



**SPECIAL TERMS OF CONTRACT
OPERATION & MAINTENANCE WORKS FOR
STEEL PIPELINE NETWORK & ASSOCIATED FACILITIES**

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GEL/TS/STEEL/SERVICE/O&M/STC**

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1. OVERVIEW

1.1 GENERAL DESCRIPTION

Gujarat Energy Limited (**GEL**) (Est. Gujarat Gas Limited), a Government of Gujarat undertaking and currently is India's largest City Gas Distribution Company with its presence spread across 41 districts in the state of Gujarat, Rajasthan, Madhya Pradesh, Haryana, Punjab, Maharashtra and Union Territory of Dadra & Nagar Haveli. **GEL** is committed to develop eco-friendly infrastructure and transportation fuel for public service in its operating areas as awarded by PNGRB from time to time.

This section of the document summarizes the **Special Terms of Contract (STC)** for Operation and Maintenance of Steel pipeline network and associated facilities and associated terminal works including and not limited to the fabrication and installation of piping for extension of gas network and associated civil work as required for continuous operation at various operation areas. This specification shall be read in conjunction with the General Conditions of Contract, Specification of Work, Drawing and any other documents forming part of this contract wherever the context so requires. Notwithstanding the sub-division of the documents into these separate sections and volumes every part of each shall be deemed to be supplementary to and complementary of every other part and shall be read with and into the contract so far as it may be practicable to do so.

Where any portion of the General Condition of Contract is repugnant, to or at variance with any provisions of the Special Conditions of Contract, unless a different intention appears, the provisions of the Special Conditions of Contract shall be deemed to override the provisions of the General Condition of Contract and shall to the extent of such repugnancy, or variations, prevail.

1.2 DEFINITIONS

In the Bid/ Contract (as hereinafter defined) the following words and expressions shall have the meanings hereby assigned to them except where the context otherwise requires.

1. **"GEL" or "OWNER" or "BUYER"** shall mean Gujarat Energy Limited (**GEL**), having its Registered Office at Gujarat Energy Bhavan, Behind Udyog Bhavan, Sector- 11, Gandhinagar, Gujarat – 382010
2. **"SELLER/ BIDDER/ CONTRACTOR"** shall mean the person or firm with whom PURCHASE ORDER/ CONTRACT is placed/ entered into by OWNER for supply of equipment, materials and services. The term **CONTRACTOR** includes its successors and assigns.
3. **"CONTRACT"** shall mean Purchase Order (PO)/ Contract and all attached exhibits and documents referred to therein and all terms and conditions thereof together with any subsequent modifications thereto.
4. **"CONTRACT PRICE"** shall mean the price payable to the **CONTRACTOR** under the PO/ Contract for the full and proper performance of his contractual obligations.
5. **"COMPLETION DATE"** shall mean the date on which the goods are successfully commissioned by the **CONTRACTOR** and handed over to the Owner.
6. **"COMMERCIAL OPERATION"** shall mean the condition of the operation in which the complete equipment covered under the Contract is officially declared by the Owner to

be available for continuous operation at different load up to and including rated capacity.

7. **"DELIVERY"** terms shall be interpreted as per INCOTERMS - 2013 in case of PO/ Contract with a foreign Bidder and as the date of GR or as agreed, in the case of a PO/ Contract with an Indian Bidder.
8. **"DRAWINGS"** shall mean and include Engineering drawings, sketches showing plans, sections and elevations in relation to the PO/ Contract together with modifications and/or revisions thereto.
9. **"ENGINEER"** shall mean the Engineer or Executive-in-Charge of the Project SITE nominated by OWNER at SITE.
10. **"FINAL ACCEPTANCE"** shall mean the Owner's written acceptance of the Works performed under the PO/ Contract after successful completion of performance and guarantee tests.
11. **"GOODS"** shall mean articles materials, equipment, design and drawings, data and other property to be supplied by **CONTRACTOR** to complete the contract.
12. **"THIRD PARTY INSPECTION AGENCY (TPIA)"** shall mean any person or outside inspection Agency nominated by OWNER to inspect equipment, stage wise as well as final, before dispatch, at **CONTRACTOR's** works and on receipt at SITE as per terms of the PO/ CONTRACT.
13. **"INITIAL OPERATION"** shall mean the first integral operation of the complete equipment covered under the Contract with sub-systems and supporting equipment in service or available for service.
14. **"PERFORMANCE AND GUARANTEE TESTS"** shall mean all operational checks and tests required to Determine and demonstrate capacity, efficiency and operating characteristics as specified in the Contract Documents.
15. **"SERVICE"** shall mean erection, installation and testing, commissioning, provision of technical assistance, training and other such obligations of the **CONTRACTOR** covered under the Contract.
16. **"SITE"** shall mean the Project or designated area/ location or destination for which the Contract has been issued and where the equipment/ materials shall be erected.
17. **"SPECIFICATIONS"** shall mean and include schedules, details, description, statement of technical data, performance characteristics, standards (Indian as well as International) as applicable and specified in the Contract.
18. **"SUB-CONTRACT"** shall mean order placed by the **CONTRACTOR**, for any portion of the contracted work, after necessary consent and approval of OWNER.
19. **"SUB-CONTRACTOR"** shall mean the person named in the CONTRACT for any part of the work or any person to whom any part of the CONTRACT has been sub-let by the SELLER with the consent in writing of the OWNER and will include the legal representatives, successors, and permitted assigns of such person.
20. **"START-UP"** shall mean the time period required to bring the equipment covered under the Contract from an inactive condition, when construction is essentially complete to

the state of readiness for trial operation. The start-up period shall include preliminary inspection and check out of equipment and supporting subsystems, initial operation of the complete equipment covered under the Contract to obtain necessary pre-trial operation data, perform calibration and corrective action, shutdown inspection and adjustment prior to the trial operation period.

21. **"TESTS"** shall mean such process or processes to be carried out by the **CONTRACTOR** as are prescribed in the Contract or considered necessary by Owner or his representative in order to ascertain quality, workmanship, performance and efficiency of equipment or part thereof. **TESTS ON COMPLETION** shall mean such tests as prescribed in the Contract to be performed by the **CONTRACTOR** before the Works are taken over by the Owner.
22. The **"BID"** shall mean the Bid submitted by the **CONTRACTOR** for acceptance by **GEL**.
23. **"GEL's REPRESENTATIVE"** shall mean the person designated as such by the Gujarat Gas Limited and shall include his authorized nominee or agent, provided however that **GEL's** representative to be so designated by **GEL** may be one person for certain aspects of this agreement and another person for other aspects of work covered by this Bid/ Contract.
24. **"STORES"** shall mean the **GEL** stores located across its operating areas.
25. **"PERMANENT WORKS" or "WORKS"** shall mean and include all works to be executed in accordance with the Contract or part thereof as the case may be and shall include all extras, additional, altered or substituted works as required for the purpose of contract.
26. **"TEMPORARY WORKS"** shall mean all temporary works of every kind required in or about the execution, completion or modification of the works, which are not permanent.
27. **"APPROVED"** shall mean approved in writing including subsequent written confirmation of previous verbal approval and 'Approval' means approved in writing including as aforesaid.
28. **"CONSTRUCTION EQUIPMENT"** means all appliances/ equipment and things of whatsoever nature for the use in or for the execution, operation, or modification of the work or temporary works but does not include materials or other things intended to form or to be incorporated into the WORK, or camping facilities.
29. **"MOBILIZATION"** shall mean establishment of sufficiently adequate infrastructure by the **CONTRACTOR** at site comprising of construction equipment, aids, tools tackles including setting of site offices & site camp with facilities such as power, water, communication etc., establishing manpower organization comprising of resident engineer, supervising personnel and an adequate strength of skilled, semi-skilled and unskilled workers, who with the so established infrastructure shall be in a position to commence execution of work at site (s), in accordance with the agreed time schedule of completion of work. **MOBILIZATION** shall be considered to have been achieved, if the **CONTRACTOR** is able to establish infrastructure as indicated above to commence work at all site (s)/ locations as per time schedule, where so warranted in accordance with agreed schedule of work implementation to the satisfaction of owner/ engineer – in-charge.

30. **"WORKING DAY"** means any day, which is not declared to be holiday or rest day by Owner.
31. **"MECHANICAL COMPLETION"** means completion of the pipeline laying and installation work including clearing and grading the agricultural/ Govt. land for making ROW, Trenching, Stringing & Welding, Destructive and Non-Destructive testing, Field joint Coating, Lowering, Crossing of other Under Ground Utilities, Padding, Backfilling & Compacting, Final Clean-up etc. of all facilities including pipeline work which may be included in scope of the work specification.
32. **"COMMISSIONING"** shall mean placing into service of the system including the plant(s), equipment(s), vessel(s), pipeline, machinery (ies), or any other section or sub-section of installation(s) pertaining to the work of the **CONTRACTOR** after successful testing and trial runs of the same.
33. **"GUARANTEE"** means the period and other conditions governing the warranty/ guarantee in respect of the work as detailed in section hereunder.
34. **"HSE"** means Health, Safety & Environment.
35. **"KICK-OFF MEETING"** means the first meeting between **CONTRACTOR** and **GEL** before starting of the project, where sharing of legal and contractual requirement, status of authority permission, reporting structure and project team by **GEL** and sharing of detailed project plan as per the completion timeline define in this tender document/ contract including mobilization of all required resources, sharing of **CONTRACTOR** organization chart, site office and store location, reporting structure etc.
36. **"AOMP"** - Annual Operation and Maintenance Plan

2. GENERAL

- Special Terms of Contract (STC) shall be read in conjunction with the Schedule of Rates, General Terms and Conditions of Contract, Material Specifications, Specifications of Work, Drawing and any other document forming part of this contract wherever the context so requires.
- Wherever in this Bid document, it is stated that such a supply is to be affected or such and such a work is to be carried out, it shall be understood that the same shall be effected / carried out by the **CONTRACTOR** at his own cost, unless a different intention is specifically and expressly stated herein or otherwise explicit from the context.
- The materials, design and workmanship shall satisfy the relevant Standards / Codes, the job specifications contained herein and codes referred to. Where the job specifications stipulate requirements in addition to those contained in the standard codes and specifications, these additional requirements shall also be satisfied. In the absence of any Standard / Specifications / Codes of practice for detailed specifications covering any part of the work covered in this Bid document, the instructions / directions of **GEL** / TPJA will be binding on the **CONTRACTOR**.
- The **CONTRACTOR** shall acquaint himself with the access to the site, availability of local facilities such as transport facilities, material and labor and shall provide suitable allowance in his quotation. The **CONTRACTOR** quoted price shall consider all expenses likely to arise in this regard.
- The intending **CONTRACTORS** shall be deemed to have visited the site and familiarized themselves thoroughly with the site conditions before submitting their bid. Non-familiarity with the site conditions will not be considered a reason either for extra claims or for not carrying out work in strict conformity with drawings, specifications & **GEL** HSE requirements.
- This is an open value-based contract for the specified period and **GEL** shall have right to allocate any of specific job illustrated herein by its own discretion to any other vendor / **CONTRACTOR** if **CONTRACTOR** fails in agreed performance i.e. timely delivery of work / job, Quality of compliances, Implementations of **GEL** HSE requirements and Contract Management
- The **CONTRACTOR** must arrange for the placement of workers in such a way that the delayed completion of the WORK or any part thereof for any reason whatsoever will not affect their proper employment. The **GEL** will not entertain any claim for idle time payment whatsoever.
- The **CONTRACTOR** shall arrange the inspection of the works by the authorities and necessary co-ordination and liaison work in this respect shall be the responsibility of the **CONTRACTOR**. However statutory fees paid, if any, for all inspections and approvals by such authorities shall be reimbursed at actual by **GEL** to the **CONTRACTOR** on production of documentary evidence.
- Any change/ addition required to be made to meet the requirements of the statutory authorities shall be carried out by the **CONTRACTOR** free of charge. The inspection and acceptance of the work by statutory authorities shall however, not absolve the **CONTRACTOR** from any of his responsibilities under this contract.
- The **CONTRACTOR** shall act as an independent **CONTRACTOR**.
- In case of contradiction between referred Standard, General Conditions of Contract,

Special Conditions of Contract, Specifications, Drawings, Schedule of Rates, the following shall prevail in order of precedence.

- Letter of Acceptance along with Statement of Agreed Variations
- Schedule of Rates as enclosures to Letter of Acceptance
- Fax of Intent/ Letter of Intent
- Job/ Material Specifications with reference to SOR
- AFC drawings
- Technical Specifications
- Special Terms of Contract
- General Terms of Contract
- Indian Standards
- Other applicable Standards

3. SPECIFIC REQUIREMENTS OF CONTRACT

3.1 WORK EXECUTION

The work requires a special skill and attention as majority work will be on live gas network. The **CONTRACTOR** is required to understand the full scope of work detailed in the bid. The **CONTRACTOR** is also required to keep sufficient equipment, skilled manpower to act on an emergency work that may arise while executing the operation and maintenance work on live pipeline network-facilities without any additional cost to **GEL**.

CONTRACTOR shall be prepared to work simultaneously in number of sites-locations with different crews for the various activity of operation and maintenance to expedite the work for timely completion, without any additional cost to **GEL**.

The **CONTRACTOR** will provide required resources including basic facilities and infrastructure as per **CONTRACT**, to enable its work force to carry out O&M activities in a safe environment. **GEL** understands that good communications, a viable suggestion system and the recognition of good O&M performance, encourages contractor / employee in participation, in effective O&M management program.

As far as possible, **CONTRACTOR** shall ensure utilization and mobilisation of resources from the base location only for the GA where base location is established as well as for another GA of the given cluster-circle-state for the planned and emergency requirements. However, in case of occupancy of base location resources, **CONTRACTOR** shall deploy additional resources to ensure timely completion of planned/unplanned activities across all the GA of the given cluster-circle-state.

CONTRACTOR shall ensure to capture attendance of all the deputed manpower in QR code based online Pay-Attendance-Leave Management (PALM) System. **CONTRACTOR** to note that the same will be applicable to all the fixed manpower/employees. Online attendance data will be integrated in the pay & leave module, to get manpower billing and pay-remuneration process without any manual intervention.

In addition to O&M activities, **GEL** intends to award steel pipeline laying, installation, testing and commissioning works for project requirement in the **CONTRACT** as and when required during **CONTRACT** duration. Steel pipeline project will be of diameter from 4" NB to 12" NB, pressure class 150# to 300#, having length upto 2 kilometers.

3.2 EMERGENCY RESPONSE PLAN

In case of any injury or an accident at the site, the **CONTRACTOR** shall immediately inform the **GEL** Engineer of the incident and further take immediate steps to take the injured person(s) to any of the **GEL** nominated hospitals.

- **CONTRACTOR** shall maintain first aid facilities for use of **CONTRACTOR**'s Personnel and those of its Sub-**CONTRACTORS**.
- Before mobilization for commencing work, **CONTRACTOR** shall ensure required provisions / arrangements for immediate notification and prompt response in the event of:
 - a. An incident involving serious injury or death to any member of the team; or
 - b. A major incident involving third party equipment; or
 - c. Any release of chemicals or hydrocarbons to the local environment; or
 - d. Serious illness, including that needing evacuation; or
 - e. A security breaches
- If required by **GEL**, **CONTRACTOR** shall participate in an emergency response exercise. **GEL** shall arrange this exercise unless, at its sole option, **GEL** requires **CONTRACTOR** to organize it

3.3 KICK OFF MEETING

GEL / GEL EIC shall arrange Kick off meeting within 7 (Seven) days from date of LOA/contract award and shall intimate the **CONTRACTOR** for same. **CONTRACTOR** shall ensure attending Kick-off meeting along with their O&M in charge/Manager and key manpower.

CONTRACTOR shall provide a list of machinery/ equipment that they intend to deploy during the Kick of Meeting and prior to mobilizing the same, it shall be pre-audited at his works/ site by **GEL** representative and/ or **TPA**.

CONTRACTOR shall provide details of Key Manpower in line with requirement defined in the Tender Document. **CONTRACTOR** shall ensure submission of Project office, Store/Yard details, Manpower deployment schedule, other resources deployment schedule at the time of kick off meeting.

3.4 MOBILIZATION PERIOD

CONTRACTOR shall be required to mobilize the manpower and other resources and establish base location as agreed during kick off meeting **within 15 days** post written intimation given by **GEL Engineer In charge** for the commencement of the work.

CONTRACTOR shall ensure availability of a Nodal person/single point of contact for allotment and monitoring of the planned and ongoing O&M works.

CONTRACTOR shall be ready at all times post award of **CONTRACT** with required resources for execution and shall mobilize on allocation of job/activity by **GEL**.

CONTRACTOR shall ensure fulfillment of all contractual obligations as per the tender terms and conditions.

CONTRACTOR shall maintain following below mentioned resources as a minimum but not limited to following to complete the entire job

- All types equipments, measuring equipment, testing equipments, machinery etc. as per the Scope of work requirement.
- Skilled, semi-skilled and unskilled manpower
- Vehicles for transportation of material and manpower
- Sufficient quantity of spares & consumables
- Required tools and tackles

3.5 TIME PERIOD

O&M ACTIVITIES

Timelines of individual activities shall be as per the SLA and timelines defined in the **CONTRACT**. However, for remaining activities, the timelines shall be as per the business requirement depending upon the nature and urgency of the work. In such cases, the timelines shall be as per the recommendation from GEL/GEL In charge and shall be adhered by the **CONTRACTOR**.

STEEL PIPELINE PROJECT WORKS

All project work shall be executed as per the time period suggested by **GEL** and as agreed by **CONTRACTOR** as and when required during contract period. **CONTRACTOR** shall adhere to the agreed execution program. The same can be reviewed and changed based upon requirement as when needed in joint consultation with **GEL**. All free issue material required as per scope of contract shall be issued by **GEL** progressively.

CONTRACTOR shall complete all work as per the Scope of Work within Completion Time Period/ Maximum Project Timelines of the respective Project as defined below

- Completion Period for a given project with Pipeline length upto 1 km: Maximum 45 days OR 30 days from receipt of last free issue material or receipt of last permissions whichever is later.
- Completion Period for a given project with Pipeline length from 1 km upto 2 km: Maximum 60 days OR 30 days from receipt of last free issue material or receipt of last permissions, whichever is later.

4. OWNER'S REPRESENTATIVE

- 4.1** The OWNER's REPRESENTATIVE for this CONTRACT shall be intimated at the time of award of CONTRACT.

5. RATE VALIDITY

5.1 The RATES specified in the CONTRACT shall remain firm & fixed for 02 (Two) years from the date of notification/award of first contract.

6. WARRANTY/ DEFECT LAIBILITY PERIOD

Warranty period for materials supplied and installed by **CONTRACTOR** for all the services executed under the above scope of work and defect liability period for all the

services/materials provided by **CONTRACTOR** shall be **12 (Twelve) months** from the date of completion of services/materials as certified by **OWNER/ GEL/ ENGINEER IN CHARGE**.

7. PAYMENT CLAUSE

Terms of Payment

Basic and terms of payment shall be as under:

- Payment to the **CONTRACTOR** shall be made for the charges incurred towards Lumpsum rate (SOR-Section A against SOR for the Monthly Fixed Expenses) or towards the Charges incurred for various services provided by the **CONTRACTOR** against individual SOR-Section B line items, whichever is higher. **CONTRACTOR** to refer SOR for the detailed scope of work and description of the activities. This is to ensure the interests of the **CONTRACTOR** are taken care for deployment of the resources.
- **CONTRACTOR** shall ensure to capture attendance of all the deputed manpower in QR code based online Pay-Attendance-Leave Management (PALM) System to claim the payment against the above mentioned SOR line item.
- Lumpsum rate for SOR line items of Section-A shall not change during the contractual period.

7.1 FOR PLANNED/UNPLANNED O&M ACTIVITIES AGAINST GIVEN SOR LINE ITEMS

- 100% against the supply of the material and services as per the Scope of the work of the **CONTRACT**.

7.2 STEEL PIPELINE LAYING AND ASSOCIATED WORK (EXTENSION WORKS UPTO 2 KM)

- ****65%** progressively on carrying out ROU survey, clearing and grading of RoU, pipeline stringing, trenching, pipeline welding/ tie – in, field joint coating, pipeline lowering, sand filling, backfilling of trench and restoration of site.
- 25% on mainline hydro testing, dewatering, swabbing, U/G valve installation, drying, holding positive N2 pressure and submission of As-built drawings.
- 10% after commissioning of pipeline (if applicable) and submission of As-Built Documents etc. including submission of NOC from authorities to **GEL** and final acceptance by **GEL**.

**** This payment will be released on completion of lowering of pipeline and restoration of site and no intermediate stages will be accepted. Also, this payment will be released upon completion of continuous stretch of **300 Mtrs** or actual length of project whichever is lower, subject to the completion of entire scope of work as per the claimed payment stage from Zero Point (up-stream) to Last Claimed Point with exemption of any length pending due to **GEL** Scope.**

- For steel pipeline extension works executed under this **CONTRACT**, payment shall be made on actual measured and certified quantities executed through Open Cut, HDD or a combination thereof, as per the applicable SOR. However, considering the minimum efforts required for small extension jobs, the following provisions shall

apply for individual work involving new steel pipeline extension having a total pipeline length of less than 50 meters.

- a) Pipeline laying with Open Cut only Where the entire pipeline extension work is executed through Open Cut method only, payment for pipeline laying activities shall be considered based on a deemed quantity of 50 meters of Open Cut pipeline laying at the applicable SOR rates.
- b) Combination of Open Cut and HDD Works: Where the pipeline extension work is executed through a combination of Open Cut and HDD methods, payment shall be made based on higher of:
 - i. The value equivalent to 50 meters of Open Cut pipeline laying at the applicable SOR rates;
 - Or
 - ii. The actual measured and certified value of Open Cut and HDD quantities executed under the work order as per the applicable SOR rates.
- c) The deemed quantity/value as stated above shall be released progressively in accordance with the payment milestones specified under Clause 5.2 and the applicable stage-wise payment percentages shall be applied accordingly. No advance payment shall be admissible against such deemed quantity/value prior to achievement of the corresponding milestone
- d) The above provision shall be applicable only to new steel pipeline extension works and shall not be applicable to standalone HDD/crossing works, pipeline shifting works, pipeline replacement works, repairs, modifications, valve works, tie-ins, maintenance activities, emergency works, testing activities, or any other non-extension works covered under this **CONTRACT**.
- e) The applicability of this provision shall be determined separately for each individual work and shall not be considered cumulatively across multiple work.

7.3 LAYING OF PIPELINE WITH HDD (ALONG/ACROSS)

- 75% on carrying out ROU survey, pipeline stringing, trial pit, pipeline welding/tie – in, field joint coating, pre-hydro test, HDD installation, coating conductance test, backfilling of pits and restoration of site.
- 15% on hydro testing, dewatering, drying, submission of as-built drawings and related work for making pipeline section ready for commissioning
- 10% after commissioning of pipeline (if applicable) and submission of As-Built Documents etc. including submission of NOC from authorities to **GEL** and final acceptance **by GEL**.

7.4 FOR ALL OTHER ITEMS those do not have direct relation with project deliverables and do not have impact on project timelines/commissioning/completion, 100% against the supply of the material and services. **GEL EIC** may review and approve the payment against the SOR line items with reference to project requirements.

8. SECURITY & GUARANTEE (CBG):

8.1 Contract Bank Guarantee:

Within the timeline stipulated for Mobilization, CONTRACTOR shall submit the Contract Bank Guarantee (CBG) in the prescribed format for a value equivalent to 5% of the basic Call-out Order value & validity till Call-Out Order end date & claim lodgement of three months thereafter.

In case of subsequent Amendment of Call-Out Order for Value Enhancement, the CONTRACTOR shall submit revised/additional Bank Guarantee for the enhanced value of the Call-Out Order in accordance with Amendment, within 15 days from the effective date of Amendment.

In case the revised/ additional CBG is not submitted by CONTRACTOR within stipulated time period, required amount equivalent to the revised/additional CBG amount will be withheld from the subsequent invoices for work executed after the effective date of Amendment, till the revised/ additional CBG is submitted by CONTRACTOR. The withheld amount will be released as per the terms of the Contract.

In case of subsequent Amendment of Call-Out Order for Validity extension, may include Value enhancement, the CONTRACTOR shall submit revised/additional Bank Guarantee for the extended value and/or validity of the Call-Out Order in accordance with Amendment, within 15 days from the effective date of Amendment.

In case the revised/additional BG is not submitted by CONTRACTOR within stipulated time period, equivalent amount will be withheld from the CONTRACTOR's claim for payments for the work executed after the effective date of Amendment, till the revised BG is submitted by CONTRACTOR. The withheld amount will be released as per the terms of the Contract.

The BG will be released post completion of Call-out Order Validity, and upon submission of bank guarantee against the callout issued for 2nd year.

BG submitted against 2nd Year callout will be released within 3 months post completion of the Call-out order validity.

8.2 Work Performance Guarantee:

5% of basic value from each invoice value will be retained as Performance Guarantee for executed work & will be released within 3 months after Callout validity End+ Defect liability Period.

At the end of Call-Out Order, the CONTRACTOR will have the option to submit a Performance Bank Guarantee (PBG) for amount equivalent to the cumulative retained amount against the corresponding Call-Out Order. The retained amount will be released on submission of such PBG.

9. SUB-LETTING OF WORKS

CONTRACTOR shall not be sub-let/ sub-contract entirely or in part by the **CONTRACT**. However, a specialist job can be subcontracted with prior written approval from **GEL**.

CONTRACTOR shall submit to **GEL**, the details of sub-CONTRACTOR including experience and skill of their manpower to declare their intent for execution of work. After evaluation of the SUB-CONTRACTOR, **GEL** may or may not give written consent to SUB-CONTRACTOR for the execution of any part of the work at site, being entered in to by **CONTRACTOR**.

CONTRACTOR shall be and shall remain solely responsible for the quality, proper and expeditious execution of the work and the performance of all the condition of the

CONTRACTOR in all respect as if such subletting of sub-contracting had not taken place, and as if such work had been done directly by the **CONTRACTOR**.

If any SUB-CONTRACTOR's work which in opinion of **GEL** is not in accordance with the **CONTRACT** documents, **GEL** may, by written notice to the **CONTRACTOR**, inform him to terminate such sub contract

10. BASE STATION DETAILS

CONTRACTOR to establish base station/s as per the **GEL** requirement. The same shall be required for deployment of fixed manpower, Machinery and Tools and Tackles as per the requirement defined in Technical Scope of work.

CONTRACTOR to note following GA wise details of base station (location and Numbers) for reference

Cluster No	GA	State	Base Location Detail
1	Bhavnagar & Amreli	Gujarat	Bhavnagar
2	Surendranagar	Gujarat	Surendranagar

CONTRACTOR to note that above mentioned base station locations are for reference purpose and are defined considering development of Steel Distribution network and Operation & Maintenance requirements in said GA locations.

GEL/GEL EIC may review the base station location/s and number of base station/s on time to time bases in view of year on year steel network development. Accordingly, **GEL/GEL EIC** can propose to change the base station location and change the number of base stations considering O&M requirements. Advance intimation will be given to **CONTRACTOR** for change / establishment of base station in case required. No additional charges shall be paid to **CONTRACTOR** by **GEL** in case of change in base station location / establishment of new or additional base station.

11. STORE LOCATIONS FOR ISSUE OF GEL SUPPLIED MATERIAL

With reference to scope of supply of material, **CONTRACTOR** shall arrange required resources including but not limited to manpower, tools-tackles, equipments and vehicles etc. for loading, transportation and unloading of **GEL** issued material from below mentioned **GEL** storage locations.

GA	GEL Store Location for Line Pipe	GEL Store Location for other material
Surat Hazira Navsari Valsad	Vadoli, Jhagadia GIDC, Bhaniyara	Surat, Vadoli, Vapi, Ankleshwar, Bhaniyara
Bharuch Dahej Narmada	Vadoli, Jhagadia GIDC, Bhaniyara, Vaishnodevi (Ahmedabad)	Ankleshwar, Bhaniyara, Surat, Vadoli, Vaishnodevi (Ahmedabad)
DNH Thane	Silvassa, Vadoli, Thane, Jhagadia GIDC	Silvassa, Vapi, Thane, Surat, Vadoli, Ankleshwar
Bhavnagar	Baldana, Morbi, Bhaniyara, Vaishnodevi (Ahmedabad)	Bhavnagar, Morbi, Vaishnodevi (Ahmedabad)
Surendranagar	Baldana, Morbi, Bhaniyara, Vaishnodevi (Ahmedabad), Dhrol	Bhavnagar, Morbi, Bhaniyara, Vaishnodevi (Ahmedabad), Dhrol
Amreli	Baldana, Morbi, Vaishnodevi (Ahmedabad), Dhrol	Bhavnagar, Morbi, Vaishnodevi (Ahmedabad), Dhrol
Rajkot Morbi	Baldana, Morbi, Dhrol, Vaishnodevi (Ahmedabad)	Morbi, Dhrol, Vaishnodevi (Ahmedabad)
Jamnagar Kutchh West	Baldana, Morbi, Dhrol	Morbi, Dhrol
Nadiad Anand Rural Panchmahal	Bhaniyara, Baldana, Jhagadia GIDC, Vaishnodevi (Ahmedabad), Vadoli	Bhaniyara, Vaishnodevi (Ahmedabad), Ankleshwar, Surat, Vadoli
Dahod	Bhaniyara, Jhagadia GIDC, Vaishnodevi (Ahmedabad), Vadoli	
Gandhinagar Ahmedabad Rural	Baldana, Bhaniyara, Morbi, Vaishnodevi (Ahmedabad), Jhagadia GIDC	Bhaniyara, Vaishnodevi (Ahmedabad), Ankleshwar, Morbi
Amritsar Bathinda	Amritsar, Bathinda	Amritsar, Bathinda, Sirsa

GEL store location details:

Location	Address	Geo-coordinates
Vaishnodevi (Ahmedabad)	NEAR VAISHNODEVI CIRCLE, VILLAGE - KHODIYAR, TA: DASCROI, DIST: AHMEDABAD - 380501	23° 8'13.46"N 72°32'20.21"E
Bhavnagar	Survey No 240, Navagam-Kardej, Rajkot - Bhavnagar highway, Carysil plant 5 Ni bajuma, V trnas ni same. Pin code 364060	21°43'59.33"N 72° 1'51.51"E
Vadoli	Survey No. 442, Block No. 546/1, Village - Vadoli, Vadoli-Kim State Highway, Tal. Olpad, Dist. Surat	21°25'50.57"N 72°50'50.88"E
Jhagadia GIDC	Plot No.773/A & B, Nr. Serch Chem, GIDC, Jhagadia Dist. Bharuch - 393110	21°38'33.67"N 73° 7'35.71"E
Ankleshwar	Surti Bhagol, Umarwada Road, Via Piraman Naka, Ankleshwar - 393001	21°37'27.86"N 72°59'4.89"E
Bhaniyara	GEL CNG Station, Survey No. 301/1, 302, Vadodara Halol Road, State Highway No. 87, Village: Bhaniyara, Tal : Waghodiya, Dist : Vadodara - 391510	22°23'33.10"N 73°16'28.30"E

Location	Address	Geo-coordinates
Baldana	Survey No.- 1017/1/1/ P 1, On National Highway-8A, Near Avadh Hotel, Village Baldana, Taluka-Wadhwan, Dist. - Surendranagar	22°33'51.20"N 71°43'4.60"E
Morbi	C/o. Gayatri Tiles, B/h. Dariyalal Weight Bridge, Nr. Rivera Ceramic, Morbi-Wankaner National Highway, Trajpar Morbi - 2 -363642	22°48'45.20"N 70°51'43.40"E
Dhrol (Jamnagar)	C/o. Amarsibhai Nathabhai Ranipa, Mavapar Village Gate, Near NH 151A, Dhrol- Jodiya Road, Taluka Dhrol, Dist. Jamnagar - 361210"	22°35'48.50"N 70°23'46.00"E
Surat	Plot No. 88-89, Mahyavanshi Mohollo, Post Box No. 915, P.O. Navyug College, Adajan Gam, Surat - 395009	21°11'28.88"N 72°47'43.21"E
Vapi	Gujarat Gas Ltd. Plot No. 2910, J-type Area Vapi GIDC, Vapi - 396191, Dist: Valsad	20°21'45.60"N 72°54'48.70"E
Thane	131/2, Panchrukha, Nr. Khaniwade Toll Naka, Virar Highway, Thane	19°31'22.30"N 72°55'4.60"E
Silvassa	Survey No. 337/1/2, Near 5000 Restaurant & Beverages, Near Reliance Industries Gate No. 2, Village-Kharadpada, Naroli, Silvassa-396235	20°15'11.47"N 72°56'59.30"E
Amritsar	Khasra No. 9//21, Verka Bypass, Amritsar - 143001, Punjab	31°38'47.25"N 74°55'37.17"E
Bathinda	C/O Manjinder Singh Sahni, Khasra No. 239, 240, Patti Gill, Bathinda, Punjab - 151 001	30°16'45.21"N 74°56'2.03"E
Sirsa	C/O Gagandeep Singh, Opposite- Managalam Palace, National Highway -9, Hisar Road, Village : Bajeka, Tahsil : Sirsa, Haryana – 125055	29°31'41.99"N 75° 5'58.44"E

Above **GEL** store locations are for reference only. **GEL** will share location to the **CONTRACTOR** during tender stage/pre-bid meeting also, in case of any changes.

12. PENALTY CLAUSE

Without prejudice to the OWNER's other rights available under the CONTRACT and/or Law, in case the CONTRACTOR fails to meet the performance, parameter/SLA, for the reasons other than Force Majeure and/or reasons attributable to OWNER alone, the OWNER shall, recover, penalty for non-compliance/non-adherence/short fall.

The following critical parameter describes the system performance and service level expectations and requirements during the Implementation phase of contract. The service level includes target performance measures, unacceptable measures and the related penalties for not meeting required service levels.

The service level shall be applicable for all the GA for the given cluster and penalty will be imposed in case of not meeting required service levels at GA level, as and when applicable.

Sr. No	Parameter	Service Level Agreement	Penalty
1	Initial mobilisation and deployment of	15 days post written intimation from GEL post kick off meeting	0.5% of the CONTRACT value per week (7 days) or prorata basis (in case of less than a week period, on

	resources after contract award		per day basis) maximum upto 3% of the basic contract value after date of kick off meeting (Till 4 weeks). Penalty will be deducted from EMD/Bank Guarantee or from the RA bills submitted subsequent to start of work or outstanding payment with GEL. In case CONTRACTOR fails to mobilize on the site within 4 weeks (30 days) then GEL reserves the right to offload/terminate the CONTRACT either in part (s) or complete as deemed fit. <i>Note: Penalty shall be applicable in case of delay observed in all the parameters or in any of the parameters.</i>
2	Reportable Incident	Zero Incident	- For each Fatal Incident - Rs. 1,00,000 or 10% of Total contract value, whichever is lower - For each LTI* - Rs. 20,000 or 5% of Total contract value, whichever is lower - For each MTC/RWDC Case# - Rs. 10,000 or 5% of Total contract value, whichever is lower <i>Note: Penalty shall be imposed over and above the payment & compensation that would be made by the service provider to the injured person or family of deceased vide the statutory provisions.</i>
3	Non-Deployment/short fall of resources/ Demobilization/ Unauthorized Absence of resources	3.1 Manpower requirement Manpower critical to O&M requirements impacting the work at site (Applicable only if the job/work is delayed) 3.2 Other requirement “Fit to Use” Equipments, Machinery, tools & tackles critical to O&M requirements	Following actions to be initiated against observation at site. - First **Instance – Rs. 2500/- - Second **Instance – Rs 5000/- (Within 3 months of first instance) - Third **Instance – Rs 10,000/- (Within 3 months of first and second instance) <i>Note: Penalty shall be imposed with reference to manpower and equipment requirement during kick-off meeting / pre-mobilization / for various activities of O&M as required by GEL & agreed by CONTRACTOR</i>
4	Compliance to GEL performance requirements	Performance rating less than 60% against CPAR	Following actions to be initiated against non-achieving of SLA for monthly CPAR score - First instance of Low monthly CPAR score – Warning letter to be issued - Second, Third & Fourth instance of low CPAR score (i.e. < 60%),

			Penalty of Rs. 10,000/- to be deducted for each month of low CPAR score. Beyond fourth instance of low CPAR score (i.e. < 60%), Penalty of Rs. 20,000/- to be deducted for each month of low CPAR score. GEL may take suitable actions as per the contract if there is no improvement after 6 months from the date of warning letter issued. Refer Important Notes mentioned below.
5	CPAR Section Quality Control	CPAR Score of quality control section < 50% of applicable points	In addition to corrective action by CONTRACTOR at his own cost, Penalty of Rs. 3,000 will be levied if monthly quality control points of CPAR are less than 50% of applicable points.
6	CPAR Section HSE & Life saver Compliance	CPAR Score of HSE & Life saver Compliance section < 50% of applicable points	In addition to corrective action by CONTRACTOR at his own cost, Penalty of Rs. 5,000 will be levied if monthly HSE & Life saver compliance points of are less than 50% of applicable points.
7	CPAR Section Contract Management	CPAR Score of Contract Management section < 50% of applicable points	Penalty of Rs. 3,000 will be levied if monthly Contract Management of CPAR points are less than 50% of applicable points.
8	CPAR Section Business Performance	CPAR Score of Business Performance section < 75% of applicable points	Penalty of Rs. 5,000 will be levied if monthly Business Performance of CPAR points are less than 75% of applicable points.
9	Adherence to timelines	Delay in execution of AOMP/Planned/Scheduled/Emergency maintenance activities beyond defined time period.	Following actions to be initiated against observation at site. First warning letter to be issued to CONTRACTOR. If no improvement observed within 1 month, following actions to be initiated - First **Instance – Rs. 2500/- - Second **Instance – Rs 5000/- (Within 3 months of first instance) - Third **Instance – Rs 10,000/- (Within 3 months of first and second instance)
10	Compliance to QHSE requirements	Un-authorized work	Rs. 10,000/- per instance
		Work without PTW/WA/EIC approval	Rs. 10,000/- per instance
		Non-Compliance – Trained staff (w.r.t. Safety / Technical competency)	Rs. 2,500/- per Employee
		Non-compliance – Health Check up	Rs. 2,000/- per Employee

		Non-compliance – PPE	Rs. 1,000/- per employee per instance
		Use of non-standard electrical equipments	Rs. 2,000/- per instance
		Non-deployment of proper barricading as per scope of work	Rs. 2,000/- per instance per site/location
		Manpower found intoxicated condition while on duty	Rs.2,500/- per manpower per instance
		Non - reporting – Request in CBuD application for digging activity 2 days in advance	Rs. 1,000/- per instance
		Unavailability of First Aid Box or Fire extinguisher at worksite	Rs. 1,000/- per instance
		Improper waste collection, disposal & reporting	Rs. 500/- per instance
11	AOMP activities	Within 15 days from the due date	Rs. 1,000/- per day of delay per activity beyond SLA upto one week (7 days) and then Rs. 1,500/- per day of delay per activity.
12	Scheduled/planned shutdown maintenance	Within 15 days from GEL intimation	Rs. 1,000/- per day of delay per activity beyond SLA upto one week (7 days) and then Rs. 2,500/- per day of delay per activity.
13	Major Break down/emergency maintenance (#)	Based on intimation from GEL (on call or SMS also), time to mobilize and reach the break down site based on distance from Base location to break down site as per following a) 4 hours for distance ≤ 100 km b) 8 hours for distance > 100 km ≤ 200 kms	Rs. 500/- per hour of delay beyond SLA upto three hours and then Rs. 5,000/- per hour. In addition to above cost of actual gas volume loss (if applicable) beyond the SLA shall be deducted from monthly invoice considering existing rate of NG supply to commercial segment.
14	Minor Break down/emergency maintenance (#)	Based on intimation from GEL (on call or SMS also), within 48 hours	Rs. 1,000/- per day of delay beyond SLA upto one week and then Rs. 2,500/- per day of delay per activity.

**** Instance** means occurrence of noncompliance per item per site per day

CONTRACTOR to refer scope of work document for categorization of maintenance activity and related reference terms.

Important Notes:

- Payment against charges incurred towards Lumsum rate (Section A against SOR for the Monthly Fixed Expenses):** In the event of (i) non-deployment, (ii) unauthorised absence, (iii) de-mobilisation OR (iv) partial deployment of resources specified in the SOR and SOW, for a continuous period of one (1) week or more within any given month, the GEL EIC, shall have right, acting reasonably and subject to verification of such default, to review and reject, in whole or part, the **CONTRACTOR** invoice for the relevant month. Any decision made by the EIC under this clause shall be final and binding on the **CONTRACTOR**, and the **CONTRACTOR** agrees to accept the same without dispute.
- In addition to the penalty mentioned above in Sr. No. 3, 11, 12, 13 & 14, in the events of repeated instances of non-compliances, defined as two (2) or more

within rolling period of three (3) months or any intentional non-compliance by the **CONTRACTOR**,

for the reasons other than Force Majeure and/or reasons attributable to **GEL** alone **GEL EIC** shall have the right to review and take further action, including but not limited to suspension of work and/or termination of the **CONTRACT**, at its sole discretion

3. **Cumulative value of penalty arising from Sr No 3 to Sr No 14 of the table of the Clause No 6 shall be limited to the 15% of the total monthly invoice value or total value of the invoice for the applicable period.**
4. **CONTRACTOR** to note that CPAR shall be carried out for each GA for the given cluster as per the **GEL** approved CPAR process. Accordingly, penalty/actions will be applicable and imposed against non-compliance in respective GA as per the table above.
5. **CONTRACTOR** to note following weightage with reference to Performance Assessment criteria and Methodology
 - Business Performance - 70%
 - Contract Management – 5%
 - Quality Control – 5%
 - HSE Compliance – 10%
 - **GEL** Lifesaver Compliance – 5%
 - Key Performance – 5%
6. Less than 40% marks in Business Performance Target shall lead over-all CPAR score reduced to 0%.
7. Less than 50% compliance in HSE + Lifesaver requirement shall lead to Over-all CPAR score reduced to 50%.
8. Any fatality incident on **GEL** site shall lead to over-all CPAR score reduced to 0%.
9. Any LTI incident on **GEL** site shall lead to over-all CPAR score reduced by 50% of obtained score.
10. Any MTC incident on **GEL** site shall lead to Over-all CPAR score reduced by 25% of obtained score.
11. **CONTRACTOR** to note that, **GEL** reserves the right for continuous review and change in **CONTRACTOR** Performance Assessment & Review (CPAR) procedure and requirements during the **CONTRACT** period and same shall be applicable on **CONTRACTOR** during **CONTRACT** period.
12. In addition to above SLA & Penalty clauses, if **CONTRACTOR**'s CPAR rating is <60% in 3 successive months OR <40% in 2 successive 2 months, **GEL** may issue a Show Cause Notice to **CONTRACTOR**. **GEL** will review the **CONTRACTOR** performance subsequently and upon review **GEL** may take suitable actions (e.g. **CONTRACT** termination).

***LTI - Loss time Injury**

A disabling Occupational Injury which results from a work-related activity or from a single instantaneous exposure in the work environment and that results in a person being unfit for work beyond the day of the incident. Where the injured party returns

to work on the following day but subsequently has to take time off as a result of the injury this shall count as a Lost Time Injury.

MTC - Medical Treatment Case

A work-related injury case is classified as Medical Treatment Case (MT) when the management and care of the injured person is above and beyond First Aid

RWDC - Restricted Work Day Case

Any work-related Injury Case (other than a fatality or lost workday case) which results in a person being unfit for full performance of their regular job on any day after the work-related injury

Note: For further details on glossary (terminology/definitions) and guidelines on same, refer **GEL** approved Guideline on Glossary related to **GEL** HSE incident Statistics.

13. IMPLEMENTATION OF DIGITAL INITIATIVES BY GEL

- a. **GEL** has implemented and will implement various initiatives towards automation and digitization of the activities and processes with an aim of having high efficiency work, to reduce manual efforts, TO improve communication and collaboration. Accordingly, **CONTRACTOR** shall implement the same including but not limited to digital attendance reporting, online documentation and transaction monitoring, online document review and approval, online data uploading and updating, online material management etc. with no additional cost to **GEL**. Time to time, **CONTRACTOR** shall ensure the required resources like smart phones, computers, internet connectivity etc. to implement the app based/web-based process including training of the manpower for the same.
- b. **GEL** has implemented GPS (Global Positioning System) based Vehicle Tracking Operations and Payment (V-TOP) system on IT platform provided by the **GEL**. The System will analyze GPS data of vehicles to ascertain various details of vehicle operations in terms of mileage, geo-locations, route deviations, operational hours, unscheduled stops, delays, breakdowns, fuel use, operational efficiency etc. V-TOP system will provide alerts and notifications in order to guide and to ensure the vehicle operations as per standard operating procedures. V-TOP system will be integrated with PALM system to capture attendance of drivers and manpower deployed with the vehicles. Further, V-TOP system will automatically process the GPS and attendance data for billing and payment of fuel use, manpower used and services of the vehicle provider without any manual intervention. **CONTRACTOR** shall be responsible to ensure compliance to any such vehicle tracking system, where applicable.
- c. **GEL** has implemented Vendor Invoice Submission Application (VISA) for office automation, digitization and transparency in processing of vendor invoices. **CONTRACTOR** shall upload the invoices and other specified supporting documents on VISA before submitting physical set of Invoice & documents along with covering letter generated from application to respective **GEL** Offices. Additional reports/documents (not specified on VISA portal), may be directly submitted to concerned **GEL** / **EIC** as per requirements. The onus of selecting relevant name of

GEL / EIC (where physical invoice is to be submitted by vendor) is on the **CONTRACTOR** for timely processing of invoices and for further certification / payment.

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