

REQUEST FOR OFFER FOR SUPPLY OF INDIGENOUS DENATURED ANHYDROUS ETHANOL

(Ethanol/Nayara/2018 -19)

NAYARA ENERGY LTD., invites offers from Ethanol Manufacturers in India producing ethanol from indigenous manufacturers having valid ethanol manufacturing license issued by State Excise Authority for supply of Indigenous Denatured Anhydrous Ethanol to Nayara Energy Ltd. in Vadinar (Offer).

Quantity of Ethanol required is 25000 KL per annum.

Offers for supply of Indigenous Denatured Anhydrous Ethanol fit for blending with petrol will be submitted by the manufacturers on Delivered basis at Vadinar including all taxes and duties.

SPECIFICATIONS FOR DENATURED ANHYDROUS ETHANOL

INDUSTRY SPECIFICATIONS OF DENATURED ANHYDROUS ETHANOL BASED ON IS 15464:2004

A) SPECIFICATIONS FOR ANHYDROUS ETHANOL:

S.N	Characteristics	Industry Specification	Methods of Test, Refer to Annex of IS 15464 : 2004
1.	Relative density at 15.6°C / 15.6°C max.	0.7956	A
2.	Ethanol content % by volume at 15.6°C / 15.6°C min.	99.6	B
3.	Miscibility with water	Miscible	C
4.	Alkalinity	Nil	D
5.	Acidity (as CH ₃ COOH), mg/l, Max.	30	D
6.	Residue on evaporation, percent by mass, Max.	0.005	E
7.	Aldehyde content (as CH ₃ CHO) mg / l , Max	60	F
8.	Copper , mg/kg,Max	0.1	G
9.	Conductivity , S/m,Max	300	H
10.	Methyl alcohol , mg/litre , Max	300	J
11.	Appearance	Clear & bright and free from suspended matter	Visual

B) DENATURANTS:

1. The denaturant should be added with Ethanol in suitable dosage as per IS: 4117 in line with IS-15464 and as per prescribed Excise regulation from time to time conforming to the automotive fuel requirements. Denaturants may be considered as a part of Ethanol and component of the

fuel. Ethanol should not have more than 0.4% max impurities including permitted denaturants. These denaturants should not have detrimental effect on specification and stability of Motor Gasoline.

2. Some of the Prohibited denaturants for Ethanol that cannot be used are Pyrroles, Methanol, Turpentine, Ketones, Tar, Benzene, Organo-metallic compounds.

The denaturants should be pre mixed at Ethanol manufacturer end before transporting the Ethanol to Oil Company premises. The name and dosage of the denaturants used should be clearly mentioned on the delivery documents duly endorsed by State Excise Authorities.

Interested applicants shall offer ethanol quantity along with necessary documents to the official contact mentioned below:

Mr. Srinivasan Raman, Head – TS, BD & Power

Nayara Energy Ltd.

Equinox Business park

Tower - 2

Off BKC, LBS Marg, Kurla West,

Mumbai-400070

T : +91 022 67335000 Ext : 4126

M : +91 9819731061

E : technicalservices2@nayaraenergy.com

Nayara Energy Ltd. reserves its right to accept or reject any offer without assigning any reasons whatsoever.

**AGREEMENT FOR PURCHASE OF INDIGENOUS DENATURED ANHYDROUS ETHANOL
(On Non-Judicial Stamp Paper as prescribed in the respective State)**

This **AGREEMENT FOR PURCHASE OF INDIGENOUS DENATURED ANHYDROUS ETHANOL (Agreement)** made at **Mumbai** on _____ day of _____

BETWEEN

NAYARA ENERGY LIMITED a Company incorporated under the provisions of Companies Act, 1956 having its Registered office at Khambaliya Post, P O Box 24, District – Devbhumi Dwarka, Gujarat 361 305 and an office at 4th floor, Tower II, Equinox Business Park, Old Swan Mill Compound, LBS Marg, Kurla (W), Mumbai 400 070, hereinafter called “**Purchaser**”, (which expression shall, unless it be repugnant to the context or meaning thereof, include its successors and assigns) of the **ONE PART**.

AND

M/s. _____, a Partnership Firm / Private / Public Ltd. Co registered under the Indian Partnership Act, 1932 / the Companies Act, 1956, having its registered address at _____, hereinafter referred to as “**Supplier**”, (which expression shall, unless it be repugnant to the context or meaning thereof, include its successors and assigns) of the **OTHER PART**.

Both Purchaser and Supplier may individually termed as “**Party**” and jointly termed as “**Parties**” for the purpose of this Contract.

WHEREAS:

- A.** The Purchaser is desirous of obtaining Indigenous Denatured Anhydrous Ethanol (**Product**) as specified in the Specifications for Denatured Anhydrous Ethanol of Offer;
- B.** The Suppliers have agreed with the Purchaser for the supply of the Product as specified in the Offer on such terms and conditions hereinafter provided;
- C.** The Parties are desirous of reducing to writing the terms and conditions of the contracts on which the Suppliers have agreed with the Purchaser for the supply of the Product.

NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS UNDER:

1. PERIOD OF AGREEMENT:

This Agreement shall be deemed to have come into force from _____ and shall remain in force for _____ year i.e. till _____.

2. PRODUCTS:

Indigenous Denatured Anhydrous Ethanol.

3. QUALITY & QUANTITY:

As mentioned in Specifications for Denatured Anhydrous Ethanol of Offer.

4. INSPECTION OF PRODUCT:

The Purchaser shall communicate the name and designation of his Representative who will be authorized to keep check on quality and quantity of the Product before unloading at the delivery location. In case of any issue related to quality and/or quantity, the same may be endorsed on the

back of Driver's challan for record and should be signed by both Driver and Representative. The said representative will be sole judge thereof. If at the time, during or before unloading, the Product found to be unsatisfactory, Purchaser will be entitled to return it back to Supplier, without being liable to any claim or payment with respect to the said supply. Further, the Purchaser shall be entitled to claim compensation towards any loss suffered by them due to such defects in quality and / or quantity, as the case may be, of the Product. All materials under or in course of execution or executed in pursuance of this Agreement shall at all times be open to the inspection by Purchaser's representative.

5. DELIVERY OF PRODUCT:

As per the indent placed by the Purchaser, the Supplier shall deliver the Product at its Refinery site located Vadinar, Gujarat in 3 working days from the date of receipt of indent.

6. PRICING AND COMMERCIAL TERMS

Purchaser shall make payment to Supplier in respect of the said materials mentioned in the purchase order on the basis of the rates specified in the said purchase order.

- a) Payment shall be inclusive of all statutory payments including taxes, levies and duties.
- b) Payment shall be made within 15 days of receipt of the Invoice by RTGS to the Supplier Account as intimated in writing to the Purchaser:

7. RESPONSIBILITY AND RISK OF PRODUCT:

- a) The Supplier shall be responsible for the quantity and quality of Product till unloading of the Product at the premises as indicated by the Purchaser for delivery of Product.
- b) The ownership of the Product will be transferred from Supplier to Purchaser upon unloading of the Product from the truck at the Purchaser's delivery location.
- c) It shall also be the responsibility of the Supplier to ensure that all the required Licenses/ Permits / NOCs are processed and obtained through the Excise authorities for commencing Supply after placement of purchase orders. Immediately on receipt of the purchase order, the Supplier shall contact the Purchasers Representative location and arrange NOC and permit from Excise authorities at the earliest. In the case of supply to outside the State, the supplier shall process all the required NOCs and export permits at the earliest.

8. INSURANCE

The Supplier shall be responsible for insurance of the product during transit.

9. TERMINATION

- A) The Purchaser shall be entitled to terminate the Agreement if the Supplier:
 - i) Fails to carry out any obligation under the Contract.
 - ii) Without reasonable excuse fails –
 - a) To commence supply of Product to Purchaser within _____ days after receipt of notice to proceed with the supplies from Purchaser to start supply after execution of this Agreement.
 - b) Sub-contracts the works or assign the contract without the specific written permission of the Purchaser
 - c) Has failed to furnish the required securities in terms of the contract.
 - d) Declared bankrupt or insolvent or goes into liquidation.

- B) In any of the events and circumstances mentioned above, the Purchaser may, upon giving 30 days written notice to the Supplier, terminate this Agreement. However, in case of sub-paragraph (d) of Fundamental breaches of Contract, the Purchaser may terminate the Agreement immediately.
- C) The Purchaser decision to terminate the Agreement shall not prejudice any other rights of the Purchaser under this Agreement or otherwise.
- D) The Purchaser or the Supplier may terminate the Contract if the other party causes a Fundamental breach of Agreement.
- E) Fundamental breaches of Agreement includes the following:
 - a) When Supplier stop supplies of Product continuously for 15 days without communicating any reason to the Purchaser;
 - b) The Purchaser or the Supplier declared as bankrupt or goes into liquidation other than for reconstruction or amalgamation;
 - c) The Supplier fails to correct the defect in quality or quantity of the Product within a period of 30 days from the date of receipt of notice from the Purchaser.
 - d) If the Supplier is found engaged in corrupt practice in competing of the execution of the Agreement;
 - e) For the sake of clarification of abovementioned paragraph (d): “**corrupt practice**” means the tendering, giving, receiving or soliciting of anything of value of influence the action of a Purchaser official in the procurement, process or in contract execution.

10. CONFIDENTIALITY

Parties agree to keep the existence of this Agreement and its terms and conditions thereof confidential and, to disclose them only to its employees, lawyers and accountants of their respective organisations (including parent companies) on a “need-to-know” basis. However, before such disclosure, it shall be ensured that such person is made aware of the discloser’s obligations under this Agreement and ensure compliance by each of such persons, to whom the confidential information is disclosed. In addition, the terms of this Agreement may be disclosed if required by order of a court or tribunal having appropriate jurisdiction, after intimating the other party in writing. The terms of this Agreement may also be disclosed to any statutory authority on a “need to know” basis after intimating the other Party in that regard. Otherwise, the Parties agree not to disclose terms of this Agreement to any person or third Party without the prior written consent of the non-disclosing Party. This clause shall survive the termination of this Agreement.

11. RELATIONSHIP:

- a) Nothing contained in this Agreement shall constitute a partnership or joint venture between the parties and nor shall any relationship of employer and employee be deemed to be created between Employer and Supplier.
- b) During the term of this Agreement, neither party shall represent or hold herself as an agent of the other party. It is clearly understood by Parties that this Agreement is executed on “Principal to Principal” basis and either party shall not be liable for the act of commission and omission of the other party or its employees, personnel or representatives.

12. NON-EXCLUSIVITY:

Both the Parties confirms that this Agreement is signed on non-exclusivity basis and Purchaser shall be entitled to enter into similar agreement with other prospective suppliers without reference to the Supplier. Nothing herein contained shall confer any exclusive rights in favour of the Supplier in relation to the Product.

13. COMMUNICATIONS

- a) All notices and communication required under this Agreement by either party to the other should be given in writing.
- b) All notices and communications required to be served by either Party upon the other shall be deemed properly served only when it is delivered, in terms of the Indian Contract Act, at the following addresses:

For PURCHASER:

HEAD – TS, BD & Power
Nayara Energy Ltd.
Equinox Business Park, Tower – II,
Old Swan Mill Compound,
LBS Marg, Kurla (W),
Mumbai 400 070.

For SUPPLIER:

- c) All notices and communications to be given to the Parties shall be sent by post, fax or Email at the respective addresses nominated for that purpose given in contract data.
- d) Change of Address shall be informed to the respective parties well in advance.

14. FORCE MAJEURE:

That under unforeseen circumstances caused by conditions beyond control including, but not limited to Acts of God, Government restrictions (including the denial or cancellation of any license), wars, whether declared or undeclared, insurrections, public disorder, rebellion or sabotage, floods, riots, civil commotion, epidemic, accidents, fire, earthquake or any other cause which is beyond the control of the Parties affected and which by the exercise of the reasonable diligence, the first and second party are unable to prevent, provided notice of any such event is given within seven (7) days of such occurrence, this Agreement remains suspended. This Agreement can be terminated by either side if these circumstances continue for a period beyond 30 days. Neither Party have any claim for damages against the other in respect of such non-performance.

The Parties may decide mutually about continuation of the Agreement and /or resumption of supplies of Products, after such event has come to an end or ceased to exist.

15. ANTI – BRIBERY CLAUSE:

- 1. Supplier is and shall remain in compliance with all relevant laws applicable to the services it shall perform under this Agreement including all relevant anti-corruption laws. Supplier shall not, and nor shall any of its officers, employees, shareholders, representatives or agents ("**Associated Parties**"), directly or indirectly, make or offer any payment, gift or other advantage with respect to any matters which are the subject of this Agreement which (i) would violate any anti-corruption laws or regulations applicable to Supplier or Purchaser, (ii) is intended to, or does, influence or reward any person to act or reward any person for acting in breach of an expectation of good faith, impartiality or trust, or which it would otherwise be improper for the recipient to accept, (iii) is made to or for a Public Official with the intention of influencing such a person and obtaining or retaining an advantage in the conduct of business, or (iv) which a reasonable person would otherwise consider to be unethical, illegal or improper (any one of (i) to (iv) being a "**Corrupt Act**").

2. Supplier represents and warrants that it and its Associated Parties have not engaged in any Corrupt Act prior to the date of this Agreement.
3. For the purposes of this Agreement, "**Public Official**" includes, without limitation, any person holding or acting on behalf of a person holding legislative, administrative or judicial office, including any person employed by or acting on behalf of a public agency, a state owned or public enterprise, a public international organisation, any federal or regional government department or agency, any political party, or any candidate for political office, or a relative or associate of any such person.
4. Supplier represents and warrants that it has in place appropriate anti-corruption systems and controls such as are reasonably likely to be regarded as constituting "adequate procedures" for the purposes of section 7 of the UK Bribery Act 2010.
5. During the term of this Agreement, Supplier shall (i) properly and accurately record in its Books and Records all transactions which relate in any way to this Agreement or to services provided by Supplier under it ("**Transaction Records**"), [(ii) provide the Transaction Records and/or any other such information as Purchaser may reasonably require by notice in writing in order to monitor Supplier's compliance with its obligations under clauses [• - cross-reference the anti-corruption clauses above]]. For the purpose of this clause [·], "**Books and Records**" shall be deemed to include, without limitation, corporate records, bank statements, books of account, supporting documentation and other records and documentation (including without limitation, invoices, transfer documents and any other documents), whether in paper or other form.
6. Supplier undertakes not to share any fees, commission or other reward paid to it by Purchaser with any Public Official or with an Associated Party of a business partner or potential business partner of Purchaser.
7. To the best of its knowledge and belief, neither Supplier nor any of its Associated Parties:
 - 7.1. has at any time been found by a court in any jurisdiction to have engaged in any Corrupt Act (or similar conduct);
 - 7.2. has at any time admitted to having engaged in any Corrupt Act (or similar conduct); or
 - 7.3. has at any time been investigated or been suspected in any jurisdiction of having engaged in any Corrupt Act (or similar conduct)

Without prejudice to Termination clause, in the event Purchaser reasonably suspects there to have been a breach of Anti-Corruption Clauses of this Agreement, Purchaser may terminate the Agreement immediately upon giving notice in writing to the Supplier.

16. ARBITRATION:

All disputes and differences of any nature whatsoever or any claim, cross claim, counter claim or any dispute arising under or out of this Agreement or any breach or alleged breach of any of the covenants thereof or as to the interpretation of any clause /provision of this Agreement shall be resolved through mutual discussion between the Parties hereto, failing which the same shall be referred to and finally resolved by arbitration to be conducted in accordance with the provisions of the Indian Arbitration and Conciliation Act, 1996, as amended. The arbitration panel shall consist of a sole arbitrator to be appointed by the Purchaser. The arbitration proceedings shall be held in Mumbai and shall be conducted in the English language. The award rendered by the arbitration panel shall be final, conclusive and binding on all parties to this Agreement and shall be subject to enforcement in any court of competent jurisdiction. Each party shall bear the cost of preparing and presenting its case, and the cost of arbitration, including fees and expenses of the arbitrator, shall be shared equally by the disputing parties, unless the award otherwise provides.

17. JURISDICTION:

The Parties hereby agree that the courts of Mumbai shall have exclusive jurisdiction to try and entertain in any suits or proceedings in respect of any claim or dispute arising out of or in relation to this Agreement.

18. BINDING EFFECT:

This Agreement contains the basic terms and conditions and the provisions contained herein are not exhaustive. In the event, there is any conflict between the provisions of this Agreement and the provisions mentioned in General Conditions of Contract or Special Condition of Contract, the terms of this Agreement shall prevail.

IN WITNESS WHEREOF, the parties hereto have hereunto set and subscribed their respective hands to these presents on the day and the year first hereinabove written.

**ON BEHALF OF PURCHASER
NAYARA ENERGY LIMITED**

ON BEHALF OF SUPPLIER

(_____)
HEAD - _____

(_____)

Witness:

1. _____

1. _____

2. _____

2. _____