



# Gujarat Narmada Valley Fertilizers & Chemicals Ltd.

## Mini GCP (General Conditions of Purchase)

### Important Instructions

Along with the offer, the Vendor shall return the copy of Mini GCP duly signed, dated and stamped as a token of their unconditional acceptance of the same. Deviations, if any in acceptance of Mini GCP terms should be clearly highlighted in the offer, which may be accepted by GNFC in its sole discretion.

#### 1. Definitions

- a. Purchaser: "Purchaser" means Gujarat Narmada Valley Fertilizers & Chemicals Limited (GNFC) having its registered office at P.O. Narmadanagar, Dist: Bharuch, Gujarat, India, PINCODE: 392015. The term Purchaser includes successors and assigns of GNFC.
- b. Vendor: "Vendor" means the person, firm, company or institution, who is selected by the Purchaser, for the supply of Goods and to which the Purchase Order is addressed. The term Vendor includes its successors and assigns, permitted by the Purchaser.
- c. Goods: "Goods" means the articles; items, product, machinery, equipments, supplies, drawings, data, the other property and all services including design, delivery, installation, inspection, testing and commissioning specified or required to complete this Purchase Order.
- d. Purchase Order: "Purchase Order" shall mean an order placed, against the enquiry floated by the Purchaser on the Vendor with respect to the supply of Goods.

#### 2. Transit Insurance: Purchaser shall insure the Goods in transit under a general policy and issue necessary instructions to Insurance Company for risk cover on receipt of despatch instructions by fax/e-Mail from Vendor.

- Vendor shall quote rate(s) excluding transit insurance.
- Vendor shall send advance intimation to Purchaser about despatch of Goods to take care of transit insurance
- GNFC, may in its sole discretion, may require the Vendor to insure the Goods in transit, at the cost and expense of GNFC. Such insurance shall be taken in the name of GNFC and the Vendor shall raise invoice for the same upon GNFC on actuals.

#### 3. Delivery Completion:

- a. Notwithstanding the terms of despatch or place of delivery mentioned in the Purchase Order and/or whether any inspection of Goods or any part thereof, by Purchaser, or its authorized representatives prior to the receipt at site was made or not, the delivery of Goods or any part thereof, shall be deemed to have been made only when Goods are accepted by GNFC at its site specified in Purchase Order. The delivery of Goods would be complete only when all the items included in the Purchase Order are supplied by Vendor as per the agreed terms contained herein.
- b. Wherever the Goods are delivered by Vendor's transport agent, the unloading at Purchaser's premises shall be done by Vendor's agent unless otherwise agreed in writing.
- c. As and when material is received, GNFC shall carry out preliminary inspection. After completion of the inspection and testing in all respect, the material will be accepted or rejected by the Purchaser
- d. Acceptance of the Goods by the Purchaser does not limit the right of Purchaser in preferring any claim under the terms of the Purchase Order/Mini GCP.

#### 4. Delays

- a. **Adherence to Delivery Schedule:** The agreed period of delivery is the essence of the Purchase Order for the supply of Goods. The delivery dates are binding on the Vendor and no variation of scheduled delivery dates shall be permitted except with prior written authorization from the Purchaser.

In the event of delay on the part of Vendor, it will be at Purchaser's discretion either to reject the goods or to accept delivery at prices reduced pro-rata at the rate not exceeding 0.5% (Zero point Five percent) of total basic value of Purchase Order and all incidentals for delay of each week or part thereof. However, the total reduction on this account in no case shall exceed 5% of the total basic Purchase Order value. Applicable taxes on the said amount including the Goods and Services Tax will be charged extra and paid to Government as per law.

- b. **Due to Force Majeure:** Delivery dates will be extended without the Vendor being subject to clause 3 & 4(a) in the event such delays are caused due to Force Majeure. Force Majeure shall mean anything outside the reasonable control of a Party including acts of God, natural disasters like earthquakes, floods, storms, cyclone hurricane, etc.; epidemic, pandemic, COVID-19 restrictions, lockdown, curfew etc.; acts of States, the direct and indirect consequence of wars (declared or undeclared), hostilities, act of terrorism, national emergencies, civil commotions and strikes (only those which exceed duration of ten continuous days) at Vendor's factory. The Vendor shall, within 2 days of occurrence of such Force Majeure events, inform the Purchaser in writing by email or registered post, vide a detailed letter supported by documentary proof of the beginning and the end of all such impediments. It is understood that delivery dates will be extended only for the duration of the above mentioned impediments caused during the continuance of the Force Majeure Event.

## 5. Delay and Non-Conformance

- a. If the specified delivery schedule is not adhered to or progress of manufacture of supply of the Goods is not satisfactory, or is not in accordance with progress schedule, the Purchaser has a right to:
  - i. hire for period of delay from elsewhere Goods or any part thereof, which in Purchaser's opinion would meet the same purpose as the Goods or any part thereof, which are delayed and Vendor shall be liable without any limitation for the payment of the hire and other installation, removal, charges, etc. as incurred by the Purchaser to such extent;
  - or**
  - ii. cancel the Purchase Order in whole or in part, without any liability. In such an event, Purchaser may procure from elsewhere Goods or any part thereof, which, in Purchaser's opinion, would meet the same purpose as the Goods for which Purchase Order was placed and subsequently cancelled. The Vendor shall be solely liable without any limitation for the payment of difference between the cost of such substitution of Goods, as incurred by GNFC, and the price set forth in the Purchase Order for goods involved;
  - or**
  - iii. hire the substitute Goods vide the sub clause (i) hereinabove for such period as it thinks fit and if the ordered Goods or any part thereof, continue to remain undelivered thereafter, cancel the Purchase Order in part or in full vide the terms of sub-clause (ii) hereinabove.
- b. In the event of rejection of non-conforming Goods, Vendor shall be allowed, without any extension of delivery time, to correct the non-conformities. However, if the Vendor fail to do so within the stipulated time, Purchaser may cancel the Purchase Order of the nonconforming goods and retain the same right with respect to substitution as are set out in the preceding paragraph (5a) and in addition, recover actual expense incurred by Purchaser in installing and removing the non-conforming goods. Alternatively, Purchaser may at its option have or cause the non-conformity goods to be corrected at Vendor's risk and expense.
- c. If Vendor fails to perform any of its obligations, the Purchaser shall be entitled to all remedies provided to it under law and recover all damages caused to the Purchaser by delay or non supply of the Goods or supply of non-conforming goods and to obtain adequate compensation thereof, from the Vendor.
- d. Purchaser shall be entitled to claim damages for use of defective or sub-standard Goods supplied by the Vendor irrespective of the fact whether Goods were inspected prior to receipt by the Purchaser or not.

**6. Deferment of Despatch Date and Storage:** The Purchaser shall have at its own discretion the right to ask Vendor to defer despatch of goods by a period not exceeding 30 (thirty) days. The care and storage of the goods during this period shall vest with the Vendor and all expenses in this regards shall be borne by the Vendor.

**7. Weights and Measurement:** All weights and measurements recorded by Purchaser on receipt of the Goods at plant site of the Purchaser shall be treated as final and binding to the Vendor and shall not be open to any dispute or question by the Vendor.

## 8. Invoice, Payment & Terms of Payment

### a. Invoice

- i. The Vendor shall raise and submit an invoice for an amount equivalent to 100% of the price of Goods as provided in each Purchase Order to GNFC for payment in triplicate (or in such other number of copies as GNFC may prescribe) accompanied by the despatch documents including Materials Acceptance Certificate or Inspection Release Note, etc. other documents as sought by GNFC in writing, within 30 days from the acceptance of the material by the Purchaser.
- ii. All invoices raised by the Vendor shall contain all the details as per applicable laws, including but not limited to the GST number of the parties, applicable GST rates on the items, etc.
- iii. After the receipt of the invoice by the Purchaser, within 15 (fifteen) days the Purchaser shall be entitled to dispute in writing to the Vendor any discrepancy, if any, in any invoice. Such disputes, if any shall be amicably resolved between the Vendor and the Purchaser by way of mutual negotiations within 15 (fifteen) days from the date of raising of such dispute by the Purchaser.

### b. Payment

- i. Payment will be made in accordance with applicable provisions of the Tender Document / **Contract** / Purchase Order, as applicable. The time for payment of invoice(s) or for accepting any discounts offered shall be counted only from the date of approval specified in the Tender Document / Contract / Purchase Order or from the date of receipt of Vendor's correct invoice(s) whichever is later.
- ii. Goods dispatched by value payable post (VPP) shall not be accepted.

- iii. Vendor shall send invoice in triplicate to the person / department designated in order, with an additional copy marked to and separately mailed to Authority issuing the Purchase Order. The invoice should bear the Purchase Order number and date, and must be complete in all respect to claim Input Tax Credit for GST.
- iv. Bank Commission and other charges, if any, on forwarding of documents or for remittance, etc., will be paid by the Vendor.
- v. Purchaser shall have right to recover claim, dues, etc. against dues payable to the Vendor.
- vi. Deduction of tax deducted at source (TDS) as per applicable provisions of Income Tax Act, 1962 and other taxes and deductions as provided for under any law, Rule of regulation having force of law for the time being applicable.

**c. Terms of Payment:**

- i. Unless and otherwise specifically agreed to in the Purchase Order / Contract, the Payment for the undisputed amounts would be made as under:  
For Supply and Delivery orders, the Purchase Order price of Goods despatched shall be released within 30 days from the date of receipt of goods along with despatch documents including Materials Acceptance Certificate or Inspection Release Note subject to inspection and acceptance of the Goods at the destination.
- ii. In case of any discrepancy found in the invoice, After the receipt of the invoice GNFC shall raise dispute in writing to the Vendor within 15 (fifteen) days from the date of receipt of invoice by GNFC. Such disputes, if any shall be amicably resolved between the Vendor and GNFC by way of mutual negotiations within 15 (fifteen ) days from the date of raising of such dispute by GNFC.

**9. Taxes, Duties & Statutory Levies**

- a. Vendor shall specify in their offer, the details of taxes, duties which are recoverable from the Purchaser at actuals. All other taxes, duties, which are not identified by the Vendor in its offer, shall be borne by the Vendor only. Vendor shall adjust taxes, duties, cess or levies wherever required, if Purchaser furnishes exemption certificate even retrospectively.
- b. Variations in the taxes and duties due to change in statute during contractual delivery period shall be borne by the Purchaser. However, any increase in Taxes/Duties beyond contractual delivery period shall be borne by the Vendor.
- c. Whenever prices are inclusive of taxes/duties, for any reduction in taxes/duties subsequent to placement of Purchase Order, the Vendor shall pass on the benefit of such reduction to the Purchaser.
- d. The Vendor shall be responsible for the compliance with all obligations and restriction imposed by the applicable labour laws or any other law affecting employer / employee relationship with its employees, agents, representatives, sub-contractor, etc.
- e. When claiming Goods and Service Tax, Vendor shall indicate **their** GST Registration Number.
- f. The Vendor hereby agrees and acknowledges that it shall upload the correct and accurate tax invoice details for all invoices being submitted to the Purchaser in the GST portal in the prescribed return, including but not limited to the **Harmonized System of Nomenclature (HSN) / Services Accounting Code (SAC)** for goods & services respectively, in accordance with the applicable GST legislations within time period as prescribed under Applicable Laws or within thirty (30) days from the date of invoice, whichever is earlier.
- g. The Purchaser shall verify the details uploaded by the Vendor on the GST portal and in case there is any mismatch in the details uploaded on the GST portal and the actual invoice, the Purchaser shall intimate the same to the Vendor and Vendor shall have the correction/rectification done in the GST portal in the immediately next GST return.
- h. The Vendor hereby agrees that if there is a delay on its part to submit the details on the GST portal or correction/rectification is not done in the GST portal, the Purchaser shall not be liable to make payment of such invoice to the Vendor and no penalty shall be levied on the Purchaser due to any late payment, notwithstanding anything contrary contained in any agreement/document with the Purchaser. The payment for such invoices shall be released by the Purchaser only after the correct invoice details are reflected on the GST portal. For clarity, in the event of any non-payment by the Purchaser under this clause, Vendor shall not have the right to suspend, discontinue the supply of Goods.
- i. Notwithstanding the aforementioned, if the Vendor fails to rectify the error or delays/fails to upload the correct invoice details on the GST portal within the timeframe stipulated by the Purchaser or under applicable GST legislations and Applicable Law, the Vendor shall be liable to the Purchaser any losses, claims, demands and penalty that may be incurred by the Purchaser in this regard and the Vendor undertakes that the Purchaser shall be entitled to recover such loss or penalty or claim or expenses or damage actually incurred by the Purchaser due to any mismatch, delay or non-payment of GST by the Vendor or non-filing of prescribed GST returns.
- j. In addition to the aforesaid, the Vendor shall comply with the terms and conditions provided in the GST Annexure, which shall form part of this Mini GCP and in case of conflict will supersede Mini

GCP for GST compliance related matter. The GST Annexure can be accessed from the following link: [www.gnfc.in-->Tenders > Annexures--> Material](http://www.gnfc.in-->Tenders>Annexures-->Material) Management Department

**10. Revisions, Changes and Cancellations**

- a. The Purchaser may at any time prior to or in the course of the supply of Goods and any part thereof, by way of a written notice to the Vendor, make any revisions or changes or alterations or amendment in the Purchase Order, specifications, orders, instructions, drawing, design, or any of them including additions to, omission, substitution or deletion from the quantities originally ordered or in the specifications or drawings. The Vendor shall carry out such revisions / changes and be bound by such revised quantity, altered specifications, orders, instructions, drawings, design, scope, and/or terms and conditions to the extent applicable as if the said revisions were incorporated in the initial Purchase Order. If any such revisions / changes affect the contract price or delivery, the same shall be subject to adjustment of price / delivery time, wherever required on a very reasonable basis by mutual agreement. In case of dispute; the Purchaser's decision shall be final and binding upon the Vendor.
- b. For non-adherence to any terms and conditions of the Purchase Order by Vendor, Purchaser may at any time terminate the Purchase Order in part or in full by a written communication to the Vendor. In such event, Purchaser shall have the right to buy at its option from the Vendor, the cancelled Goods and components whether complete or incomplete, after due inspection and verification of the same, paying for them a reasonable price arrived at by mutual agreement. In case no mutual agreement is reached within a reasonable time, the Purchaser's decision will be final and binding.
- c. Vendor may claim for adjustment within fifteen (15) days from the date when the revision, change or cancellation is communicated.
- d. Vendor shall not be entitled for any compensation, whatsoever for revision, changes, variations or cancellations, except when specifically agreed to by the Purchaser in writing.

**11. Prices and Price Escalation:**

Except in the event of any different agreement mentioned in the Purchase Order, the prices as determined in the Purchase Order are firm and fixed and not subject to increase notwithstanding any change in the cost of materials or of labour or any of other cost element which may take place while the Purchase Order is being executed, even though it might be necessary for Vendor for any reasons whatsoever, to take longer than the scheduled delivery periods indicated in the Purchase Order.

**12. Sales Conditions:**

With Vendor's acceptance of provisions of the Purchase Order, Vendor waives and considers void all of its sales conditions.

**13. Representation and Warranties:**

Vendor warrants that all Goods supplied under the Purchase Order are produced, supplied, despatched, delivered and furnished in strict compliance with all applicable laws, regulations, labour agreements, working conditions and technical codes and standards applicable from time to time. Vendor shall execute and deliver such documents as may be required to effect or to evidence such compliance. All laws and regulations required to be incorporated in agreements of this character are hereby deemed to be incorporated by this reference.

**14. Intellectual Properties Right:**

- a. The Vendor shall not use the intellectual properties of the Purchaser including but not limited to its logo, name, trade name, brand name, short form, etc. without the prior written consent of the Purchaser. Nothing in this Agreement shall be construed as a transfer or assignment of any of the intellectual property rights of Purchaser to the Vendor.
- b. Vendor warrants that the sale or use of Goods supplied under the Purchase Order whether designed and manufactured so as to comply with Purchaser's specifications or otherwise shall be free of any claim, whether rightful or otherwise, of any person, by way of infringement of any patent, copyright, trademark or industrial design or the like, and shall hold Purchaser harmless and indemnify Purchaser and their authorized representatives at its own cost from any and all such claims and legal proceedings.
- c. Purchaser makes no warranty that the production, sale or use of the goods designed and manufactured so as to comply with Purchaser's specification will not give rise to the claim whether rightful or otherwise, of any third person by way of infringement of any patent, copyright, trademark or industrial design or the like and in no event shall Purchaser be liable to Vendor for indemnification in the event of any action being brought against Vendor in connection with any such claim.

**15. Confidentiality:**

The Vendor agree not to divulge to any person, unless authorized, or use for any purpose, other than for the performance of its performance under Purchase Order, any of the trade secrets or confidential information or any other information of the Purchaser which it acquires as a result of entering into this Purchase Order or otherwise.

**16. Vendor's Failure to Comply with Instruction:**

Any loss or additional expenditure that Purchaser may be required to incur on account of Vendor's failure to comply with any of the conditions contained in the Purchase Order or the terms of this Mini GCC shall be recovered from Vendor by the Purchaser.

**17. Indemnification:**

The Vendor shall keep indemnified and hold harmless the Purchaser, and its officers, directors, members, partners, affiliates, agents, trustees and / or employees / consultants against any losses, liabilities, damage(s), cost(s) or claim(s), action(s) or proceeding(s) or third party claim(s) that may arise against the Purchaser on account of:

- (i) any failure on the part of the Vendor to discharge its liabilities and/ or obligations under the Mini GCP, or the Purchase Order;
- (ii) any act(s) and/or omission(s) and/or commission(s) and/or misrepresentations and/or breach of the terms and conditions of the Mini GCP, or the Purchase Order;
- (iii) any act(s) and/or omission(s) and/or commission(s) leading to a violation/breach of applicable laws, bye-laws, rules, regulations, etc. made.

**18. Termination:**

The Purchaser shall be entitled to terminate the Purchase Order by providing a prior written notice of 15 days to the Vendor.

**19. Mode of Recoveries:**

All recoveries and dues, payable by the Vendor to the Purchaser including but not limited penalties/shortages/damages/interest/ forfeiture, etc. with applicable taxes/duties including the Goods and Service Tax at applicable rates, shall be paid by the Vendor as per terms of this Mini GCP in Indian Currency by way of wire transfer via NEFT/RTGS or DD/CHEQUES, etc. in the bank account of the Purchaser. For such recoveries, GNFC shall issue an appropriate Invoice/Debit Note and/or the Vendor shall issue an appropriate Credit Note or another appropriate document, as decided by GNFC in its sole discretion, in accordance with the applicable laws including but not limited to the Central Goods and Services Tax Act, 2017, Gujarat Goods and Services Act, 2017, etc., as the case may be.

**20. Governing Laws & Jurisdiction:**

- a. The governing substantive law(s) shall be Indian Laws.
- b. All the causes of action relating to Purchase Order if any, will be deemed to have arisen within the jurisdiction of the courts at Bharuch, Gujarat state, India only.

**21. Resolution of Dispute:**

- a. All disputes or difference(s) whatsoever which shall at any time arise between the Parties hereto touching or concerning the Goods or the execution or performance thereof or in connection with this Mini General Conditions of Purchase or the Purchase Order or any amendments/addendums thereto or the rights touching or concerning the Goods or the execution or maintenance thereof or all negotiation and any legal agreements prepared in connection with the Purchase Order, or arising out of or in relation thereto whether during or after completion of the Purchase Order or whether before or after determination, foreclosure or breach of the terms of this Mini GCP or Purchase Order, shall be referred by the disputing Party, in writing to the other Party, within 30 days of occurrence of such event, to resolve any such dispute or difference by way of negotiations between the Parties.
- b. If such dispute mentioned above is not resolved amicably by direct informal negotiation, within a period of 60 days from the date of such reference, then such disputes shall be referred to arbitration by serving an Arbitration Notice, as per the provisions of clause below "Arbitration".

**22. Arbitration:**

- a. For the purposes of this Arbitration Clause, the "Panel of Arbitrator" shall mean a panel of 5 arbitrators, nominated on behalf of GNFC to the other Party
- b. If any Party serves an Arbitration Notice in respect of any dispute to the other Party, the dispute shall be finally settled by arbitration under the Indian Arbitration and Conciliation Act, 1996 ("Act") and all statutory amendments, modifications thereof and the rules made there under, or any other corresponding law for the time being in force, by the Sole Arbitrator to be appointed as hereinafter provided.
- c. Within 30 days of receipt of Arbitration Notice, GNFC shall propose the Panel of Arbitrators to the other Party, which shall thereafter select and nominate one of the arbitrator from the Panel of Arbitrators to act as the Sole Arbitrator for adjudicating the disputes between the Parties.



- d. The provisions of the Indian Arbitration Act, 1996 and all statutory enactments and modifications thereof and the rules made there under shall apply to all such arbitrations.
- e. The Arbitration proceedings shall be conducted in English and the venue and seat of the Arbitration proceedings shall be at Bharuch and the Courts at Bharuch shall have exclusive jurisdiction.
- f. The governing substantive law shall be Indian laws.

**23. Disqualification:**

All such parties having any past, pending or existing dispute, litigation, arbitration or any other proceedings in any court of law, tribunal, adjudicatory authority, regulatory authority, etc. against GNFC shall be liable to be disqualified from bidding/participating in the present tender OR any fresh/amended tender inquiry that may be issued by GNFC.

**24. Complete Agreement**

- a. The Purchase Order with all its attachments including the terms and conditions of this Mini GCP constitute sole and the entire agreement between the parties hereto.
- b. Vendor's quotations are incorporated in and made a part of the Purchase Order only to the extent of specifying the nature and description of Goods ordered, and then only to the extent that such items are consistent with the terms of Purchase Order. No other terms or conditions of Vendor's offer shall be binding upon Purchaser unless explicitly accepted by it in writing.

**25. Conflict among Purchase Order and Mini GCP Terms & Conditions:**

In case of any conflict between these (printed) Mini General Conditions of Purchase and the special (typed) conditions agreed to for a particular Purchaser Order, the later shall prevail to the extent applicable.

**We confirm unconditional acceptance of GNFC's Mini GCP as above.**

**Place:**

**Date:**

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**Sign & Stamp of Bidder**