

Purchase Policy-2016 for Procurement of Materials – Amendment No.7

Reference: GUVNL letter dated 28/03/2018

The existing Clause No. 4.15.1 shall be substituted by the following Clause.

4.15.1. Penalty shall be @ 0.5% per week or part thereof on delayed portion subject to maximum 10% of the delayed portion order value (End Cost) in case of supply only, whereas in case of Projects, the ceiling shall be with reference to total contract value of the project (Supply + Erection + Civil). For calculating the delayed portion, date of actual receipt of material at store shall be considered.

Moreover, in case of supply is delayed more than seven months, company may initiate actions for Stop Deal/ Black List along with risk purchase.

Sub-Clause No. 4.17.9.3 under Clause No. 4.17.9 of main Clause 4.17 (Security Deposit/ Performance Guarantee), is newly added, as under:-

4.17.9.3 The Micro and Small Scale Industrial (manufacturing) units of Gujarat State have option to submit Permanent Bank Guarantee in lieu of order-wise separate Performance Guarantee towards execution period (Security Deposit) and Performance Guarantee towards Guarantee/ Warantee period, as under:-

4.17.9.3.1 It is allowed for distribution items only and at respective company level.

4.17.9.3.2 10% of the highest of the following

4.17.9.3.2.1 total order(s) value of the current financial year or

4.17.9.3.2.2 Highest of financial year-wise, total order(s) value for which materials are under Guarantee/ Warantee period

4.17.9.3.3 First time Bank Guarantee should be submitted with validity period of three years and renewal two months before completion of three years.

4.17.9.3.4 Whenever the required Bank Guarantee for the total order value during current financial year is exceeding the available Bank Guarantee, the Vendor/ Party has to submit Bank Guarantee for additional amount accordingly.

4.17.9.3.5 The existing Bank Guarantee(s) of such bidder, who will exercise the option for one time permanent Bank Guarantee, shall be returned on submission of such permanent Bank Guarantee.

4.17.9.3.6 The vendor have to submit an undertaking stating that Company can encash permanent Bank Guarantee on failure to perform the Contract or failure to perform the relevant clauses related to Guarantee/ Warantee of any orders.