female condoms for all Site staff and labor as appropriate; and</li> <li>(iii) provide for STI and HIV/AIDS screening, diagnosis, counseling and referral to a dedicated national STI and HIV/AIDS program, (unless otherwise agreed) of all Site staff and labor.</li> </ul> |

|   |  |
|---|--|
|   | <p>The Contractor shall include in the program to be submitted for the execution of the Facilities under Subclause 18.2 an alleviation program for Site staff and labor and their families in respect of STI and STD including HIV/AIDS. The STI, STD and HIV/AIDS alleviation program shall indicate when, how and at what cost the Contractor plans to satisfy the requirements of this Subclause and the related specification. For each <b>component, the program shall detail the resources to be provided or utilized and any related</b> subcontracting proposed. The program shall also include provision of a detailed cost estimate with supporting documentation. Payment to the Contractor for the preparation and implementation this program shall not exceed the amount dedicated for this purpose.</p> <p><b>22.2.8 Funeral Arrangements</b></p> <p>Funeral arrangements: <b>Contractor's Responsibility.</b></p> <p><b>22.2.17 Respectful Work Environment</b></p> <p>The Contractor shall ensure that its employees and Subcontractors observe the highest ethical standards and refrain from any form of bullying, discrimination, misconduct, and harassment, including sexual harassment and shall, at all times, behave in a manner that creates an environment free of unethical behavior, bullying, misconduct, and harassment, including sexual harassment in line with the code of conduct. The Contractor shall take appropriate action against any employees or Subcontractors, including suspension or termination of employment or subcontract, if any form of unethical or inappropriate behavior is identified.</p> <p>The Contractor shall conduct training programs for its employees and Subcontractors to raise awareness on and prevent any form of bullying, discrimination, misconduct, and harassment including sexual harassment, and to promote a respectful work environment. The Contractor shall keep an up to date record of its employees and subcontractors who have attended and completed such training programs and provide such records to the Employer or the Engineer at their first written request.</p> <p><b>The Tenderer shall also refer to Chapter 7 of Volume II for Health, Safety and Environmental clause.</b></p> |
| <b>25. Commissioning and Operational Acceptance</b> |  |
|   | <p>25.2.2 The Guarantee Test of the Facilities shall be successfully completed within 30 (thirty) days from the date of Completion.</p>  |
| <b>26. Completion Time Guarantee</b>                |  |
|   | <p>26.2 Applicable rate for liquidated damages shall not exceed: ½% (half percent) per week.<br/>Maximum deduction for liquidated damages: 10 (ten) percent of contract price.</p>   |
|   | <p>26.3 No bonus will be given for earlier Completion of the Facilities or part thereof.</p>   |

|            |   |
|------------|---|
| <b>27.</b> | <p><b>Defect Liability</b></p> <p>27.7 If the Contractor fails to commence the work necessary to remedy such defect or any damage to the Facilities caused by such defect within hundred (100) hours from the time of reporting of the incident, the Employer may, following notice to the Contractor, proceed to do such work, and the reasonable costs incurred by the Employer in connection therewith shall be paid to the Employer by the Contractor or may be deducted by the Employer from any monies due the Contractor or claimed under the Performance Security. The recovery of cost for this defect liability period shall also be applicable for the extended defect liability period.</p>   |
|            | <p><b>27.10</b> a) The critical components covered under the extended defect liability are Power Transformers, IEDs and circuit Breakers, and the period shall be 180 (one hundred eighty) days beyond the defect liability period (as per clause 27.2 of GCC).</p> <p>b) The other critical components covered under the extended defect liability period are GIS equipment and the period shall be for five (5) years beyond the defect liability period of the contract (as per clause 27.2 of GCC). The Bidder/GIS manufacturer shall furnish performance guarantee for an amount of 10% of the ex-works cost of GIS equipment(s) for a period of five (5) years to cover the extended defect liability period.</p>   |
| <b>30.</b> | <p><b>Limitation of Liability</b></p>   |
|            | <p>30.1 (b) The multiplier of the Contract Price is: One</p>  |
| <b>45.</b> | <p><b>Disputes and Arbitration</b></p>  |
|            | <p>45.1 The DB shall be appointed within twenty-eight (28) days after the signing of contract. The DB shall be sole/three member as mutually agreed upon.</p>   |
|            | <p>45.3 Rules of procedure for arbitration proceedings:</p> <p>(a) Contracts with foreign contractors:<br/>Any dispute, controversy or claim arising out of or relating to this Contract, or breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force.</p> <p>(c) Contracts with contractors being nationals of the Employer's country:<br/>Dispute Resolution shall be in accordance with the provisions of Indian contract Act, 1872 and Arbitration and Conciliation Act, 1996, or any statutory amendment thereof.</p> <p><b>Jurisdiction:</b><br/>The dispute resolution shall be under the jurisdiction of Guahati High Court.</p> <p><b>Notwithstanding anything anywhere in this tender, in the event of any ambiguity or any contradiction, or any dispute, the clauses incorporated in "Special Condition of the</b></p> |

|            |   |
|------------|---|
|            | <b>Contract (SCC)“ shall prevail or take precedence over others.</b>  |
| <b>46.</b> | <b>Eligibility</b>  |
|            | <p>46.1 The Contractor shall have the nationality of any country as listed in Section-5 : Eligible Countries. The Contractor shall be deemed to have the nationality of a country if the Contractor is a citizen or is constituted, incorporated, or registered, and operates in conformity with the provisions of the laws of that country. This criterion shall also apply to the determination of the nationality of proposed subcontractors or suppliers for any part of the Contract including related services.</p> <p>46.2 The materials, equipment and services to be supplied under the Contract shall have their origin in eligible source countries and all expenditures under the Contract will be limited to such materials, equipment, and services. At the Employer's request, the Contractor may be required to provide evidence of the origin of materials, equipment and services.</p> <p>46.3 For purposes of SCC 46.2, “origin” means the place where the materials and equipment are mined, grown, produced or manufactured, and from which the services are provided. Materials and equipment are produced when, through manufacturing, processing, or substantial or major assembling of components, a commercially recognized product results that differs substantially in its basic characteristics or in purpose or utility from its components.</p> |



## Section 9: Contract Forms

### Table of Forms

|  |              |
|--|--------------|
| <b>Notification of Intention to Award the Contract.....</b>                                    | <b>9-200</b> |
| Notification of Award .....  | 9-202        |
| <b>Contract Agreement.....</b>   | <b>9-204</b> |
| Appendix 1: Terms and Procedures of Payment.....   | 9-209        |
| Appendix 2: Price Adjustment.....  | 9-212        |
| Appendix 3: Insurance Requirements .....   | 9-214        |
| Appendix 4: Time Schedule .....  | 9-217        |
| Appendix 5: List of Major Items of Plant and Services and List of Approved Subcontractors .... | 9-218        |
| Appendix 6: Scope of Works and Supply by the Employer.....                                     | 9-219        |
| Appendix 7: List of Documents for Approval or Review .....                                     | 9-219        |
| Appendix 8: Functional Guarantees .....  | 9-220        |
| <b>Performance Security .....</b>  | <b>9-220</b> |
| <b>Advance Payment Security .....</b>  | <b>9-221</b> |

**Notification of Intention to Award the Contract**

[on letterhead paper of the Employer]

[date of notification]

To: [name of the Tenderer]

Attention: [insert name of the Tenderer's authorized representative]

Address: [insert address of the Tenderer's authorized representative]

Telephone/Fax numbers: [insert telephone/fax numbers of the Tenderer's authorized representative]

E-mail Address: [insert e-mail address of the Tenderer's authorized representative]

This is to notify you of our intention to award the contract [insert name of the contract and identification number, as given in the Tender Data Sheet]. You have [insert number of days as specified in ITT 42.1 of the TDS] days, from the date of this notification to (i) request for a debriefing in relation to the evaluation of your Tender, and/or (ii) submit a Tender-related complaint in relation to the intention for award of contract, in accordance with the procedures specified in ITT47.1.

The summary of the evaluation are as follows:

**1. List of Tenderers**

| Name of Tenderer | Tender Price as Read Out<br>at Opening | Evaluated Tender<br>Price |
|------------------|--|---------------------------|
|                  |  |                           |
|                  |  |                           |
|                  |  |                           |
|                  |  |                           |

**2. Reason/s Why Your Tender Was Unsuccessful**

.....  
.....  
.....  
.....

**3. The Successful Tenderer**

|                                       |  |
|---------------------------------------|--|
| Name of Tenderer:                     |  |
| Address:                              |  |
| Contract Price:                       |  |
| Duration of Contract:                 |  |
| Scope of the Contract Awarded:        |  |
| Amount Performance Security Required: |  |

Authorized Signature: .....

Name and Title of Signatory: .....

Name of Agency: .....

**Notification of Award**

*[Employer's letterhead]*

**Letter of Acceptance**

*[date]*

To: *[Name and address of the contractor]*

This is to notify you that your Tender dated *[date]* for execution of the *[name of the contract and identification number, as given in the Tender Data Sheet]* for the Contract Price in the aggregate of *[amounts in words and figures]* *[name of currency]*, as corrected and modified in accordance with the Instructions to Tenderers is hereby accepted by our Agency.

You are requested to furnish the Performance Security within 28 days in accordance with the Conditions of Contract and any additional security required as a result of the evaluation of your Tender, using for that purpose one of the Performance Security Forms included in Section 9 (Contract Forms) of the Tender Document.

Authorized Signature:

Name and Title of Signatory:

Name of Agency:

Attachment: Contract Agreement

### Contract Agreement

THIS AGREEMENT made on the *[insert number]* day of *[insert month]*, *[insert year]*,

BETWEEN

(1) *[name of the employer]*, a corporation incorporated under the laws of *[country of the Employer]* and having its principal place of business at *[address of the Employer]* (hereinafter called “the Employer”), and (2) *[name of the contractor]*, a corporation incorporated under the laws of *[country of the contractor]* and having its principal place of business at *[address of the contractor]* (hereinafter called “the Contractor”). ***”). [in case of JV insert name and address of the Lead Partner as well as other Partners]***

WHEREAS the Employer desires to engage the Contractor to design, manufacture, test, deliver, install, complete and commission certain Facilities, viz. *[list of facilities]* (“the Facilities”) and the Contractor have agreed to such engagement upon and subject to the terms and conditions hereinafter appearing.

NOW IT IS HEREBY AGREED as follows:

|  |  |
|--|--|
| <p><b>Article 1</b></p> <p><b>Contract Documents</b></p> | <p><b>1.1 Contract Documents</b> (Reference GCC Clause 2)</p> <p>The following documents shall constitute the Contract between the Employer and the Contractor, and each shall be read and construed as an integral part of the Contract:</p> <ul style="list-style-type: none"> <li>(a) This Contract Agreement and the Appendixes hereto</li> <li>(b) Letter of Tender and Price Schedules submitted by the Contractor</li> <li>(c) Special Conditions of Contract</li> <li>(d) List of Eligible Countries that was specified in Section 5 of the Tender Document</li> <li>(e) General Conditions of Contract</li> <li>(f) Specifications</li> <li>(g) Drawings</li> <li>(h) Other completed Tender Forms submitted with the Letter of Tender</li> <li>(i) Any other documents forming part of the Employer’s Requirements</li> <li>(j) Any other documents shall be added here<sup>7</sup></li> </ul> |
|--|--|

<sup>7</sup>Tables of Adjustment Data may be added if the contract provides for price adjustment (see GCC 11).

|  |   |
|--|---|
|  | <p>1.2 <b>Order of Precedence</b> (Reference GCC Clause 2)</p> <p>In the event of any ambiguity or conflict between the Contract Documents listed above, the order of precedence shall be the order in which the Contract Documents are listed in Article 1.1 (Contract Documents) above.</p> <p>1.3 <b>Definitions</b> (Reference GCC Clause 1)</p> <p>Capitalized words and phrases used herein shall have the same meanings as are ascribed to them in the General Conditions.</p> |
|--|---|

**Article 2****Contract Price and  
Terms of Payment****2.1 Contract Price** (Reference GCC Clause 11)

The Employer hereby agrees to pay to the Contractor the Contract Price in consideration of the performance by the Contractor of its obligations hereunder. The Contract Price shall be the aggregate of [*amounts of foreign currency in words*], [*amounts in figures*] as specified in Price Schedule No. 5 (Grand Summary), [*amounts of local currency in words*], [*amounts in figures*], or such other sums as may be determined in accordance with the terms and conditions of the Contract.

**2.2 Terms of Payment** (Reference GCC Clause 12)

The terms and procedures of payment according to which the Employer will reimburse the Contractor are given in the Appendix (Terms and Procedures of Payment) hereto.

In the event that the amount payable under Schedule No. 1/Schedule No. 2 is adjusted in accordance with GCC 11.2 or with any of the other terms of the Contract, the Employer shall arrange for the documentary credit to be amended accordingly

**Article 3****Effective Date****3.1 Effective Date** (Reference GCC Clause 1)

The Effective Date upon which the period until the Time for Completion of the Facilities shall be counted from is the date when all of the following conditions have been fulfilled:

- (a) This Contract Agreement has been duly executed for and on behalf of the Employer and the Contractor.
- (b) The Contractor has submitted to the Employer the performance security and the advance payment guarantee.
- (c) The Employer has paid the Contractor the advance payment on Schedule-2 .
- (d) The Contractor has been advised that the documentary credit referred to in Article 2.2 above has been issued in its favor.

Each party shall use its best efforts to fulfil the above conditions for which it is responsible as soon as practicable.

- 3.2 If the conditions listed under 3.1 are not fulfilled within 2 months from the date of this Contract notification because of reasons not attributable to the Contractor, the parties shall discuss and agree on an equitable adjustment to the Contract Price and the Time for Completion and/or other relevant conditions of the Contract.

---

<sup>2</sup>Or Uniform Customs and Practice for Documentary Credits 2007 Revision, ICC Publication No. 600 (or the latest version).

**Article 4  
Communications**

4.1 The address of the Employer for notice purposes, pursuant to GCC 4.1 is:

**The Chief General Manager (PP&D), Assam Electricity Grid Corporation Limited,  
Bijulee Bhawan, Paltanbazar, Guwahati, PIN Code: 781001, Assam, India  
Telephone: +91 361 2739520**

4.2 The address of the Contractor for notice purposes, pursuant to GCC 4.1 is:  
[Contractor's address].

**Article 5. Appendixes**

5.1 The Appendixes listed in the attached List of Appendixes shall be deemed to form an integral part of this Contract Agreement.

5.2 Reference in the Contract to any Appendix shall mean the Appendixes attached hereto, and the Contract shall be read and construed accordingly.

IN WITNESS WHEREOF the Employer and the Contractor have caused this Agreement to be duly executed by their duly authorized representatives the day and year first above written.

Signed by, for and on behalf of the Employer

[Signature]

[Title]

in the presence of

[Signature]

[Title]

Signed by, for and on behalf of the Contractor

[Signature ]

[ Title]

in the presence of

[Signature ]

[ Title]



## **APPENDIXES**

- Appendix 1: Terms and Procedures of Payment
- Appendix 2: Price Adjustment
- Appendix 3: Insurance Requirements
- Appendix 4: Time Schedule
- Appendix 5: List of Major Items of Plant and Services and List of Approved Subcontractors
- Appendix 6: Scope of Works and Supply by the Employer
- Appendix 7: List of Documents for Approval or Review
- Appendix 8: Functional Guarantees

## Appendix 1: Terms and Procedures of Payment

In accordance with the provisions of GCC Clause 12 (Terms of Payment), the Employer shall pay the Contractor in the following manner and at the following times, based on the Price Breakdown given in the section on Price Schedules. Payments will be made in the currencies quoted by the Tenderer unless otherwise agreed between the parties. Applications for payment in respect of part deliveries may be made by the Contractor as work proceeds.

### (A) Terms of Payment

#### **Schedule No. 1 & 2 - Plant and Mandatory Spare Parts Supplied from Abroad and Within the Employer's Country respectively.**

In respect of plant and mandatory spare supplied from abroad and within the Employer's country, the following payments shall be made:

##### **1. Advance Payment.**

Ten percent (10%) of the total CIP amount as an advance payment against receipt of advance invoice subject to release of advance fund from AIB and an irrevocable advance payment security for the equivalent amount made out in favour of the Employer.

The advance will be adjusted at the rate of 10% of the taxable income value from each subsequent bill till the complete amount of advance is adjusted. The advance payment security may be reduced in proportion to the value of the plant and mandatory spare parts delivered to the site, as evidenced by delivery documents.

##### **2. Progressive payments for supply items:**

- i. Within 60 (sixty) days from the date of submission of the invoice against supply, not more than 60% (sixty percent) payment of the total supply invoice value would be made, on receipt and acceptance of materials in full and good conditions (subject to availability of fund). However, GST amount on invoice would be paid 100% or as per Govt. Rules.
- ii. Remaining 40% (forty percent) retention amount of that item would be released subject to fulfillment of the following conditions –
  - (a) 20% supply amount would be paid on completion of 50% of the total erection works of that particular item.
  - (b) Next 10% of the supply amount of that supply item would be payable on completion of 100% of the total erection, testing, commissioning works of that particular item.
  - (c) within 60 (sixty) days after receipt of invoice out of remaining 10% of the supply amount 5% would be paid upon issue of the Completion Certificate and balance 5% upon issue of the Operational Acceptance Certificate as per clause 25, 26 & 27 of GCC, which should be certified by the Project Authority

#### **Schedule No. 3 - Design Services -**

In respect of design services for both the foreign currency and the local currency portions, the following payments shall be made:

- i. Within 60 (sixty) days from the date of submission of invoice against foundation, erection & civil works, not more than 90% (ninety percent) of the total verified invoice would be made. However, GST amount on invoice would be paid 100% or as per Govt. Rules.

- ii. Within 60 (sixty) days after receipt of invoice out of remaining 10% of the amount, 5% would be paid upon issue of the Completion Certificate and balance 5% upon issue of the Operational Acceptance Certificate as per clause 25, 26 & 27 of GCC, which should be certified by the Project Authority.

**Schedule No. 4 – Installation, ESMP and Other Services (Installation, commissioning and stringing services including Civil Works)**

In respect of installation services, the following payments shall be made:

- i. Within 60 (sixty) days from the date of submission of invoice against foundation, erection & civil works, not more than 90% (ninety percent) of the total verified invoice would be made. However, GST amount on invoice would be paid 100% or as per Govt. Rules.
- ii. Within 60 (sixty) days after receipt of invoice out of remaining 10% of the amount, 5% would be paid upon issue of the Completion Certificate and balance 5% upon issue of the Operational Acceptance Certificate as per clause 25, 26 & 27 of GCC, which should be certified by the Project Authority.

In the event that the Employer fails to make any payment on its respective due date, the Employer shall not pay any interest to the Contractor.

**(B) Payment Procedures**

When applying for certification and making payments, the procedures shall be as follows:

The procedures to be followed in applying for certification and making payments shall be as follows:

**i. Progressive Payment for Plant and Equipment (CIP/CIF/EXW value):**

**Plant and Equipment supplied from inside the Employer's Country (Schedule-2):**

- (a) Upon receipt of plants and equipment at site, the contractor shall notify the Employer and submit the following documents to the Employer
  - (i) Application for payment
  - (ii) Contractor's invoice (one original+ 5 copies) showing LOA reference, Goods' description, quantity shipped, unit price, total amount, and amount payable on dispatch.
  - (iii) Packing list & Manufacturer's /contractor's copy of challan
  - (iv) Railway receipt/LR/E-way bill
  - (v) Copies of packing list identifying contents of each package (6 copies)
  - (vi) Insurance certificate (3 Copies)
  - (vii) Manufacture's / Contractor's Guarantee Certificate of quality.
  - (viii) Material Inspection & clearance Certificate (MICC) for dispatch issued by the Employer's representative and the Contractor's factory Inspection report (3 Copies) and
  - (ix) Certificate of origin
  - (x) Physical verification certificate of material received at site by Employer/Employer's site representative.

Documents mentioned above (Sl no i-ix) shall be received by the Employer before arrival of the Goods and if not, the contractor will be responsible for any consequent expenses.

**ii. Final payment for Plant and Equipment (CIP/EXW value):**

Amount due after 'Completion' shall be paid on receipt of Payment Application after issue of 'Completion Certificate.

Amount due after issue of 'Operational Acceptance Certificate' shall be paid on receipt of the Payment Application along with proof of submission of the required numbers of as build drawings, O&M manuals, technical pamphlets and manual of spares, maintenance & testing equipment etc.

**5. Installation and other Services (Schedule-4):**

**(A) Progressive Payment for Installation (Schedule-4):**

Ninety percent (90%) of the total installation component of the Contract price shall be paid as mentioned in "Terms of Payment" on receipt of Payment Application and on certification by Project Authority/ his site representative, on certificate for the quantum of work done successfully.

**(B) Final Payment for Installation (Schedule-4):**

Ten percent (5%) of the total or pro rata value of installation services performed by the Contractor as evidenced by the Employer's authorization of the Contractor's monthly applications, upon issue of the Completion Certificate and receipt of Payment Application.

Ten percent (5%) of the total or pro rata value of installation services performed by the Contractor as evidenced by the Employer's authorization of the Contractor's monthly applications, upon issue of the Operational Acceptance Certificate and receipt of Payment Application.

**6. Taxes and Duties (Schedule-1 & 2):**

Taxes & Duties (only GST) in respect of transaction between Employer and the Contractor and octroi /entry tax as applicable for destination site/state on all items of supply including bought-out finished items (as identified in the Contract), which shall be dispatched directly from the sub-vendor's works to the Employer's site (sale-in-transit) will be paid after each shipment against documentary evidence. This payment shall be released by Employer directly to the Contractor against invoices to be submitted by the Contractor after necessary deduction of tax as per Law of the Land.

**7. Taxes and Duties (Schedule-4):**

Employer will not bear any liability on account of any taxes applicable on the Services. Employer shall, however, deduct such taxes at source as per the rules and issue necessary Certificate to the Contractor.

## Appendix 2: Price Adjustment

Prices payable to the Contractor, in accordance with the Contract, shall be subject to adjustment during performance of the Contract to reflect changes in the cost of labor and material components,

Price variation shall be paid to contractor for the specified major items as mentioned below as per formula specified by IEEMA along with documentary evidence for different indices applicable for Price Adjustment from IEEMA. The IEEMA circular are available in the following link:

<https://ieema.org/about-ieema/services/pv-clauses-prices-indices/>

### Schedule No.: 2 (Plant and Equipment supplied from inside the Employer's Country)

#### Substation:

- 1) Power Transformer
- 2) Conductor
- 3) PVC/XLPE Insulated Power Cable

#### Transmission Lines:

- 1) Fabricated Tower members (including Nut & bolts)
- 2) Conductor
- 3) Disc Insulators / Long rod Insulators.

### No price variation will be allowed on Schedule No.: 4 (Installation and Services)

Conditions Applicable to Price Adjustment:-

The following conditions shall apply:

- (a) The price variation will be applicable during contractual delivery period only. As a rule, no price adjustment shall be allowed for the period of delay for which the supplier is responsible; however, any decrease in the price variation during delayed period shall be applicable.
- (b) Price variation shall not be allowed beyond the original contract closing date. As a rule, no price adjustment shall be allowed for the period of delay for which the supplier is responsible; however, purchaser will be entitled for any decrease in the prices during this delayed period.
- (c) In case of non-publication of applicable indices on a particular month, which happens to be the applicable month for price variation purpose, the published indices prevailing immediately prior to the particular month shall be applicable.
- (d) If the price adjustment amount works out to be positive, the same is payable to the contractor by the AEGCL and if it works out to be negative, the same is to be recovered by the AEGCL from the contractor.
- (e) No price variation will be allowed on the freight and insurance component of FOR destination prices.
- (f) The supplier has to submit PV bills (Negative / Positive) along with supporting documents, IEEMA circulars and sheet generated from IEEMA ONLINE PV CALCULATOR along with bills for payment.

If any case, IEEMA discontinues IEEMA ONLINE PV CALCULATOR, to claim the price variation, successful tenderer has to submit the supporting documents duly notarized copy of IEEMA circulars, PV calculation sheet etc. along with their invoices.

(g) In the price variation formula, base date and applicable date shall be as per the IEEMA Price Variation formula only.

(h) If the currency in which the Contract price is expressed is different from the currency of the country of origin of the labor and/or materials indexes, a correction factor will be applied to avoid incorrect adjustments of the Contract price. The correction factor shall correspond to the ratio of exchange rates between the two currencies on the base date and the date for adjustment as defined above.

(i) No price adjustment shall be payable on the portion of the Contract price paid to the Contractor as an advance payment.

### Appendix 3: Insurance Requirements

#### (A) Types of Insurance to Be Taken Out by the Contractor

In accordance with the provisions of GCC Clause 34, the Contractor shall at its expense take out and maintain in effect, or cause to be taken out and maintained in effect, during the performance of the Contract, the types of insurance set forth below in the sums and with the deductibles and other conditions specified. The identity of the insurers and the form of the policies shall be subject to the approval of the Employer, such approval not to be unreasonably withheld.

##### (a) Cargo Insurance

Covering loss or damage occurring, while in transit from the supplier's or manufacturer's works or stores until arrival at the Site, to the Facilities (including spare parts therefore) and to the construction equipment to be provided by the Contractor or its Subcontractors.

| Amount<br>(INR)             | Deductible limits<br>(INR) | Parties insured<br>[names]                     | From<br>[place]               | To<br>[place]               |
|-----------------------------|----------------------------|--|-------------------------------|-----------------------------|
| 110% of total supply amount | Rs.5,000                   | Insured: Contractor<br>Co-insured:<br>Employer | Start Date<br>of<br>Agreement | Arrival<br>Date in<br>India |

##### (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 extended maintenance coverage for the Contractor's liability in respect of any loss or damage occurring during the defect liability period while the Contractor is on the Site for the purpose of performing its obligations during the defect liability period.

| Amount<br>(INR)               | Deductible limits<br>(INR) | Parties insured<br>[names]                     | From<br>[place]               | To<br>[place]                         |
|-------------------------------|----------------------------|--|-------------------------------|---------------------------------------|
| 110% of total contract amount | Rs.50,000/-                | Insured: Contractor<br>Co-insured:<br>Employer | Start Date<br>of<br>Agreement | Upto<br>Defect<br>Liability<br>period |

##### (c) Third Party Liability Insurance

Covering bodily injury or death suffered by third parties (including the Employer's personnel) and loss of or damage to property (including the Employer's property and any parts of the Facilities that have been accepted by the Employer) occurring in connection with the supply and installation of the Facilities.

| Amount<br>(INR) | Deductible limits<br>(INR) | Parties insured<br>[names]    | From<br>[place]         | To<br>[place]                         |
|-----------------|----------------------------|-------------------------------|-------------------------|---------------------------------------|
| 4Cr.            | NIL                        | Contractor/<br>Sub-contractor | Commencement<br>of work | Upto<br>Defect<br>Liability<br>period |

## (d)Automobile Liability Insurance

Covering use of all vehicles used by the Contractor or its Subcontractors (whether owned by them or not) in connection with the supply and installation of the Facilities. Comprehensive insurance in accordance with statutory requirements.(e)Workers' Compensation

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

Statutory limits apply under the Workers Compensation Act of 1923 as amended by the Act of 1995. Purchase is not compulsory. Includes EL. If WC not purchased, PA becomes a requirement and EL must be added to Third Party Liability

| Workers Compensation (WC)   | Employers Liability (EL)                            | Personal Accident (PA)                                      | General Third Party Liability | Professional Liability |
|---|---|---|-------------------------------|------------------------|
| Statutory limits apply under the Workers Compensation Act of 1923 as amended by the Act of 1995. Purchase is not compulsory. Includes EL. If WC not purchased, PA becomes a requirement and EL must be added to Third Party Liability | Either included in WC or added to General Liability | Minimum Death Benefit 3 x Annual Salary if WC not purchased | Rs. 1,77,50,000               | Rs. 35,00,000          |

## (f)Employer's Liability

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

## (g)Other Insurance

The Contractor is also required to take out and maintain at its own cost the following types of insurance:

Details:

| Amount<br>[in currency(ies)] | Deductible limits<br>[in currency(ies)] | Parties insured<br>[names] | From<br>[place] | To<br>[place] |
|------------------------------|---|----------------------------|-----------------|---------------|
| NIL                          |   |                            |                 |               |

The Employer shall be named as co-insured under all insurance policies taken out by the Contractor pursuant to GCC Subclause 34.1, except for the Third Party Liability, Workers' Compensation, and Employer's Liability Insurance, and the Contractor's Subcontractors shall be named as co-insureds under all insurance policies taken out by the Contractor pursuant to GCC Subclause 34.1, except for the Cargo, Workers' Compensation and Employer's Liability Insurance. All insurer's rights of subrogation against such co-insureds for losses or claims arising out of the performance of the Contract shall be waived under such policies.



**(B) Types of Insurance to Be Taken Out by the Employer**

The Employer shall at its expense take out and maintain in effect during the performance of the Contract the following insurance policies.

Details:

| Amount<br>[in currency(ies)] | Deductible limits<br>[in currency(ies)] | Parties insured<br>[names] | From<br>[place] | To<br>[place] |
|------------------------------|---|----------------------------|-----------------|---------------|
| NIL                          |   |                            |                 |               |

**Appendix 4: Time Schedule**

**Appendix 5: List of Major Items of Plant and Services and List of Approved Subcontractors**

A list of major items of plant and services is provided below.

The following Subcontractors and Manufacturers are approved for carrying out the item of the facilities indicated. Where more than one Subcontractor is listed, the Contractor is free to choose between them, but it must notify the Employer of its choice in good time prior to appointing any selected Subcontractor. In accordance with GCC Subclause 19.1, the Contractor is free to submit proposals for Subcontractors for additional items from time to time. No Subcontracts shall be placed with any such Subcontractors for additional items until the Subcontractors have been approved in writing by the Employer and their names have been added to this list of Approved Subcontractors.

| <b>Major Items of Plant and Services</b>                 | <b>Approved Subcontractors, Sub-vendor and Manufacturers</b> | <b>Nationality</b> |
|--|--|--------------------|
| GIS equipment  |  |                    |
| Power Transformer  |  |                    |
| XLPE Cable   |  |                    |
| Control and Relay Panel and Substation Automation System |  |                    |

**Appendix 6: Scope of Works and Supply by the Employer**

No personnel, facilities, works and supplies will be provided/ supplied by the Employer, for performance of this Contract.

**Appendix 7: List of Documents for Approval or Review**

Pursuant to GCC Subclause 20.3.1, the Contractor shall prepare, or cause its Subcontractor to prepare, and present to the Project Manager in accordance with the requirements of GCC Subclause 18.2 (Program of Performance), the following documents for

**(A) Approval**

1. ....
2. ....
3. ....

**(B) Review**

1. ....
2. ....
3. ....

Note :

Tenderer shall furnish the exhaustive list, which shall be discussed and finalised for incorporation into the Contract Agreement.

## **Appendix 8: Functional Guarantees**

The equipment offered shall meet the rating and performance requirements stipulated in Technical Specification for various equipments or indicated in Data requirements.

Acceptance of Routine, Type and other tests as applicable and as specified in the technical Specification (Employer's Requirements) for various equipments shall deemed have fulfilled the requirement of GCC clause 28 (Functional Guarantee). As the equipments and materials shall be acceptable only after successful testing as per requirements of the Specification and applicable Standards and Codes as referred to in the Specification, the GCC clause 38.4 shall not be applicable.

**Performance Security**

[Bank's name, and address of issuing branch or office]

**Beneficiary:** .....[Name and address of the Employer].....

**Date:** .....

**Performance Guarantee No.:** .....

We have been informed that [name of the contractor](hereinafter called "the Contractor") has entered into Contract No. [reference number of the contract] dated [date] with you, for the execution of [name of contract and brief description of plant and services](hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, a performance guarantee is required.

At the request of the Contractor, we [name of the bank] hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of [name of the currency and amount in words]<sup>8</sup>[amount in figures] such sum being payable in the types and proportions of currencies in which the Contract Price is payable, upon receipt by us of your first demand in writing accompanied by a written statement stating that the Contractor is in breach of its obligation(s) under the Contract, without your needing to prove or to show grounds for your demand or the sum specified therein.

This guarantee shall expire no later than the earlier of

(a) 18 months after our receipt of

- (i) a copy of the Completion Certificate; or
- (ii) a registered letter from the Contractor, attaching a copy of the notice to the project manager that the Facilities are ready for commissioning, and stating that 14 days have elapsed from receipt of such notice (or 7 days have elapsed if the notice was a repeated notice) and the project manager has failed to issue a Completion Certificate or inform the Contractor in writing of any defects or deficiencies; or
- (iii) a registered letter from the Contractor stating that no Completion Certificate has been issued but the Employer is making use of the Facilities; or

(b) the [date] day of [month], [year].

Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458 [or ICC Publication No. 758 as applicable], except that subparagraph (ii) of Sub-Article 20(a) is hereby excluded.<sup>9</sup>

.....  
[Signature(s) and seal of bank (where appropriate)]

**-- Note to Tenderer --**

*If the institution issuing the performance security is located outside the country of the Employer, it shall have a correspondent financial institution located in the country of the Employer to make it enforceable.*

<sup>8</sup> The guarantor shall insert an amount representing the percentage of the contract price specified in the contract and denominated either in the currency(ies) of the contract or a freely convertible currency acceptable to the Employer.

<sup>9</sup> Or the same or similar to this clause specified in the Uniform Rules for Demand Guarantees, ICC Publication No. 758, where applicable.

**Advance Payment Security**

[Bank's name, and address of issuing branch or office]

**Beneficiary:** .....[Name and address of the Employer].....

**Date:** .....

**Advance Payment Guarantee No.:** .....

We have been informed that [name of the contractor](hereinafter called "the Contractor") has entered into Contract No. [reference number of the contract] dated [date] with you, for the execution of [name of contract and brief description of plant and services](hereinafter called "the Contract").

Furthermore, we understand that, according to the Conditions of the Contract, an advance payment in the sum [name of the currency and amount in words]<sup>10</sup>[amount in figures] is to be made against an advance payment guarantee.

At the request of the Contractor, we [name of the bank] hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of [name of the currency and amount in words]<sup>11</sup>[amount in figures] upon receipt by us of your first demand in writing accompanied by a written statement stating that the Contractor is in breach of its obligation under the Contract because the Contractor:

- (a) used the advance payment for purposes other than the costs of mobilization and cash flow support in respect of the Works; or
- (b) has failed to repay the advance payment when it has become due and payable in accordance with the conditions of the Contract, specifying the amount payable by the Contractor.

It is a condition for any claim and payment under this guarantee to be made that the advance payment referred to above must have been received by the Contractor on its account number [**contractor's account number**] at [name and address of the bank].

The maximum amount of this guarantee shall be progressively reduced by the amount of the advance payment repaid by the Contractor as indicated in copies of interim statements or payment certificates, which shall be presented to us. This guarantee shall expire, at the latest, upon our receipt of a copy of the interim payment certificate, indicating that 80% of the Contract Price has been certified for payment, or on the [date] day of [month], [year],<sup>12</sup> whichever is earlier. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458 [or ICC Publication No. 758 as applicable].

.....  
[Signature(s) and seal of bank (where appropriate)]

**-- Note to Tenderer --**

<sup>10</sup> The guarantor shall insert an amount representing the amount of the advance payment denominated either in the currency(ies) of the advance payment as specified in the contract, or in a freely convertible currency acceptable to the Employer.

<sup>11</sup> Footnote 1.

<sup>12</sup> Insert the expected expiration date of the time for completion. The Employer should note that in the event of an extension of the time for completion of the contract, the Employer would need to request an extension of this guarantee from the guarantor. Such request must be in writing and must be made prior to the expiration date established in the guarantee. In preparing this guarantee, the Employer might consider adding the following text to the form, at the end of the penultimate paragraph: "The Guarantor agrees to a one-time extension of this guarantee for a period not to exceed [6 months][1 year], in response to the Employer's written request for such extension, such request to be presented to the Guarantor before the expiry of the guarantee."

*If the institution issuing the advance payment security is located outside the country of the Employer, it shall have a correspondent financial institution located in the country of the Employer to make it enforceable.*