



Government of Nepal
Melamchi Water Supply Development Board

Ministry of Water Supply
Kathmandu, Nepal

REQUEST FOR QUOTATION (RFQW)

Contract No. MDS/DT/02 - Package 8

Procurement of Works for the

**Supply of Stainless Steel (SS) Pipes, Fittings and Accessories for the Tunnel
Works of the
Melamchi Water Supply Project,
Melamchi Diversion Scheme
Contract No. MDS/DT/02 - Package 8”**

Employer: Melamchi Water Supply Development Board - MWSDB

Country: Nepal

**Project: Melamchi Water Supply Project
Headworks and Diversion Tunnel Construction**

Funding Agency: ADB-Asian Development Bank, Loan ID No 1820-NEP (SF)

DECEMBER 2019

REQUEST FOR QUOTATION (RFQW)

Project Title: Supply of Stainless Steel (SS) Pipes and Accessories for the Tunnel Works of Melamchi Water Supply Project, Melamchi Diversion Scheme Contract No: MDS/DT/02-Package 8

Source of Funding: ADB Loan ID No.1820-NEP (SF)

Contract Ref: MDS/DT/02 - Package 8

Date of Issue of Request: **4th December 2019**

To: _____

Sir/Madam:

1. The Melamchi Water Supply Development Board (MWSDB) hereby requests you to submit a quotation for the following works as in BOQ and specifications;

“Supply of Stainless Steel (SS) Pipes and Accessories for the Tunnel Works of Melamchi Water Supply Project, Melamchi Diversion Scheme Contract No: MDS/DT/02-Package 8”

If you, however, have been associated with the firm that prepared the design, specifications, or engaged in the preparation of the Project or firm that will provide supervision of the Works, you shall be disqualified.

To assist in the preparation of your PRICE QUOTATION, the necessary Specifications, Bill of Quantities and Drawings, Form for Submitting the Quotation and a Draft Contract Form are enclosed. You are advised to visit the site of the works at your own expense, and obtain necessary information for preparing your quotation.

2. You shall submit one original of the **Price Quotation with the Form of Quotation**, and clearly marked **“Original”**. In addition, you shall also submit one copy marked as **“COPY”**.
3. Your quotation in the attached format should be signed, sealed in an envelope and addressed to and delivered at the following address:

The Executive Director
Melamchi Water Supply Development Board
Panipokhari, Kathmandu, Nepal
Telephone no: 977 1 4443473
Facsimile number : 977 1 4006541
Email ID: procurement@melamchiwater.gov.np
Website: <http://www.melamchiwater.gov.np>

Note: Your price quotation in the form attached may be submitted in hard copies or electronically at the above address within the deadline for submission of quotation.

4. You must have experience as a prime contractor in the construction of at least one work of the nature and complexity equivalent to the works included in this Request for Quotation over the last three years as evidenced by a client's certificate of completion, and provide evidence of availability of financial resources to successfully complete the works in the amount of NPR 2.0 Million. Otherwise, you will not be considered further.
5. You shall submit only one quotation. Your quotation must be **typed or written in indelible ink** and shall be signed by you or your authorized representative. Without a signature in your Form of Quotation, your quotation will not be considered further. The attached terms and conditions of supply is an integral part of the contract.
6. In evaluating the quotations, the Employer will adjust for any arithmetical errors as follows:
 - (a) where there is a discrepancy between amounts in figures and in words, the amount in words will govern;
 - (b) where there is a discrepancy between the total price in the Priced Activity Schedule (or Bill of Quantities) or the quoted amount indicated in the Form of Quotation, the total price in the Priced Activity Schedule (or Bill of Quantities) shall govern;
 - (c) where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern; and
 - (d) if you refuse to accept the correction, your quotation will be rejected.
7. Your quotation shall be valid for a period of thirty (30) days from **19th December 2019** (deadline for submission of the quotation).
8. Your quotation in duplicate and written in **ENGLISH** language shall be for the whole works and based on the **unit and total price indicated in the filled-in Bill of Quantities**. Currency of quoted prices and payment shall be **NPR (Nepalese Rupee)**. The quotation shall include all duties, local taxes and other levies payable by the contractor in accordance with the local laws. In case of any discrepancy between the original and duplicate, **the original shall prevail.**
9. The Employer will award the contract to the Contractor whose quotation has been determined to be substantially responsive to this Request for Quotation and who has offered the lowest evaluated price quotation. A quotation is not substantially responsive if it contains material deviations or reservations to the terms, conditions, and specifications in this Request for Quotation, and it will not be considered further. The Employer will evaluate and compare only the quotations determined to be substantially responsive.
10. If you withdraw your quotation during the validity period and/or refuse to accept the award of a contract when and if awarded, then you will be excluded from the list of contractors for the project for two years.
11. The contract will be governed by the Terms and Conditions of the attached Form of Contract.

12. Your quotation including Form of Quotation and filled-in Section 2: Bill of Quantities should be submitted by **19th December 2019, 12:00 Hrs.** [The quotations shall be opened in public in the presence of contractors' representatives who choose to attend, on **19th December 2019, 12:30 PM** at the following address;

**The Executive Director
Melamchi Water Supply Development Board
Panipokhari, Kathmandu, Nepal**

13. The bidder whose quotation has been accepted will be notified of the award of contract through the Letter of Acceptance issued by the Employer within **14 days** from the date of submission of quotation.
14. The Employer intends to apply funds from the Asian Development Bank (ADB) for eligible payments under the Contract resulting from this RFQ.
15. Under ADB's Anticorruption Policy bidders shall observe the highest standard of ethics during the procurement and execution of such contracts. ADB will reject a proposal for award, and will impose sanctions on parties involved, if it determines that the bidder recommended for award or any other party, has engaged in corrupt, fraudulent, collusive, or coercive practices in competing for, or in executing, the Contract. At the time of submission of your quotation, you should not be in ADB's sanctions list.
16. Please Confirm by fax/e-mail the receipt of this request and whether or not you will submit the price quotation(s).

Sincerely,

**The Executive Director
Melamchi Water Supply Development Board**

SECTION 1 - SPECIFICATIONS

Materials for general purposes shall have a quality equal to or better than the following:

Steel castings	DIN 1681, GS-45, W1.0466 DIN 17245, GS-C25
Iron castings, grey	ASTM A 48, Class 35 DIN 1691, GG-25, W0.6025
Iron castings, nodular	ASTM A 536 DIN 1693, GGG-40.3, W0.7043
Steel forgings for gears Reduction gear assemblies	ASTM A 291-92, Class 1
Forged or rolled steel pipe forged fittings, for pressures above 20 bars	ASTM A 105, Grade 1 flanges
Forged or rolled steel pipe flanges, forged fittings and valves, and parts for general service for pressures below 20 bars	ASTM A 181-93a
Steel plates	IS 2062 DIN 17100, W1.0038 NS-EN 10 027-1 ECISS IC 10, S235JRG2
Steel plates, fine-grained	NS-EN 10 027-1 ECISS IC 10, S355J2G3 NS-EN 10028:92 NS-EN 10113:93 DIN 17102
Steel for bolts and nuts	ASTM A 307, Grade B DIN 17240
Bronze castings	ASTM B 584, Alloy 2B DIN 1705, G-CuSn7ZnPb, W2.1090
Bronze for bearings, bushings thrust discs, etc.	ASTM B 584, Alloy 3A DIN 1716, GZ-CuPb10Sn, W2.1176.03, GC-CuPb10Sn, W2.1176.04
Brass pipe	ASTM B 43 DIN 1755
Copper pipe	ASTM B 42 DIN 1754, DIN 17660
Welded and seamless steel piping	ASTM A 53, Grade A DIN 1629, DIN 1630
Stainless steel piping	DIN 17440, W 1.4301 SS 2333, AISI 304
Stainless steel plates	DIN 17440, W 1.4301 SS 2333, AISI 304
Stainless steel castings	ASTM A 487 DIN 17445

SECTION 2 - BILL OF QUANTITIES

FORM OF QUOTATION

_____ (Date)

To **The Executive Director**
Melamchi Water Supply Development Board
Panipokhari, Kathmandu, Nepal

We offer to execute the Contract No. MDS/DT/02 – Package 8: Supply of Stainless Steel (SS) Pipes and Accessories for the Tunnel Works of Melamchi Water Supply Project, Melamchi Diversion Scheme

in accordance with the Conditions of Contract (in the Form of Contract) accompanying this Quotation for the Contract Price of _____ (amount in words and numbers) (_____) NPR-Nepalese Rupee. We propose to complete the Works described in the Contract within a period of 90 days from the Date of Signing of the Contract.

This Quotation and your written acceptance will constitute a binding Contract between us. We understand that you are not bound to accept the lowest or any Quotation you receive.

We hereby confirm that this Quotation complies with the Validity of the Offer required by the proposal documents.

We have not been associated with the firm that prepared the design and specifications of the contract that is subject of this request for quotation.

We are not in the ADB sanctions list.

Authorized Signature: _____
Name and Title of Signatory _____

Name of Contractor: _____
Address : _____

Phone Number : _____

Fax Number, if any _____
Email address (optional) _____

SECTION 2 - BILL OF QUANTITIES

Date of Issue of Request: **4th December 2019**

Project Title: **MELAMCHI WATER SUPPLY PROJECT, MELAMCHI DIVERSION SCHEME**

Loan/Grant No. and Title: **ADB Loan No. 1820-NEP (SF)**

Contract No. & Title: **MDS/DT/02: Package 8 – Supply of SS Pipes and Accessories for the Tunnel Works of the Melamchi Water Supply Project, Melamchi Diversion Scheme**

To: _____

Sir/Madam:

1. **The Melamchi Water Supply Development Board** hereby requests you to submit price quotations for the supply of the following items:

Item No.	DESCRIPTION	Unit	Qty.	Unit Rate in NPR		AMOUNT (NPR)
				Unit Rate in Figures	Amount in Words	
1.1	300 mm dia. SS 304 Pipe, PN 10, (t = 4.57mm), L=4m with Coupling	no.	3			
1.2	300 mm dia. SS 304Pipe, PN 10, (W = 4.57mm), L = 4.5m, with Coupling	no.	1			
1.3	300 mm dia. Bend304SS Pipe, PN 10, (t=4.57mm), 90 Degree, with Coupling	no.	1			
1.4	400 mm dia. SS 304Pipe, PN 10, (t = 4.78 mm), L = 2.03m	no.	3			
1.5	508 mm dia. SS 304Pipe, PN 10, (t = 9.53 mm), L = 3m	no.	1			
1.6	508 mm dia. SS 304Pipe, PN 10, (t = 9.53 mm), L = 6m	no.	1			
1.7	508 mm dia. SS 304Pipe, PN 10, (t = 9.53 mm), L = 2m	no.	1			
1.8	508 mm dia. SS 304Pipe, PN 10, (t = 9.53 mm), L = 1.3m	no.	1			
1.9	508 mm dia. SS 304Pipe, PN 10, (t = 9.53 mm), L = 1.8m	no.	1			
1.10	508 mm dia. SS 304Pipe, PN 10, (t = 9.53 mm), L = 3.8m	no.	1			
1.11	500mm dia. Bend SS304 Pipe, PN 10, (t = 9.53 mm), 45 Degree	no.	4			
1.12	500mm dia SS 304Pipe, PN 10, (t = 4.57 mm), L= 4m	no.	1			
1.13	500mm dia. SS 304 Pipe, PN 10, (t = 10.00 mm), L= 6m	no.	3			
1.14	500mm dia. SS 304 Pipe, PN 10, (t = 10.00 mm), L = 4.13m	no.	1			
1.15	500mm dia. SS 304 Pipe, PN 10, (t = 10.00 mm), L = 4.50m	no.	1			
1.16	500mm dia. SS304 Pipe, PN 10, (t = 10.00 mm), L = 3m	no.	1			

1.17	500mm dia. SS 304Pipe, PN 10, (t = 10.00 mm), L = 2m	no.	1			
1.18	500mm dia. Bend SS Pipe304 , PN 10, (t = 10.00 mm), 90 Degree	no.	1			
1.19	500mm dia. Bend SS304 Pipe, PN 10, (t = 10.00 mm), 45 Degree	no.	1			
1.20	500mm dia. SS 304Pipe, PN 10, (t = 10.00 mm), L = 2.92m	no.	1			
1.21	500mm dia. SS304 Pipe, PN 10, (t = 10.00 mm), L = 1.56m	no.	1			
1.22	200mm dia. SS 304Pipe, PN 6, One End Flanged, (t = 3 mm), L=4.90m, with Coupling	no.	1			
1.23	200mm dia. SS 304 Pipe, PN 6, One End Flanged, (t = 3 mm), L= 0.30 m with Coupling	no.	1			
1.24	200mm dia. SS 304Pipe, PN 6, Both End Flanged, (t = 3 mm), with Coupling	no.	1			
1.25	50 mm dia. SS304 Pipe, PN 10, (t = 2.77 mm), L = 0.70 m, with Coupling	no.	1			
1.26	50 mm dia. SS P304ipe, PN 10, One End Flanged, (t= 2.77mm), L= 0.50 m, with Coupling	no.	1			
1.27	50 mm dia. SS 304Pipe, PN 10, One End Flanged, (t= 2.77mm), L= 6 m, with Coupling	no.	1			
1.28	50 mm dia. SS 304Pipe, PN 10, (t = 2.77 mm), L = 6 m, with Coupling	no.	1			
1.29	50mm dia. SS304 Pipe, PN 10, (t = 2.77 mm), L = 3.62 m, with Coupling	no.	1			
1.30	50mm dia. SS304 Pipe, PN 10, (t = 2.77 mm), L =1.30 m, with Coupling	no.	1			
1.31	50 mm dia. SS 304Pipe, PN 10, (t = 2.77 mm), L = 3 m, with Coupling	no.	1			
1.32	50 mm dia. Bend SS 304Pipe, PN 10, (t = 2.77 mm), 90 Degree, with Coupling	no.	1			
1.33	50 mm dia. Bend SS 304Pipe, PN 10, (t = 2.77 mm), 40 Degree, with Coupling	no.	1			
1.34	50 mm dia. Bend SS 304Pipe, PN 10, (t = 2.77 mm), 39 Degree, with Coupling	no.	1			

1.35	50 mm dia. Bend SS 304Pipe, PN 10, (t = 2.77 mm), 25 Degree, with Coupling	no.	1			
1.36	50 mm dia. SS Ball Valve, Both End Flanged, PN 10, with Coupling, For Air and Water	no.	2			
1.37	600 mm dia. SS 304Pipe, Both End Flanged, PN 6, (t = 6.35 mm), L = 2.02 m	no.	1			
1.38	600 mm dia. SS 304Pipe, One End Flanged, PN 6, (t = 6.35mm), L = 1.0m	no.	1			
1.39	600 mm dia. SS Pipe 304, Both End Flanged, PN 6, (t = 6.35 mm), L = 0.62m	no.	1			
1.40	600 mm to 800mm dia. SS Double Flanged End Welded Eccentric Reducer, L=0.53 m, including Flange, t = 6.35mm	no.	1			
1.41	600 mm dia. SS Discharge Gate Valve, PN 6, L = 0.39 m Including Flanged	no.	1			
1.42	600 mm dia. SS Revision Gate Valve, PN 6, L = 0.39 m, Including Flange	no.	1			
1.43	50 mm dia. SS304 Pipe, One End Flange, PN 10, (t = 2.77 mm), L=1.0m, with Coupling	no.	1			
1.44	50 mm dia. SS 304Pipe, One End Flange, PN 10, (t = 2.77 mm), L=6.0m, with Coupling	no.	1			
1.45	50 mm dia. SS304 Pipe, PN 10, (t = 2.77 mm), L = 4.6 m, with Coupling	no.	1			
1.46	50 mm dia. SS 304Pipe, PN 10, (t = 2.77 mm), L = 0.80 m, with Coupling	no.	1			
1.47	50 mm dia. SS P304ipe, PN 10, (t = 2.77 mm), L = 1.54m, with Coupling	no.	1			
1.48	50 mm dia. SS304 Pipe, PN 10, (t = 2.77 mm), L = 1.65m, with Coupling	no.	1			
1.49	50 mm dia. SS 304Pipe, PN 10, (t = 2.77 mm), L = 6.0 m, with Coupling	no.	2			
1.50	50 mm dia. SS 304Pipe, PN 10, (t = 2.77 mm), L = 3.0 m, with Coupling	no.	1			
1.51	50 mm dia. SS 304 Bend, PN 10, (t = 2.77 mm), 90 Degree, with Coupling	no.	2			

1.52	50 mm dia. SS 304Bend, PN 10, (t = 2.77 mm), 25 Degree, with Coupling	no.	1		
1.53	50 mm dia. SS 304 Bend, PN 10, (t = 2.77 mm), 44 Degree, with Coupling	no.	1		
1.54	50 mm dia. SS Ball Valve, Both End Flanged, PN10, with Coupling For Air and Water	no.	1		
1.55	600 mm dia. SS304Pipe, Both End Flanged, PN 10, (t = 6.35mm), L = 1.88m	no.	1		
1.56	600 mm dia. SS 304Pipe, One End Flanged, PN 10, (t = 6.35mm), L = 1.0m	no.	1		
1.57	600 mm dia. SS P304Pipe, Both End Flanged, PN 10,(t = 6.35mm), L =0.62m	no.	1		
1.58	600mm to 800mm dia. SS 304 Double Flanged End Welded Eccentric Reducer, L =0.57 m, including Flanged, t=6.35mm	no.	1		
1.59	600 mm dia. SS Discharge Gate Valve, PN 6, L = 0.39 m Including Flanged	no.	1		
1.60	600 mm dia. SS Revision Gate Valve, PN 6,L = 0.39 m Including Flanged	no.	1		
1.61	50 mm dia. SS Pipe, One End Flanged, PN 10, (t = 2.77 mm), L =1.0m, with Coupling	no.	1		
1.62	50 mm dia. SS Pipe, One End Flanged, PN 10, (t = 2.77 mm), L = 6.0m, with Coupling	no.	1		
1.63	50 mm dia. SS 304Pipe, PN 10, (t = 2.77 mm), L = 2.65 m, with Coupling	no.	1		
1.64	50 mm dia. SS 304Pipe, PN 10, (t = 2.77 mm), L = 0.93 m, with Coupling	no.	1		
1.65	50 mm dia. SS 304Pipe, PN 10, (t = 2.77 mm), L = 1.55 m, with Coupling	no.	1		
1.66	50 mm dia. SS 304Pipe, PN 10, (t = 2.77 mm), L = 1.51 m, with Coupling	no.	1		
1.67	50 mm dia. SS 304Pipe, PN 10, (t = 2.77 mm), L = 6.0 m, with Coupling	no.	3		
1.68	50 mm dia. SS 304Bend, PN 10, (t = 2.77 mm), 90 Degree, with Coupling	no.	2		

1.69	50 mm dia. SS 304Bend, PN 10, (t = 2.77 mm), 23 Degree, with Coupling	no.	1		
1.70	50 mm dia. SS 304Bend, PN 10, (t = 2.77 mm), 45 Degree, with Coupling	no.	1		
1.71	50 mm dia. SS Ball Valve, Both End Flanged, PN10, with Coupling For Air and Water	no.	1		
1.72	100 mm dia. SS 304Pipe, One End Flanged, PN 10, (t = 3.05 mm), L = 3.65m with Coupling	no.	1		
1.73	100 mm dia. SS 304Pipe, One End Flanged, PN 10, (t = 3.05 mm), L = 1.0 m, with Coupling	no.	1		
1.74	100mm dia. SS Butterfly Valve as per BS EN 593:2009	no.	1		
1.75	SS 304Clamps and Accessories for DN 50 and DN 100 Air Release Pipes	no.	30		
1.76	SS304 Hangers and Accessories for DN 50 and DN 100 Air Release Pipes	no.	60		
1.77	1000mm SS Butterfly Valve as per BS EN 593: 2009 including fittings (PN 10 flange drilling as per BS EN 1092) with Operating Mechanism and Ground Support Materials complete as per the Specification	Set	1		
1.78	Supply of Air Evacuation PVC Pipe 110mm diameter PN6 and fittings, Length of PVC Pipe: L = 4012m	m	4012		
1.79	SS 304Bar Screen 100mm x 100mm opening with minimum 3mm thickness to suit inlet of 800 mm diameter reducer	no.	1		
1.80	SS 304Bar Screen 100mm x 100mm opening with minimum 3mm thickness to suit inlet of 1200 mm diameter reducer	no.	1		
A	TOTAL SUM (NPR) :				
B	13% VAT (NPR)				

C	GRAND TOTAL (with VAT) (Amount in Words and in Figures _____) NPR
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FORM OF CONTRACT

Name of Country: Nepal

Project Name: Melamchi Water Supply Project

Name of Contract: Supply of Stainless Steel (SS) Pipes and Accessories for the Tunnel Works of Melamchi Water Supply Project, Melamchi Diversion Scheme Contract No: MDS/DT/02-Package 8

Contract Number: MDS/DT/02 – Package 8

This Contract is made this _____ day of _____ 2019 between the **Melamchi Water Supply Development Board** on the one part (hereinafter called the Employer) and _____ (hereinafter called the Contractor) on the other part.

Whereas the Employer has called for quotations for (name and identification number of the Contract) and the Contractor has submitted a quotation for the above work and the Employer has accepted the Contractor's Quotation dated _____ for the execution and completion of such works and the remedying of any defects therein.

Now this Contract witnesses as follows:

1. The following documents shall be deemed to form and be read and construed as part of this agreement, viz:
 - a) Request for Quotation; Terms and Conditions of Supply, Drawings & Technical Specification;
 - b) Addendum (if applicable);
2. The Contractor hereby covenants to execute the works fully described in the Activity Schedule (or Bill of Quantities) included in the Contractor's Quotation which constitute an integral part of this Contract (as Annex 1) in a professional and workmanship like manner in accordance with the following Conditions of Contract:
 - (a) The Contractor shall supply the items in accordance with the specifications and drawings
 - (b) Remedy all defects within 30 days of notification by the Engineer in charge during the period of execution of the contract and thereafter defects notified within the defect liability period;
 - (c) The Employer reserves the right to terminate the contract due to unsatisfactory performance 21 days after giving a written notice. If the Contract is frustrated by the outbreak of war or by any other event entirely outside the control of either the Employer or the Contractor, the Engineer in charge shall certify that the contract has been frustrated. In such an event, both the Employer and Contractor will have a right to terminate the contract by giving 21 days' notice to the other party without any financial repercussions on either side. Payments after termination or frustration

shall consider the value of work completed and materials delivered by the Contractor, and the advance payment made by Employer;

- (d) All materials and construction equipment on site, temporary works, and Works shall be deemed to be the property of the Employer if the contract is terminated due to fault of the Contractor;
 - (e) The Contractor will in all cases abide by the directions of the Engineer in charge.
 - (f) The Contractor shall submit to the Engineer in charge, a program within 7 days after signing the contract describing the schedule to supply;
 - (g) Contract completion period 90 days after signing of the contract.
 - (h) No part of the works shall be subcontracted without prior approval of the Employer.
 - (i) New items of work performed as ordered by the Engineer in charge will be paid at the mutually agreed rate and in case of any disagreement between the Contractor and the Engineer in charge the latter will fix the unit rates that will be binding on the Contractor;
 - (j) The Law governing the contract shall be applicable laws of Nepal;
 - (k) The Contractor shall be responsible for the safety of all the activities on the Site.
 - (l) During execution of works the Engineer in charge, **Melamchi Design and Supervision Consultant Consortium (MDSCC)/EPTISA Servicios de Ingenieria, S.L.(Spain) in Consortium with BETS Consulting (Nepal)**, will carry out inspection of works at site to verify that works are executed by the Contractor in accordance with the specifications and required quality as per specifications. Engineer in charge will reject works not performed to the required specifications and the Contractor shall take immediate actions to rectify all defects in accordance with subparagraph (a) above;
 - (m) Either party may terminate the Contract by giving a 21 days' notice to the other for unforeseen events such as wars and acts of Gods such as earthquake, floods fires etc. In such case the payments will be made to the date of termination of contract;
 - (n) The Contract is not subject to any price adjustment and the rate for the supply shall be applicable throughout the validity of this agreement
 - (o) Variations: The contractor shall supply the variation quantity items required to complete the job at the BOQ rate in the agreement.
 - (p) The Contractor is responsible for all taxes, custom duties, levies, etc. in accordance with the laws of **Nepal**; and
 - (q) The disputes between the Employer and the Contractor arising between them under or in connection with the Contract shall be resolved amicably. In the event the dispute remains unresolved either party may refer the dispute to **NEPCA Arbitration Procedures and Nepal Law** in accordance with the law governing the contract.
3. The Contractor shall obtain (at his cost) a Performance Security for proper performance in the amount equal to ten percent (10%) of the Accepted Contract Amount and denominated in Nepalese Rupee. This shall be issued by a reputable bank acceptable to the Employer. If the bank guarantee is issued other than client country, then counter guarantee is required from the local bank at his own cost.

The Performance Security shall be provided to the Employer within 28 days after signing of this Contract Agreement, and shall send a copy to the Engineer. ~~The Contractor shall ensure~~ that the Performance Security is valid and enforceable until a date 28 days from the date of issue of the Certificate of Completion in the case of a bank guarantee.

4. In consideration thereof the Employer covenants to pay the Contractor the contract price of _____ (in words and figures) in the following manner and installments:
 - (i) The Employer shall make an advance payment of ten percent (10%) of the contract sum excluding provisional sum and VAT against the provision by the Contractor of unconditional bank guarantee in a form (see Annex) and by a bank acceptable to the Employer. If the bank guarantee is issued other than client country, then counter guarantee is required from the local bank at his own cost.
 - (ii) Repayment of the Advance Payment shall be: made proportionately from each Payment Certificate such that 100% of Advance Payment is recovered by the time 90% of Accepted Contract Amount has been certified and paid.
 - (iv) The payments shall be made to the Contractor within 21 days of the date of the payment request submitted by the contractor has been certified by the Engineer in Charge.
 - (v) The Employer shall retain **5 percent of Contract Price** from each payment until Completion of the installation and testing of the supplied items. Upon the issue of a Certificate of Completion of the Works by the Project Manager, half the total amount retained shall be repaid to the Contractor and half when the Defects Liability Period has passed and the Project Manager has certified that all Defects notified by the Project Manager to the Contractor before the end of this period have been corrected.
 - (vi) The final payment of the contract amount shall be made upon Certificate of Completion of the Works certified by the Engineer in Charge.
5. The defect liability period will be **12** months after taking over of completed works by the Employer.
6. The liquidated damages for the whole of the Works are 0.05% of the final contract price per day. The maximum amount of liquidated damages for the whole of the Works is **10%** of the final Contract Price.
7. The Contractor shall follow the joint coordinated Interface Schedule during the execution of the activities. The contractor has to share the site with other contractors working in different components.
8. The payment currencies will be in 70% in US\$ and 30 percent in Nepalese Rupee in given bank accounts.

Bank account for US\$:

Bank account for Nepalese Currency:

The exchange rate for conversion of Nepalese currency to US\$ will be selling rate of 28 days before the bid submission date as published by Nepal Rastra Bank.

In witness whereof the parties thereto have caused this Contract to be executed the day and year first before written.

Signature and seal of the Employer:
FOR AND BEHALF OF

Signature and seal of the Contractor:
FOR AND BEHALF OF

Name of Authorized Representative

Name of Authorized Representative

FORM of LETTER OF ACCEPTANCE

Date: _____

To:

Dear Sir or Madam,

This is to notify you that your Quotation dated _____ for execution of the **Contract No. MDS/DT/02 –Package 8, Supply of Stainless Steel (SS) Pipes and Accessories for the Tunnel Works of Melamchi Water Supply Project, Melamchi Diversion Scheme Contract No: MDS/DT/02-Package 8**

for the Contract price of _____ *[amount in words and figures]*, as corrected and modified in accordance with the Request for Quotation has been accepted by us.

You are also requested to sign the attached contract form and commence and initiate the procurement process to supply all the items within the period specified in the contract.

For and on behalf of the Employer:

Authorized Signature: _____

Name of Signatory : _____

Title : _____

TERMS AND CONDITIONS OF SUPPLY

Project Name: _____ Purchaser: _____
Consignee: _____ Package No. _____

1. Schedules for Supply: Supply all the BOQ items within 90 days
2. Fixed Price: The prices indicated above are firm and fixed and not subject to any adjustment during contract performance and are at CIF Sundarijal , Kathmandu
3. Delivery Place: At CIF Ambathan, Sindhupalchowk & Sundarijal, Kathmandu
4. Insurance: The goods supplied under the Contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage, and delivery. The insurance shall be in an amount equal to of the contract amount on an "all risks" basis. The cost of all the insurances shall be borne by the Contractor.
5. Applicable Law: The Contract shall be interpreted in accordance with the laws of the Nepal .
7. Delivery and Documents: Upon delivery/shipment, the Contractor shall provide the following documents to the Purchaser: (i) copies of the Contractor's invoice showing goods' description, quantity, unit price, and total amount; (ii) manufacturer's warranty certificate; and (iii) certificate of origin.
9. Payment: Payment shall be made in the following manner:
For Supply:
 - a) Against supply on site: 90% of Supply Cost of Item
 - b) Against installation & Testing: Balance 10% of Supply Cost of Item
9. Warranty: Goods offered should be covered by manufacturer's warranty for at least 12 months from the date of delivery to the Purchaser.
10. Defects: All defects will be corrected by the Contractor without any cost to the Purchaser within

30 day from the date of notice by Purchaser. The name and address of the service facility where the defects are to be corrected by the supplier within the warranty period are:

Facility: _____

Address _____

11. Force Majeure: The Contractor shall not be liable for penalties or termination for default if and to the extent that any delay in performance or other failure to perform its obligations under the Contract is the result of an event of force majeure.

For purposes of this clause, "force majeure" means an event beyond the control of the Contractor and not involving the Contractor's fault or negligence and that was not foreseeable. Such events may include but are not restricted to acts of the Purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.

If force majeure arises, the Contractor shall promptly notify the Purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the Purchaser in writing, the Contractor shall continue to perform its obligations under the Contract to the extent they are reasonably practical and shall seek all reasonable alternative means for performance not prevented by force majeure.

12. Required Technical Specifications:

(i) General description (ii) Specific details and technical standards (iii) Performance parameters The Supplier confirms compliance with above specifications [Note: In case of deviations the Contractor should list all of them.]

NAME OF Contractor: _____

Authorized Signature: _____

Place: _____