

General Conditions of Contract on "FOR" Basis
PART-1

1. **Advance Payment:** To secure advance payment for delivery of goods/services, Supplier is requested to submit a pre-receipted bill (an invoice) of an amount equal to the desired advance along with the GST (where applicable), and an unconditional Bank Guarantee at least 15 days before the contract execution date, or immediately if the time available till execution date is less than 15 days.
2. **Acceptance of Goods/Services:** SUPARCO shall accept goods/services if those qualify ATP (Acceptance Test Procedures/Parameters). If goods are rejected, Supplier is required to collect those from the delivery site at his/her cost and risk.
3. **Liquidated Damages:** If a Supplier delays delivery of goods/services beyond the stipulated delivery date and is unable to seek timely extension in the delivery date through a written request, is unable to convince SUPARCO that the extension being sought in the delivery date is due to reasons beyond the Supplier's control, the Supplier is liable to pay to SUPARCO, Liquidated Damages @ 2% per month or part thereof up to a maximum of 10% of the contract value.
4. **Purchasing of the Goods/Services on Risk and Cost of Supplier:** If the Supplier is unable to deliver goods/services despite levy of 10% LD, or expresses in writing, his inability or unwillingness to provide the goods/services, SUPARCO shall be at liberty to procure the goods and services from an alternative source, on the Supplier's risk and cost; the Supplier shall be bound to make payment to the new source.
5. **Collection of Rejected Goods:** Supplier is required to collect the rejected goods within 20 working days from the date of issuance of rejection letter, from Transit Stores (delivery site) of SUPARCO on any working day after showing the authority letter. SUPARCO shall not be responsible for any damage or loss, nor shall SUPARCO be liable to return the goods to the Supplier if the latter fails to collect those within 60 days.
6. **Replacement of Rejected Goods:** Rejected goods are required to be replaced within one month from the date of collection by Supplier. Failure to comply shall result in imposition of appropriate penalty on the Supplier by SUPARCO.
7. **Certificate of Condition of the Goods:** Supplier is required to furnish a certificate that the goods are new and not re-conditioned or re-furbished. When machinery is supplied, Supplier is required to provide a warranty certificate from OEM as well as a certificate guaranteeing provision of spares for a minimum period of 10 years.
8. **Confidentiality:** The Supplier shall not, either during the process of provisioning, or after the expiration of this contract, disclose any proprietary or confidential information without the prior written consent of SUPARCO.

9. **Modification:** Modification of the terms and conditions of this contract, including any modification in description of goods and services, their quantity or price etc, can only be made on written request by Supplier and on the mutual agreement and signature of Supplier and SUPARCO. The signed corrigendum will automatically become part of the contract in continuation of "Special Conditions of the Contract", at Part II.
10. **Loading and un-Loading:** Supplier shall be responsible for unloading of the goods. However, Supplier must intimate requirement of the fork lifter/crane in advance for the unloading of the heavy machinery/equipments so that SUPARCO could make suitable arrangements.
11. **Packing:** Supplier shall ensure that goods are packed in suitable crates/cartons, with sufficient cushioning material to withstand handling during transit. Supplier shall bear any loss or damage caused due to poor/insufficient packing. Delivery crates, cartons or packages should bear a serial number and should be clearly marked Contract No. **LPO/E&MCWV Div/0809/109** dated _____. A list of contents of each package should be securely placed inside the package. Damaged or broken crates, cartons or packages shall not be accepted by SUPARCO.
12. **Documents:** Goods must be delivered with the following documents:
- a. Original Delivery challan + 02 copies
 - b. Original GST invoice + 01 copy (if GST is either exempted or inapplicable, NIL GST Invoice is to be submitted).
 - c. Original Sales invoice + 02 copies
 - d. Original Warranty card (if applicable)
13. **Terms of Payment:** SUPARCO shall make full payment to Supplier or his/her nominee after SUPARCO has received the goods and is satisfied that those are flawless and meet the specifications. SUPARCO shall not make any advance payments to Supplier or his nominee unless the Supplier provides a Bank Guarantee.
14. **Income Tax Deduction:** SUPARCO shall deduct the applicable amount of Income Tax from the payable amount for depositing in Government Treasury, and shall provide a certificate of the deduction to the Supplier. A Supplier who is exempt from paying Income Tax should mark that clearly on the face of the invoice, and provide a valid Income Tax Exemption certificate, duly attested by the Notary Public. A commercial importer is required to furnish the following three documents:
- a. An undertaking that goods supplied are without value-addition or change.
 - b. Copy of the Bill of Entry, Bill of Lading or AWB duly attested by a gazetted or commissioned government officer of BPS-17 and above.
 - c. Copy of Income Tax payment challan duly attested by Notary Public or a gazetted/commissioned government officer of BPS-17 and above.

15. **Payment of GST:** Pursuant to Government's policy, SUPARCO shall deduct full GST from non-GST-registered suppliers and 20% from GST-registered suppliers and deposit it in government treasury. GST-registered suppliers shall deposit the remaining 80% GST in government treasury and present deposit challan/receipt to SUPARCO for claiming payment for the goods/services delivered.
16. **Pre-Delivery Inspection:** (If desired/identified under Special Conditions of the Contract). Supplier shall arrange a pre-delivery inspection of the goods by SUPARCO, before their delivery, for examining their quality, design, performance and specification.
17. **Installation and Commissioning:** (If desired/identified under Special Conditions of the Contract). Supplier shall be responsible for installation and commissioning within the stipulated/agreed timeframe. Goods shall only be declared "OK"/"Acceptable" after the complete and satisfactory installation, commissioning, test and operation, as applicable. SUPARCO shall provide all facilities and make all arrangements to ensure unhindered and smooth installation and commissioning process.
18. **Bank Guarantee:** If Special Conditions of the contract require a Bank Guarantee, against any advance payment to the supplier, the supplier shall provide an Unconditional Bank Guarantee, issued by any Pakistani Scheduled Bank, equal to the amount of advance payment, and must be valid for at least three months after the due date of delivery/execution of the contract. SUPARCO shall confirm the authenticity/genuineness of the Bank Guarantee from the concerned bank/institution before making advance payment. If the supplier fails to deliver the goods as per contract, or causes extraordinary delay in the delivery of the stores, or does not abide by other terms and conditions of the contract, SUPARCO shall have the right to encash the bank guarantee after issuing a notice.

(The Bank Guarantee must be submitted as per specimen given on our website)

19. **Delivery Date:** It is the date by which the PO/Contract is to be executed.
20. **Place of Delivery:** Supplier shall deliver goods at the site indicated/intimated in Part-II. Delivery shall be made between 9 am and 3:30 pm. Supplier shall deliver the entire consignment covered by a particular PO or contract unless SUPARCO has allowed part delivery as a special case.
21. **Law:** Laws of the Islamic Republic of Pakistan shall be applicable to all contracts unless otherwise specified.
22. **Cancellation of LPO:** If the Supplier causes abnormal delays in delivery, or if the goods are of poor quality, or deviate from specifications, or does not deliver at all, SUPARCO can, after serving 02 notices to the Supplier, cancel or terminate the contract or PO and inform the Supplier when such action is taken; also, Bid Security shall be forfeited.

- 23. Performance Bond:** If SUPARCO suffers any losses or damages as a result of proven faults, errors or omissions in the design of the goods, the Supplier shall make good such losses or damages. For this purpose, the Supplier shall provide to SUPARCO, a Performance Bond issued by a scheduled bank, having a value of 10% of the contract price and which is valid for 12 months beyond the expected delivery date of goods (specimen is attached with the contract). Performance bond shall be submitted just after satisfactory installation and commissioning of equipment or software (or specified else) and after obtaining the Acceptance Letter form SUPARCO. The tenure of the Performance Bond could be extended if the goods are faulty or require repair under warranty. The Supplier shall have the right to en-cash the performance bond/ guarantee after serving one notice.
- 24. Acceptance of the Order:** Supplier shall acknowledge acceptance of Contract within 10 days from the date of issue of LPO/Contract. If no intimation/communication is received from Supplier, SUPARCO shall consider the LPO/Contract to have been "ACCEPTED" with all the terms and conditions specified in the LPO/Contract. If the Supplier wishes to report a discrepancy or seek any clarification, he/she may do so within 10 working days.
- 25. Deletion of the items:** If the Supplier, for any reason desires to delete one or more items from the contract, and if that deletion is acceptable to SUPARCO, the price of the item along with a penalty equal to 2% of the cost of the deleted item(s) shall be deducted from the payment to be made to the Supplier.
- 26. Free Delivery of Goods:** Supplier shall deliver the goods at the stipulated delivery site at his own cost and risk.