



ગુજરાત વેપારી મહામંડળ

Gujarat Chamber of Commerce & Industry



Pathik Patwari

President

Ajay Patel

Sr. Vice President

Yogesh Parikh

Vice President

Anil Jain

Hon. Secretary

Dilip Padhya

Hon. Secretary (R)

Apurva Shah

Hon. Treasurer

21st September, 2022

28140

To,

Mr. Anil Raval

DGM – Procurement Dept.

M/s Gujarat State Petronet Limited

GSPL Bhavan, Plot No E-18,

GIDC Electronic Estate, Sector-26,

Gandhinagar-382028, Gujarat, India.

Sub: Recommendation for providing relief to businesses involved in manufacturing of electronic instruments in view of the global shortage of semiconductor components

Dear Mr. Raval,

We have received a letter from our member Apex Automation Pvt. Ltd. (AAPL) detailing the difficulties being faced by them in honouring their contractual delivery terms due to the current shortage of semiconductor components. The copy of the letter is attached herewith for your perusal.

In reference to the same, we would like to acknowledge that there is indeed a significant global shortage of supply of semiconductor components/chips, etc. which are very essential for manufacturing of electronic instruments. These shortages have arisen due to various reasons, including the COVID-19 pandemic and several geo-political issues like US-China trade restrictions.

We therefore suggest that the relaxation should be provided to various businesses which are into the business of electronic instruments, in view of the current global shortage of semiconductor components. Accordingly, AAPL and other such manufacturers of electronic equipment should be allowed to invoke the Force Majeure clause as mentioned in their RFQ/tender and contractual delivery period extension should be granted to them. This initiative will help us in achieving the target of making India a \$5trillion economy by 2025 as envisioned by our Hon'ble Prime Minister Shri Narendrabhai Modi.

We hope that our recommendation will be considered positively and necessary relief should be provided so that the electronic equipment manufacturers are not unduly penalized for factors beyond their control.

With regards,

Pathik Patwari

President.

Encl.: As above



APEX AUTOMATION PVT. LTD.

INSTRUMENTATION/CONTROL/AUTOMATION ● DESIGN & ENGINEERING ● SOFTWARE DEVELOPMENT

Ref.: AS/GCCI/001/2022-23

September 20, 2022

To,

Gujarat Chamber of Commerce

Shri Ambica Mills, Gujarat Chamber Building

Ashram Road, Ahmedabad 380009

KIND ATTN. : Mr. Pathik Patwari(President)

Ref. : GCCI membership no. 31218

Dear Sir,

The undersigned refers to discussions with you as of 19-SEP-2022.

We are into the business of design, engineering, manufacturing, supply & services related to natural gas and oil flow measuring electronic instruments & systems/solutions. Our customers mainly comprise of Oil and Gas sector PSU companies, like GAIL, ONGC, GSPL, GSPC, IOCL, HPCL, BPCL, GGL, SGL, GGL etc.

As mentioned, AAPL had participated for GSPL tender/RFQ. No.: GSPL/PROC/2021/06/O/250 dt. 21-JUN-2021 for "Procurement of Field Mounted Flow Computers for various locations of GSPL Gas grid." AAPL submitted their bid Ref. No.: VS/GSPL/005/2021-22 on 22-JULY-2021. GSPL could not complete their evaluation within the specified time mentioned (bid validity period) in their RFQ/tender and hence requested several bid validity extensions from AAPL. The total amount of bid validity extension provided by AAPL was around 140 days post expiry of initial bid validity period.

Finally AAPL received GSPL letter of award(LOA) Ref. No. : GSPL/PROC/2022/04/513 on 27-APR-2022. As per GSPL order/LOA the contractual delivery period definition is

1) Supply within 14 weeks from the date of manufacturing clearance. However, vendor to provide required documents and get manufacturing clearance from GSPL within 3 weeks from issuance of LOA.

2) Services to be completed within 8 weeks from delivery of material at site for all locations.

Failing to honor the contractual delivery period, as per RFQ/tender/LOA, will invoke late delivery charges at 0.5% per week to a maximum of 10% of contract value.

Manufacturing clearance was provided by GSPL on 10-JUNE-2022 and hence contractual delivery period as per LOA works out to be as per following :

- 1) Supply to be completed by 16-SEPT-2022
- 2) Services to be completed by 04-DEC-2022

Our contractual delivery period is being delayed due to global shortage of supply of semiconductor components/chips, etc. which are very essential for manufacturing of electronic instruments. These shortages have arisen due to

- shortages of supply of semiconductors chips/components at global level due to COVID-19 pandemic.
- Geo-political issues like US-China trade restrictions
- Various others

Hence, AAPL requested GSPL for contractual delivery period extension on

- a) 22-AUG-2022 as per enclosed
- b) 10-SEP-2022 as per enclosed

An ISO 9001: 2015 certified company

House no. : 5 & 6 Shivalik Plaza, Opp. AMA, Dr. V. S. Road, Ahmedabad, INDIA 380 015
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As per discussions with GSPL, GSPL is requesting either

- a) To provide any Govt. of Gujarat(GOG)/Govt. of India (GOI)/Ministry of finance/Chamber of Commerce guideline/circular which acknowledges the current semiconductor components shortages worldwide and hence to provide relaxation to various business which are into the business of electronic instruments
 - b) A representation from GCCCI addressed to GSPL acknowledging the current worldwide semiconductor components shortages and hence to provide contractual delivery period extension to AAPL w.r.t this case /LOA
- from GCCCI to invoke the Force Majeure clause as mentioned in RFQ/tender and grant contractual delivery period extension to AAPL.

We modestly seek GCCCI's assistance to get such GCCCI/GOG/GOI/Ministry of finance guideline/circular document/representation which can support us to get the requested CDD extension. We hope you will understand our situation and oblige accordingly to provide requested representation /documents to GSPL with a copy to us at the earliest.

Should you require any additional information please feel free to contact us on +91 9825049381 or on sales@apexautomation.in

Looking forward to your early response.

Thanking you,
Sincerely,

For **APEX AUTOMATION PVT. LTD.**

Amit Shah (Director)

Encl.:

- a) GSPL RFQ No. GSPL/PROC/2021/06/O/250 dt. 21-JUN-2021(Annex-1 commercial only)
- b) Unpriced GSPL letter of award(LOA) Ref. No. : GSPL/PROC/2022/04/513 on 27-APR-2022
- c) AAPL letter to GSPL dt. 22-AUG-2022
- d) AAPL letter to GSPL dt. 10-SEP-2022

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