



गार्डेन रीच शिपबिल्डर्स एंड इंजीनियर्स लिमिटेड Garden Reach Shipbuilders & Engineers Ltd.

(भारत सरकार का उपक्रम, रक्षा मंत्रालय)
(A Government of India Undertaking, Ministry of Defence)
CIN NO.: L35111WB1934GOI007891

NOTICE INVITING TENDER

Tender No. NCM/DM/ST/HVAC SYSTEM/P17A/ET-3366

**BEING A SINGLE TENDER ON THE NOMINATED VENDOR {RE-PROCUREMENT AGAINST DAMAGE},
OFFER OF ANY FIRM, OTHER THAN THE NOMINATED VENDOR, WILL NOT BE CONSIDERED**

(Instructions to Bidders is placed at Annexure -I)

FOR ITEMS OF HVAC SYSTEM FOR YARD 3024/P17A

1. Two Bid Offers:

Offers are invited in two bid system through GRSE E-PROCUREMENT mode as per indent specification & binding drawing. For any clarification on techno-commercial issues, please write to: **Mr. Surajit Bhandari, SM (D), E-mail: Bhandari.Surajit@grse.co.in** for technical query and **Mr. D Mukherjee, M (NCM) / Mr. R Saha, DGM (NCM), E-mail: Mukherjee.Dibyendu@grse.co.in / saha.rajen@grse.co.in** for commercial query.

2. Date of Pre-Bid Meeting (if required) : NA

3. Nature of Tender : Single

4. Name of the GRSE nominated firm: M/s. EQUANS AXIMA INDIA PVT. LTD.

5. Description of Material (in brief): ITEMS OF HVAC SYSTEM FOR YARD 3024/P17A

6. Technical Specification & Scope of Supply: Details as per Scope of Supply of Special Terms and Conditions- Annexure III

7. Other Commercial Terms: As per Special terms and Conditions-Annexure III

8. Tender Download website: Tender can be downloaded from GeM Portal

9. Earnest Money Deposit (interest free): NIL for this tender

- ~~For indigenous firm EMD amount of **Rs. (Rupees only)** or is to be submitted in the form of Demand Draft (DD) or Bank Guarantee (as per GRSE format) issued by reputed Nationalized Bank (other than co-operative bank).~~
- ~~EMBG to be valid for minimum **six months** from last due date / extended due date of this tender.~~
- ~~BG to be issued in favour of **M/s. Garden Reach Shipbuilder's & Engineers Limited** or as Bank Guarantee (as per GRSE format). Bidders need to upload scan copy of EMD details in E-portal with Part I bid i.e techno-commercial bid and original to be submitted within **07 days** from the date of opening of tender at NCM Department **addressed to Mr. D Mukherjee, Manager (NCM), M/s. Garden Reach Shipbuilder's & Engineers Limited, 43/46, Garden Reach Road, Kolkata – 700 024.** Tender reference with date & due date & Tender fee should be clearly mentioned on envelope. If original EMD BG or DD not received within 07 days from tender opening due to any reason, bidder will be~~

liable for that and offer is liable for rejection. Other than EMD in form of BG, **firm to collect the money receipt and submit during release of the same.**

- d. Earnest Money will be refunded to unsuccessful bidders in TNC /CNC within 30 days from the date of finalization of tender upon application by the bidder. EMD will be refunded to successful bidder on submission of Security Deposit BG (as per GRSE Format). In cases of withdrawal of bid during validity period or during any extension granted thereof, non-acceptance of agreed conditions of Technical and or Commercial and or Price Negotiations, non-submission of the security deposit and / or non-acceptance of the order, the EMD be forfeited or encashed as the case may be.
- e. MSE units/SSI units registered under single point registration with NSIC for the tendered items will be exempted from the earnest money deposit subject to they have submitted the relevant certificate along with the techno-commercial bid. However, this will be as per guidelines circulated by D.P.E. from time to time. NSIC Registration certificate must be valid as on due date of tender opening and Technical Bid should be accompanied with a copy of valid NSIC Registration Certificate to consider bidder for exemption of EMD. NSIC registration should be for the product /service (product group or class of product) for which the tender is floated. Offer will be liable for rejection for non-receipt/ submission of relevant document against claim of non-submission of EMD.

NOTE:

Scanned copy of BG/DD for EMD and Tender Fee to be uploaded with Part –I bid (Techno commercial Bid). However original BG/DD of EMD and Tender Fee must be deposited physically in a sealed envelope superscripting “Original BG/DD for EMD and Tender Fee for mentioning the Tender no. Due date Item etc. on or within seven working days from the Tender closing date to NCM. Dept. Offer will not be considered if original DD/ BG for Tender fee and EMD not received within 07 days from tender closing date.

-GRSE reserve the right to convert the EMD of the successful bidder to CPBG.

10. Tender Fees: NIL for this tender

Tender fees (non-refundable) of **Rs. 500.00 (Rupees Five Hundred only)** payable by Crossed Banker's Cheque or Bank Drafts or pay order drawn in favour of “Garden Reach Shipbuilders & Engineers Ltd” to be submitted by the bidder. Scanned copy to be uploaded along with the part-I i.e techno-commercial bid and original to be submitted within 07 days from the date of opening of techno-commercial bid. If original Tender Fee DD not received within 07 days from tender opening due to any reason, bidder will be liable for that and offer is liable for rejection. MSE vendors and SSI Units registered with NSIC are exempted from the tender fee subject to they have submitted the relevant certificate along with the techno-commercial bid valid as on tender opening date. (valid Relevant document, Entrepreneurs Memorandum (EM Part-II)/ NSIC Certificate/ Udyog Aadhar Memorandum (UAM) for manufacture/ supply of concern equipment/item must be submitted along with the offer for such purpose to claim the benefit). Offer will be liable for rejection for non-receipt / submission of relevant document against claim of non-submission of Tender fee.

11. List of Enclosure/Annexures:

Sl.	Documents / Format	Annex. No
1.	Instructions To Bidders	I
2.	SOTR No. - As per Indent specification & binding drawing	II
3.	Special Terms and Conditions	III
4.	Compliance Matrix for SOTR	IV
5.	Technical Bid	V
6.	Commercial Bid	VI
7.	Blank Price Bid	VII

8.	PBG Format	VIII
9.	GRSE STACS-PE-INDG (August - 2006)	IX
10.	SDBG Format	X
11.	Declaration for Banned / Delisting / Tender Holiday/ Risk Purchase by any PSU	XI
12.	GRSE STACS-PE-INDG (August - 2006)- ACCEPTANCE MATRIX	XII
13.	INTEGRITY PACT	XIII
14.	GRSE Indigenization Policy	XIV
15.	Registration Requirement (DPIIT)	XV
16.	EMDBG Format	XVI

D Mukherjee
Manager (NCM)
Mukherjee.Dibyendu@grse.co.in



ANNEXURE: I

INSTRUCTIONS TO BIDDERS

BEING A SINGLE TENDER ON THE NOMINATED VENDOR, OFFER OF ANY FIRM, OTHER THAN THE NOMINATED VENDOR, WILL NOT BE CONSIDERED

FOR ITEMS OF HVAC SYSTEM FOR YARD 3024/P17A

1. Two Parts Bid Clause:

The Offers must be submitted in two parts:

- (a) **Part I (Techno Commercial Bid)**: The bidder shall ensure following to include in the **Part-I** bid:
- (i) Company Profile and Shop & Establishment registration certificate or registration certificate from local bodies for conducting business.
 - (ii) List of equipment held by them with model / year / working status along with details of their manufacturing facilities and personnel with designation, qualification and experience to determine their capabilities. SSI/NSIC units can alternatively submit valid certificate indicating their capacity.
 - (iii) Audited / Certified Balance sheet, Profit / Loss account for past three (03) years.
 - (iv) Value of supplies during last three (3) years. (Order copies & work completion certificates to be attached).
 - (v) Details of company registration with GRSE/MDL/DQA (N)/ DQA (WP), Past Experience etc.
 - (vi) Drawing, Compliance Matrix/ Deviation format duly signed by the authorized signatory.
 - (vii) Weight control Data sheet if applicable.
 - (viii) Acceptance on clauses of Tender Enquiry, Special Terms and Condition and STACS in the prescribed formats duly 'Accepted OR Not Accepted' as applicable and deviations, if any, for each of the clause.
 - (ix) Break up of prices for various components of supply/services shall be indicated in terms of percentage (%) in Part-I bid of the cost of items, if applicable.
 - (x) Undertaking for product support if applicable.
 - (xi) Bank details for payment by RTGS/NEFT in the format enclosed.
 - (xii) Bidders / Suppliers should enclose the additional documents as applicable to this tender.
 - (xiii) Techno-Commercial bid indicating quoted/not quoted against each line item and Deviation, if any.
 - (xiv) Bidder contact details with office address, contact person name, e mail, phone no. of 3 persons including head of organization.
 - (xv) **Firm to submit the signed and stamped copy of the SOTR along with the bid and to be filled up properly.**
 - (xvi) **Prices are not to be mentioned/ indicated in Part-I bid. Indication of price/Deviation will liable for rejection of bid.**
 - (xvii) Firm to submit the declaration enclosed at Annexure XI along with the bid.
 - (xviii) It is mandatory to mention Firm's name, contact No., name of contact person, e-mail

id, firm's address and offer reference in technical bid, SOTR compliance Matrix, Commercial bid, Special terms & condition matrix etc.

(b) **Part-II (Price Bid):** Prices for each of the listed items have to be uploaded strictly in the prescribed format provided in the e-procurement portal. Bids received other than this given format will be rejected.

2. EMD & Tender Fee: Earnest Money Deposit and Tender Fee are as per clause no.9 and 10 of NIT.

3. Validity of offer:

Offer must be valid for **180 days** from the date of tender opening.

4. Bid Rejection Criteria:

(a) **Bids will be categorically rejected under following criteria:**

- (i) Bid received other than through e-portal/GeM portal.
- (ii) Bidder not agreeing to accept Integrity Pact(IP) or submitting integrity pact with deviation to GRSE format, wherever Integrity Pact is to be submitted.
- (iii) Bidder is not complying with Drawing and SOTR requirement.
- (iv) Bidder not agreeing to provide assistance wherever required for installation, commissioning, STW, HATs, SATs of equipment supplied by them and any other assistance required till successful delivery of Ships.
- (v) EMD & Tender fee not received for Open tender/Global tender if applicable unless specific exemption is sought for the approval of Competent Authority.
- (vi) If the firm is under tender Holiday by any Defense PSU/ other PSU/GOI. Bid will be rejected on receipt of such information during processing or before finalization of tender.
- (vii) If the firm is issued with "Risk Purchase Notice" by GRSE for any project within last 2 years or before opening of this tender for failure in delivery of similar items (as per opinion of GRSE).
- (viii) Bid submitted other than INR.

(b) **Bids are Liable for Rejection under following criteria:**

- (i) Failure to submit sufficient or complete details for evaluation of the bids within the given period which may range in between two to three weeks depending on the deficiencies noticed in the drawings / technical data which shall not however conflict with validity period. However, over all time allowed in respect of normal procurement shall not exceed 3 weeks.
- (ii) Incomplete / misleading / ambiguous bids in the considered opinion of TNC/CNC.
- (iii) Bidder not complying with the Pre-Qualification criteria stipulated in Tender/TSP.
- (iv) Bidder not agreeing to supply spares (On Board spares, B&D spares) if applicable / post sale product support / post work completion support if required.
- (v) Bid with technical requirements and or terms not acceptable to GRSE/Customers/External agency nominated as applicable.
- (vi) Unreasonably longer delivery period quoted by the bidder.
- (vii) Validity period indicated by bidders is shorter than that specified in the tender enquiry.
- (viii) Bidders not agreeing to furnish required Security Deposit till validity of contract/PO or Indemnity Bond in case of PSU or variation in quantum of Security Deposit as mentioned in the tender.
- (ix) Bidder not agreeing to furnish required Performance Bank Guarantee for Equipment to be supplied/Services rendered or not agreeing for retention of equivalent amount by GRSE up to the period till completion of contractual & Warranty obligations or variation in quantum of PBG.

- (x) Bidder not agreeing for Warranty period as specified in the tender.
- (xi) Bid received without 'Certificate of conformity' duly filled in & signed, if applicable.
- (xii) If the bidder had been declared as insolvent/bankrupt/prohibited in the recent past and or is under scanner of any statutory bodies, they must confirm their present status in that respect with adequate supporting documents. Non submission of adequate document or if submitted document is not acceptable, the bidder shall be liable for rejection.
- (xiii) Bid received without pre-qualification documents where required as per the tender. Bids not meeting the pre-qualification parameters stipulated in the tender enquiry.
- (xiv) Delivery by High seas sales / Sales in transit.
- (xv) In case bidder has uploaded scanned image of Integrity Pact (IP) but original copies of IP are not submitted to GRSE within 07 working days from tender closing date.
- (xvi) Bidder does not agree to provide warranty extension.
- (xvii) Bidder does not quote for all line items where it is mandatory to quote as such.
- (xviii) Bidder not complying the GRSE's indigenization policy.
- (xix) The Bid received without scanned image of IP along with the Part-I offer. However, in case the bidder has prepared IP but could not upload in the e-portal and submits original IP within seven GRSE working days from tender closing date, then such bids shall be accepted.
- (xx) Any deviation is sought which are not acceptable to GRSE
- (xxi) Indicating price in any document other than price bid.
- (xxii) Bidder requests for modification of bid post tender closing and the same is not acceptable to GRSE.
- (xxiii) Bidders not responding to GRSE queries, not attending TNC/CNC/PNC meeting within stipulated time.
- (xxiv) Bidder has submitted more than one offer.
- (xxv) Quote received with price variation clause.
- (xxvi) Sharing of common IP address by bidders may lead to bid disqualification.
- (xxvii) **BEING A SINGLE TENDER ON THE NOMINATED VENDOR, OFFER OF ANY FIRM, OTHER THAN THE NOMINATED VENDOR, WILL BE SUMMARILY REJECTED.**

5. Bids Evaluation Methodology & Criterion:

~~L1 bidder shall be determined based on FOR GRSE KOLKATA ON TOTALITY BASIS along with other components of the tender (as applicable). Ranking of bids for L1 determination shall be done considering, the total "Cost to Company" basis. Applicable Loading factors for deviation in tender terms as per GRSE policy.~~

~~Details furnished below for better clarity & reference purpose:~~

- ~~a) The total tendered items & service cost (including packing, forwarding freight & insurance, custom duties etc.) shall be the basis for purpose of comparison of bids.~~
- ~~b) GST on materials & services will be excluded for ranking of bids.~~
- ~~c) Situation may arise that GRSE required to share the % of order as per MSME policy, in this case since the items are non-divisible, GRSE reserves the right to place the full value of order on the MSME firm meeting the requirement as per MSME policy.~~
- ~~d) Online ranking will be visible to the bidders after opening of price bid without loading parameters. However, the L-1, bidder may have to be evaluated offline by applying loading parameters in exceptional situation if necessary as per GRSE requirement.~~

6. Loading for Deviations in Tender Terms and Conditions.

As a matter of policy deviation to tender's Terms & Conditions shall not be allowed. However, in extreme emergent cases, certain deviations to Terms and Conditions may be

allowed with loading on price as per GRSE policy. The total loading on price due to deviations shall be intimated to the bidder.

7. Instruction for New / Unregistered Vendors:-

New / Unregistered vendors to positively submit the following qualification criteria in Part –I bid, failing which their offer will not be consider further for tender evaluation.

- (a) Submission of the constitution and status of the firm.
- (b) Registration with GOI/PWD/PSU/and reputed organization, if any.
- (c) Experience of supply / manufacture during last 2/3 years of tendered item. (P.O. copy & performance certificate of reputed customers to be enclosed).
- (d) Submission of GST registration certificate, PAN /TIN together with copies of trade license.
- (e) Copy of Audited Balance Sheet and Audited Profit & Loss Account for last three years and Solvency Certificate from Banker.
- (f) Name, address, telephone & Fax No. of the bankers and the contact person of the firm.
- (g) Hierarchy of the firm (at least 3 person name to be mentioned in Commercial bid).
- (h) Scanned copies of the above documents are to be attached along with the techno-commercial bid. The original are to reach to the tendering authority / undersigned within the due date and time and failing which offer is liable to be rejected.

8. Instruction for All Vendors:

- (a) Your offer should be submitted within the scheduled date and time as mentioned in this tender.
- (b) Techno-Commercial Bid will be opened on the scheduled date and time through e portal.
- (c) Price Bid will be opened on later date, after scrutinizing the Techno-Commercial bid. Price bid of those firms will only be opened, whose offer will be found suitable after technical & commercial evaluation.
- (d) As a general rule price negotiation with L1 vendor(s) will not be entered into as far as possible, unless warranted by unreasonable price quoted in the opinion of GRSE.
- (e) To avoid any complication regarding late receipt or non receipt of offer, it is to be clearly noted that responsibility is lying with the tendered to ensure that the offer is submitted within the due date and time.
- (f) This tender is being issued without any financial commitment and GRSE reserves the right to change or vary the quantity of item, at any stage during execution the order. GRSE also reserves the right to withdraw this tender, if so necessary at any stage.
- (g) Supplier to submit the tender fees and EMD prior to tender closing due date (if not exempted).
- (h) Suppliers/vendors to submit bills for payment complete in all respects along with all relevant documents as required as per terms of order, to the bill receiving counter located at the gate of each unit of GRSE. For submission, of each Bill is to be packed in sealed envelope superscribing the following details on the envelop:
 - i. Purchase Order No.
 - ii. Vendor Code (As per PO)
 - iii. Bill No/ Invoice No.
 - iv. Name of the person/ employee to whom bill is addressed for processing
 - v. A transition fee of Rs. 500/- will be charged in case of first return of bill(s) due to inappropriate/incomplete/faulty submission of documents. A transition fee of Rs. 1000/- will be charged in case of each subsequent return of the bill(s) for the same.

9. Revised Bid:

During technical and/or commercial negotiation, in case the participating vendor indicate the need of submission of revised price bid but the same is not acceptable by the competent authority in due course, GRSE reserves the right to consider such bid to be disqualified on the ground under intimation to the relevant vendor before price bid opening.

10. Miscellaneous Instruction to bidder:

- (i) Tender document to be downloaded from GRSE E–procurement site - <http://eprocuregrse.co.in> or www.grse.in . Offer in filled e-format is to be uploaded using **Digital Signature Certificate (DSC Class-III)**. Tender opening can be witnessed in team viewer in web-portal.
- (ii) If there are any clarifications, this may be obtained online through the tender site, or through the E-Procurement cell. Contact details are given below:
E mail: mtl.eproc@grse.co.in Ph No. 033-24893902
- (iii) Bidder should take into account the corrigendum published before submitting the bid online.
- (iv) It is construed that the bidder has read all the terms and conditions before submitting their offer. Bidder should go through the tender schedules carefully and upload the documents as asked; otherwise, the bid will be rejected.
- (v) Bidder shall submit the compliance matrix, STACs & GT&C Accepted/Deviation Format properly. If any field under Accepted/Deviation columns is left blank, then it shall be considered as accepted by the bidder.
- (vi) If there are any clarifications, this may be obtained through the site, or during mail. Bidder should take into account the corrigendum published in GRSE web site from time to time before submitting the online bids.
- (vii) Bidder is requested to resolve all the tender related queries during pre bid meeting or prior to tender closing date. GRSE reserves the right to accept, clarify or reject the quarries raised by the bidder.

11. Acceptance Format:

All Acceptance formats are to be downloaded from the e-tender portal and after due completion the same is to be uploaded along with the e-quotation by the vendor. This is to facilitate the buyer to know at a glance the acceptance or deviation by the vendor regarding the commercial terms & conditions of the e-tender. The following is to be complied:-

- (a) The supplier should clearly indicate the clauses in the specification not being complied with (if any). In the absence of a clear acceptance statement, it will be assumed that the material supplied will meet the requirements in full.
- (b) No conditional offer and hard copy of offer will be accepted.

12. Purchase Preference for Make in India/Indigenisation. GRSE's Indigenisation policy is placed at **Annexure XIV** for information and necessary action.

13. Polices for MSME: This policy for MSEs shall apply to all the MSEs registered with District Industries Centre or Khadi & Village Industries Commission or Khadi & Village Industries Board or Coir Board or National Small Industries Corporation or Dte. of Handicraft & Handloom or any other bodies specified by Ministry of Micro, Small & Medium Enterprises.

Relevant document, Entrepreneurs Memorandum (EM Part-II) / NSIC / Udyog Aadhaar Memorandum (UAM) / Udyam Registration Certificate, for manufacture/supply of concerned goods/services, must be submitted along with the offer for such purpose to claim the benefit. The percentage of procurement of goods and services from MSEs will be at least 25% of the total annual procurement.

A minimum of 3% reservation will be provided for MSEs owned by women entrepreneurs out of the above 25% reservation. Necessary documents to be submitted along with the techno-commercial bid as evidence failing which benefit shall not be accorded.

Following facilities/benefits will be given to MSEs :-

- (a) Issue of Tender sets free of cost.
- (b) Exemption for payment of Earnest Money Deposit.

(a) MSEs registered with MSME authority as above, quoting prices within 15% of lowest eligible price bid of other non-MSE bidder(s) shall be eligible for purchase preference for at least 25% of the tender quantity (subject to tender quantity being adequate and divisible for this purpose) provided the MSE matches the L1 landed cost at GRSE.

To avail this purchase preference, submission of EM Part-II / NSIC / UAM / Udyam Registration certificate is mandatory failing which the benefit will not be accorded.

(b) If it happens that two or more MSEs are within L1 + 15% range, all such MSEs will be given an opportunity to accept the L1 price and to share 25% of the order value equally.

(a) In case the MSE is owned by SC/ST owners, then the enterprise will get a share of 4% of the above 25% exclusively in addition to sharing of equal portion of balance 16% with other non-SC/ST MSEs.

(b) If more than one MSE owned by SC/ST owners are there in case of a tender, such MSEs will share 16% of the total ordered value equally with other non-SC/ST owned MSEs in addition to equally sharing 4% exclusively reserved for SC/ST owned enterprises.

Non-Divisibility of Tenders :- In case of non-divisible / non-splittable item in tenders, an MSE quoting in the price band of L1+15% may be awarded for full/complete supply of tendered value, considering the spirit of policy for enhancing the government procurement from MSEs subject to bringing down of price to L-1 by the MSE concerned.

To qualify for entitlement as SC/ST owned MSE, the SC/ST certificate issued by the District Authority must be submitted along with the offer or the same should be indicated in the relevant document (Entrepreneurs Memorandum (EM Part-II) / NSIC / Udyog Aadhaar Memorandum (UAM) / Udyam Registration Certificate).

It is to be noted by all concerned that in case the participating MSE is a partnership company having one of the partner belonging to SC/ST as above, benefits related to SC/ST owned MSE shall be accorded only if the majority partner [i.e. holding 51% shares or above] is an SC/ST.

Conflict with Public Procurement Policy-2012 for MSME and PPP-MII Order, 2017:- In case of conflict, the policy of Ministry of MSME shall prevail over PPP-MII Order.

Nodal officers in the organization for implementation of this policy will be Sri Sujoy Chakravorty, Addl. General Manager (Materials), Sri Harihar Das, Dy. General Manager (VD & IEP), Smt Tumpa Gargary Dana, Manager (Purchase) and Sri Partha Sarathi Bose, Sr. Manager (Materials).

Sri Sujoy Chakravorty, General Manager (Materials), is also the Chief Information Officer (MSME Act) to look after procurement from MSEs; mobile – 98310 09836, email id – Chakravorty.Sujoy@grse.co.in.

Sri Harihar Das, Dy. General Manager (VD & IEP), is also the nodal officer to look after procurement exclusively from SC/ST owned MSEs; mobile – 91633 31757, email id – Das.Harihar@grse.co.in.

Smt Tumpa Gargary Dana, Sr. Manager (Purchase), is the nodal officer to look after procurement from women owned MSEs; mobile – 84200 08832, email id – Gargary.Tumpa@grse.co.in.

Nodal authority in GRSE for redressing any grievances related to the implementation of this policy will be Sr. Manager (Law) / Public Grievance Officer, Sri Sandip Biswas, mobile – 91633 31749, email id – Biswas.Sandip@grse.co.in.

The 358 items, reserved for purchase exclusively from Micro & Small Enterprises, will be procured only from MSE manufacturing enterprises for which they are registered.

All Micro & Small Enterprises are required to declare their Udyog Aadhar Memorandum (UAM) number on the Central Public Procurement Portal (CPPP). Documentary evidence of the said declaration is to be submitted along with the techno-commercial bid failing which benefits being accorded to Micro & Small Enterprises will not be extended.

GRSE, being a public sector enterprise, endeavours to support the Micro and Small Enterprises for facilitating their promotion and development and enhancing their competitiveness.

Bidders may therefore procure all such parts / components, as contained in the list available on GRSE website, required in manufacturing of the ordered equipment / products, from MSEs and a certificate to that effect (with details of the vendors, value of procurement and quantity) may be furnished with the bills.

This will be valid till further order(s) notified by GRSE. All concerned are to note that all future notifications in this regard shall be published in the GRSE website only and all interested vendors may visit the GRSE website accordingly.

Policy details are available in the Ministry of MSME website <http://dcmsme.gov.in> as well as MSME Champions website

<https://champions.gov.in/Government-India/Ministry-MSME-Portal-handholding/msme-problem-complaint-welcome.htm>,

https://champions.gov.in/Ministry-of-MSME/skills,loan,credit_guarantee,PM-atmnirbhar-Economic-Package,eligibility_criteria,guidelines_Schemes/query_questions_FAQs.htm

14. Recording of Deviations/Conditions:

GRSE will consider the response to NIT Terms only. If any deviation/ additional points given by the bidder or deviation of any terms and conditions, information or clarification is furnished by the bidder has to be discussed and recorded as per mutually agreed terms in relevant PNC/CNC/TNC MoM for GRSE to consider the same at a later stage.

15. Warranty Extension Charge:

~~If require GRSE will request to extend the warranty period. Warranty Extension charge is to be mentioned in lumpsum basis against BOQ line item only for **two years**.~~

~~It may please be noted that the **placement of PO for the warranty extension is optional and at the discretion of GRSE** (although warranty extension charges are part of L1 determination as per para 5 above).~~

16. For any query/clarification/discrepancy - Bidders to contact GRSE commercial dept. mandatorily before submission of their offer.

For GARDEN REACH SHIPBUILDERS & ENGINEERS LTD.

D. Mukherjee
Manager (NCM)
Email: Mukherjee.Dibyendu@grse.co.in



गार्डेन रीच शिपबिल्डर्स एंड इंजीनियर्स लिमिटेड Garden Reach Shipbuilders & Engineers Ltd.

(भारत सरकार का उपक्रम, रक्षा मंत्रालय)
(A Government of India Undertaking, Ministry of Defence)
CIN NO.: L35111WB1934GOI007891

ANNEXURE: II

SOTR/Specification No. – As per Indent specification & binding drawing {ITEMS OF HVAC SYSTEM SAME AS SUPPLIED AS PER PO NO.4200000747 & 4700021543}

For any further query, E-mail: **Mr. Surajit Bhandari, SM (D), E-mail: Bhandari.Surajit@grse.co.in/ Mr. B. Bala, DGM PMT(P17A), E-mail: Bala.BinayKumar@grse.co.in** may be contacted.



ANNEXURE: III

SPECIAL TERMS AND CONDITIONS

FOR ITEMS OF HVAC SYSTEM FOR YARD 3024/P17A

1. Scope of supply:

As per Indent specification & binding drawing ITEMS OF HVAC SYSTEM SAME AS SUPPLIED AS PER PO NO.420000747 & 4700021543. Any deviation of specification will not be accepted during the contract period, unless otherwise accepted by GRSE.

2. Terms of price:

Price is to be quoted **for delivery of item FOR GRSE KOLKATA basis.**

No price escalation will be allowed at any stage during contract period. Quoted price is to include all required specifications. Currency will be **INR Only.**

~~Bidders to submit details along with breakup of items for OBS and Tools of this tender (as applicable as per specification) in techno-commercial bid (price not to be quoted) and submit price break up in respective price template sheet of price bid. Bidders to note that items & quantities (OBS, Tools and documentation of this tender (if/as applicable)) will be finalized during TNC as per specification and evaluation will be made as per finalized items & quantities in TNC only.~~

3. Terms of Delivery:

A. Supply:

- Delivery date mentioned in tender shall be considered for all purposes.
- Material is to be delivered **FOR GRSE BASIS** as per para 2 above on free Door Delivery basis.
- Packing, Forwarding, Freight and Insurance charge is to be borne by the supplier.
- Prior confirmation for delivery store location/Detail address to be obtained from ordering department.

B. Service:

Work to be undertaken within 10 days from intimation based on requirement projected by GRSE berth/Yard at any location within India.

4. Delivery Schedule:

SL. NO.	ITEM	YARD	DELIVERY SCHEDULE
1	ITEMS OF HVAC SYSTEM	3024	Within 01 month from PO

NOTE:

- Delivery time line is to be complied by the firm.
- Before supply of materials, firm to approach GRSE with consignment details (like weight, volume, No. of packing etc.) 03 days prior to delivery plan, based on the consignment volume GRSE will intimate the store number for delivery of the items.

5. Dispatch:

Before dispatch, each item should be identified with GRSE Code No properly. Packing list will also indicate GRSE Code No. against each item. Material should be packed properly to prevent any damage, rusting, ingress of water, dust etc.

Materials to be supplied along with the following 05 copies of documents: -

- (i) GST invoices
- (ii) Delivery challan
- (iii) Packing list
- (iv) Pre-despatch Inspection certificate if any
- (v) Copy of Warranty certificate

6. Payment Terms:

A. For Supply:

(a) 90% of order value will be paid through ECS/NEFT within 30 days against online submission of GST e-invoice through OBPS portal with Gate in entry report and acceptance of material i.e. ICGRN as appeared in OBPS portal.

~~(b) In case SDBG is not submitted by the supplier, payment will be processed after deduction of equivalent amount and applicable interest @ SLR plus 2% p.a. for the delayed period of submission.~~

(c) Balance 10% payment will be made through ECS/NEFT against online submission of claim invoice /claim letter through OBPS portal supported with receipt inspection certificate (ICGRN) as appeared in OBPS portal and Performance Bank Guarantee (PBG) as applicable in GRSE format having validity till expiry of the guarantee period else balance 10% will be release after expiry of guarantee period.

Note: Soft copy of all the relevant documents like, Test Reports/Certificates, Guarantee Certificate, packing list which may require for Receipt and Acceptance of material at GRSE Store to be forwarded to concern dealing officer of NCM dept. prior to despatch of material. Non-submission of above documents (hard and soft copy) will liable for delay in process of payment.

B. For Service (if applicable as per SOR):

100% through ECS/NEFT within 30 days against online submission of GST e-invoice through OBPS portal with work done /completion certificate or training completion certificate duly certified by GRSE/WOT/SS (whichever is applicable) for the respective services and subject to compliance of labour laws and statutory dues where ever applicable.

Note:

- (i) All Vendors having turnover above Rs.5 Crore have to mandatorily submit E-Invoice.
- (ii) All Vendors having turnover below Rs. 5 Crore are also to submit E- Invoice/digitally signed invoice. (Vendors having turnover under Rs.5 Crore have option to created E-Invoice).
- (iii) Invoice in hard copy is not desirable.
- (iv) Gate in entry date will be treated as gate stamped date.
- (v) Work Done/Completion certifying authority must be at least at the level of Dy. Manager

7. Payment Mode:

All the payments to indigenous bidders due shall be made through Real Time Gross Settlement (RTGS) / National Electronic Fund Transfer (NEFT).

8. Part Supply / Part Payment: Part supply is allowed for identifiable line item in order to achieve continuity of the work progress at site. If any deliveries are made in parts/lots, then all the invoices received in that month for the supplies would be clubbed and processed.

9. Goods and Services Tax (GST):

- a) GST as per GST Laws shall be payable extra as quoted.
- b) In case of purchases of goods/ services from unregistered dealers under GST Laws, GST will be paid by GRSE under reverse charge mechanism.
- c) Benefits from reduction in rate of tax / ITC is required to be passed on to consumer. Where “applicable GST” has been quoted as extra, Goods and service provides (except un-registered dealers under GST Law) have to submit declaration that they have complied with “Anti- profiteering clause’ under GST Law. Such declaration be given in technical bid. The calculation of the benefit in the reduction of price should be provided by the vendor.
- d) If the vendor is registered under GST, vendor shall mention the HSN code for goods & / or services in their tax invoice, etc. These codes must be in accordance with GST Laws and responsibility of specifying correct HSN codes for goods and / or services is that of the vendor, GRSE shall not be responsible for any error in HSN code for goods and / or services specified by supplier/ contractor. Supplier / Contractor shall pay penalty and / or interest imposed on GRSE or any loss due to delay in availing ITC by GRSE or any loss of ITC to GRSE due to errors by vendors at any stage. GRSE reserves right to recover any such interest, penalty or loss from any amount due to Supplier / Contractor or otherwise.
- e) If the vendor is registered under GST, the GST registration number (15 digit GSTIN) issued by GOI shall be mandatorily provided by the vendor. Vendor having multiple business verticals within state / at multiple states with separate GST registration numbers shall forward GSTIN of only that vertical which is involved in supply of goods and / or services. Vendor shall mention the same while invoicing and avoid any data entry error on GST portal.
- f) If the vendor is registered under GST, vendor shall ensure timely submission of invoice as per the provisions / requirement / timeline promulgated by GOI in relation to GST Law with all required supporting documents to enable GRSE to avail input tax credit promptly. The vendor’s invoice inter alia should contain GSTIN of vendor, GSTIN of GRSE, GST tax rate separately, HSN code wise goods or services, place of supply, signature of vendor etc. Original invoice needs to be submitted to Bill Receipt Centre at GRSE and a copy of the invoice should be given to the goods receiving section (GRSE).
- g) If the vendor is registered under GST, vendor shall file all applicable returns under GST Laws in the stipulated time & any losses of tax credit to GRSE arising due to delay in filing will be recovered from their invoice wherever GRSE is eligible to avail tax credit. Any default towards payment of tax and / or uploading of monthly returns by supplier / contractor, GRSE retains right to withhold payments towards tax portion until the same is corrected and complied by the supplier / contractor with the requirement of GST along with satisfactory evidence.
- h) The rate sheet enclosed with the tender will indicate the rates to be entered under each head wherever applicable. Bidders must clearly mention the applicable Taxes & Duties.
- i) The Supplier/Seller must submit original tax invoice or debit note to GRSE(buyer) prior to the expiry of one year from the date of issue of tax invoice relating to such supply in order to avail Input Tax Credit by GRSE(Section 18(2) of CGST Act). Notwithstanding, the Supplier/Seller must submit original tax invoice or debit note for supply of goods or services or both, before the filing of the Return under Sec 39 of CGST Act for the month of September following the financial year to which such invoice/ debit note pertains. - Section 16(4) of CGST Act. In case of default by supplier, GRSE reserves the right not to reimburse GST amount of Invoice to supplier.
- j) Break up of GST shall be indicated by the Seller while raising invoice / bill. While submitting the bill / invoice Seller shall undertake that the Goods and Services Tax (GST) charged on invoice/bill is not more than what is payable under the provision on the relevant Act or the Rules made there under and that the Goods on which GST are charged have not been exempted under the GST Act or the Rules made there

under and the charges on account of GST on these goods are correct under the provision of that Act or the rules made there under.

- k) As per Sec 51 (1) of the CGST Act deduction of tax at source @ 2% (CGST 1% + SGST 1% or IGST @2%) on the payment made or credited to the supplier where total value of supply (supply of goods or service) under a contract exceed Rs. 2,50,000.00 excluding GST.

10. Security Deposit Bank Guarantee (SDBG):

- ~~(a) Security Deposit (interest free) @ 5% of order value (without applicable tax in India) in the form of Crossed Demand Draft/ Banker's Cheque/NEFT or Bank Guarantee in approved GRSE format from scheduled Banks other than Co-operative Banks shall be submitted by the successful bidder within 25 days from the date of transmission of PO payable in Indian Rupees. SD will be returned to successful bidder without interest within 4 weeks after satisfactory completion of delivery & acceptance of goods and services in all respects. Hence, SD should be kept valid till such time.~~
- ~~(b) SDBG shall be submitted in GRSE Format.~~
- ~~(c) SD can be remitted directly to GRSE Bank Account. You shall specifically mention the details of company name as well as nature of remittance, tender number/order number etc in the text/narration fields of Bank's NEFT remittance in order to identify the same.~~
- ~~(d) Security Deposit can also be in the form of Bank Guarantee in favor of GRSE and shall be submitted within 25 days from the date of transmission of this order.~~
- ~~(e) The Bank Guarantee shall be from Nationalised / Scheduled Banks or Banks of International repute excluding Co-operative banks.~~
- ~~(f) In case of failure to submit the Security Deposit for the supply portion within 25 days of transmission of the order, GRSE reserves the right to cancel the order invoking the risk purchase clause.~~
- ~~(g) In case delivery / completion are likely to be delayed, the validity of the SDBG shall be extended suitably till the completion of delivery on instruction from GRSE.~~
- ~~(h) In the event of failure to submit the Security Deposit within 25 days of transmission of the order, but commenced the work, interest will be levied for the delayed period of submission @ Base Rate/MCLR declared by RBI (Median value applicable for public sector Banks) plus 2% thereon on the amount(s) at variation and/or for the period (in no. of days) at variation. Also the same shall be applicable for delayed period of extension of validity.~~
- ~~(i) SD will be returned without interest on completion of delivery and acceptance of items & services in all respect at GRSE on written request from the supplier.~~
- ~~(j) In the event of failure to execute the order satisfactorily, the Security Deposit will be encashed by GRSE.~~
- ~~(k) In case of non-extension / non-renewal as requested, GRSE shall encash the BGs before expiry of its validity period.~~
- ~~(l) GRSE's Bank Details:~~

~~_____ BANK NAME: _____ STATE BANK OF INDIA
_____ BRANCH NAME: _____ COMMERCIAL BRANCH
ADDRESS: _____ 24, PARK STREET, KOLKATA-700016
ACCOUNT TYPE: _____ CASH CREDIT ACCOUNT
ACCOUNT NO: _____ 10945133828
MICR CODE: _____ 700002120
IFSC CODE: _____ SBIN0007502~~

~~**Note 1:** Bank Guarantee should be executed on the non-judicial stamp paper of Rs.100/- which should be obtained in the name of the executing Banker. Bank guarantee must explicitly mention GRSE SAP PO no. else B.G. will not be accepted. In case a single stamp paper of Rs.100/- is not available, stamp paper of multiple denomination is acceptable provided serial no. of such stamp paper are consecutive and are purchased on the same date. Bank Guarantee should be executed strictly as per GRSE's format. Any alteration in the writing is required to be authenticated by the signatory executing the Bank Guarantee under official seal. Hard copy/Original B.G. must be submitted by supplier's bank in banker's sealed envelope directly to dealing officer of Commercial dept/ordering dept. BG in PDF is to be uploaded by vendor in OBPS portal.~~

Note 2: No bidder is exempted from submission of SDBG

11. Performance Bank Guarantee (PBG):

- (a) PBG (In GRSE format) for 5% of each part order value excluding taxes, duties shall be submitted along with the claim for balance payment of 10%.
- (b) PBG shall be kept valid till completion of respective warranty period plus one month. In case supply of items is delayed, PBG to be extended accordingly. GRSE also reserve the right to encash the PBGs for non-compliance of contractual obligation.
- (c) GRSE shall release balance 10% payment against submission of PBG or after expiry of respective warranty period with no pending warranty obligation certificate issued by concern berth officer of GRSE.
- (d) The Performance Bank Guarantee in favor of Garden Reach Shipbuilders & Engineers Limited shall be from Nationalised / Scheduled Banks or Banks of International repute **excluding Co-operative banks.**
- (e) PBG shall be submitted after completion of Delivery of Equipment.

Note: Bank Guarantee should be executed on the non-judicial stamp paper of Rs.100/- which should be obtained in the name of the executing Banker. Bank guarantee must explicitly mention GRSE SAP PO no. else B.G. will not be accepted. In case a single stamp paper of Rs.100/- is not available, stamp paper of multiple denomination is acceptable provided serial no. of such stamp paper are consecutive and are purchased on the same date. Bank Guarantee should be executed strictly as per GRSE's format. Any alteration in the writing is required to be authenticated by the signatory executing the Bank Guarantee under official seal. Hard copy/Original B.G. must be submitted by supplier's bank in banker's sealed envelope directly to dealing officer of Commercial dept/ordering dept. BG in PDF is to be uploaded by vendor in OBPS portal.

12. Liquidated Damage (L.D):

- i. In the event of delay in supply beyond the contractual delivery period, Liquidated Damages will be imposed @ **½% per week or part thereof, subject to a maximum of 10% of the undelivered portion** of the order of the delayed part. The liquidated damage would be deducted from the invoice of supplier / vendor at the time of release of the payment.
- ii. Additional LD @ 0.25% per week delay or part there of subject to maximum of 1% of total order value will also be recovered in case of delay in submission of Binding data, Drawings & QAP (as applicable as per MOM of TNC) to the concern authority for approval.

13. Warranty:

The materials are to be guaranteed /warranted for satisfactory performance for the period of **12 Months** from the date of delivery & acceptance of consignment of equipments /materials/items against improper design, defective materials and faulty workmanship. During guarantee/ warranty period any equipment or component thereof supplied by the vendor, suffers due to defective material and or due to improper design and or due to defective drawing or due to faulty workmanship the

vendor will assume full responsibility of rectification of such defective equipment or component thereof including direct expenses related to removal and re-positioning of the replacement/repaired equipment or component thereof and subsequent test & trial, incurred thereon without any financial implication to GRSE. Issues/Defects related to Guarantee/Warranty shall have to be liquidated at the location of vessel and/or as desired by the Purchaser / Owner, at no extra cost.

~~a) **Extension of warranty:** Supplier shall mandatorily indicate their offer (Part II/Price bid) for warranty period extension charges for a period of **TWO YEAR FROM DATE OF EXPIRY OF ORIGINAL WARRANTY.**~~

14. Inspection Authority:

- a) PRE-DISPATCH INSPECTION: TPIA nominated by GRSE (presently M/s. RINA) against MTC and Visual Inspection.
- b) Receipt Inspection: GRSE RIC.
- ~~c) Rest as per MOM TNC.~~

15. Inspection Charges:

A) For Classification Society (as applicable as per SOR/Original PO) shall be arranged and paid by the supplier and the prices quoted should be inclusive of the same.

Prices quoted are inclusive of inspection charges for Drawing Approval/ QAP approval /Type Test/FAT/In-process Inspection wherever applicable as per SOTR requirement.

In all cases, it is the firm's liability to coordinate with the inspection agency and ensure completion of Inspection well in advance so as to arrange delivery at GRSE within scheduled delivery date of the P.O. However, firm can approach P.O. placing authority of GRSE in case of no response received from Inspection authority.

Note: Supplier to submit offer in line with SOTR requirement and any change of price post submission of bid in this regard will not be accepted

B) For TPIA (nominated by GRSE, presently M/s. RINA), inspection charges will be arranged and paid by the GRSE directly to TPIA. Prices quoted are inclusive of Drawing Approval/ QAP approval /Type Test/FAT/ as applicable as per SOTR requirement.

Note: -

- i) Multiple visits by the TPIA shall be avoided. The inspection lot size, based on the equipment cost, is defined as follows:

Sl. No.	Cost of Equipment / order	No. of visits
1	less than Rs 1 Lakh	3 visits / required as per QAP.
2	1 Lakh to 10 Lakhs	5 Visits / required as per QAP.
3	10 Lakhs to 50 Lakhs	10 Visits / required as per QAP.
4	50 Lakhs to 1 Crore	15 Visits / required as per QAP.
5	1 Crore to 5 Crores	18 Visits / required as per QAP

- ii) In case of any additional inspection (as mentioned above) is required due to lapse of supplier, then the cost of each additional visit will be deducted from the bills of the concerned supplier/s at actual.
- iii) Supplier to submit offer in line with SOTR requirement and any change of price post submission of bid in this regard will not be accepted

16. Variation of item Quantity:

GRSE reserves the right to change the quantity of line item up to +/-100% during TNC/CNC and before finalization of this contract/PO.

17. Acceptance:

The Acceptance matrix/formats are to be downloaded from the e-tender portal and after due completion the same is to be uploaded along with the e-quotation by the bidder/vendor. This is to facilitate the buyer to know at a glance the acceptance or deviation by the vendor regarding the commercial terms & conditions of the e-tender. The following is to be complied:-

- a) The supplier should clearly indicate the clauses in the specification not being complied with (if any). In the absence of a clear non-compliance/non-acceptance statement, it will be assumed that the material supplied will meet the requirements in full.
- b) No conditional offer and hard copy of offer will be accepted.
- c) Tender must contain offers/response for all line items as sought.

18. Bid Modification:

Modification in bids, if any, is to be made by bidders prior to the tender closing date & time.

19. Arbitration:

- i. If at any time, before during or after the contract period, any unsettled claim, question, dispute or difference arises between the parties, upon or in relation to or in connection with or in any way touching or concerning this order, the same shall be settled/adjudicated through Arbitration to be conducted by a Sole Arbitrator, to be appointed by the parties on mutual consent, in accordance with the provisions of the Arbitration and Conciliation Act, 1996.
- ii. In the event the parties fail to mutually appoint a Sole Arbitrator within 30 days from the receipt of a request by one party from the other, then either of the parties may approach the Hon'ble High Court at Calcutta under the provisions of the Arbitration and Conciliation Act, 1996 for appointment of a Sole Arbitrator by the Hon'ble Court.
- iii. Such arbitration shall, in all respects, be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and the rules framed there under or any statutory modification or re-enactment thereof for the time being in force.
- iv. The Award of the Sole Arbitrator shall be final, conclusive and binding upon the parties.
- v. In the event of the death or resignation or incapacity or whatsoever of the said Sole Arbitrator if appointed by the parties mutually the said parties may again appoint a suitable Substitute Arbitrator in place of the erstwhile Sole Arbitrator to continue with the proceedings. In the event of appointment of the Sole Arbitrator by the Hon'ble High Court at Calcutta on death or resignation or incapacity or whatsoever of the said Sole Arbitrator, either of the parties in this behalf, may make an application to the Hon'ble High Court at Calcutta for appointment of a Substitute Arbitrator and the Hon'ble Court may pass such orders as it deems fit and proper.
- vi. Also in the event an Arbitration award is set aside by a competent court the parties may appoint a Sole Arbitrator mutually or on failing to appoint a Sole Arbitrator mutually within the statutory period then either of the parties may file an application before the Hon'ble High Court at Calcutta under the provisions of the Arbitration and Conciliation Act, 1996 for appointment of a Sole Arbitrator by the Hon'ble Court in accordance with the provisions of the Arbitration and Conciliation Act.
- vii. The cost of the arbitration, fees of the arbitrator, remuneration of the stenographer and clerk, stamp paper etc. shall be shared equally by the parties, unless otherwise directed by the Sole Arbitrator. The venue of arbitration shall be at Kolkata and unless otherwise decided by the parties or by the Sole Arbitrator himself, the venue shall be the premises of Garden Reach Shipbuilders & Engineers Ltd. located at 43/46, Garden Reach Road, Kolkata 700 024.
- viii. The language of the proceeding shall be in English."

20. Integrity Pact: ~~The Integrity pact essentially envisages the agreement between prospective vendors / bidders & buyers committing the person/officials of both the parties not to exercise any corrupt influence on any aspects of the contract. Only those vendors/bidders who enter into such an integrity pact with the buyer would be~~

~~competent to participate in the bid. The format of integrity Pact is enclosed with tender documents. Refer **Annexure XIII**. The 'Integrity pact' dully filled as per enclosed format is to be submitted along with the offer. Bidders are to ensure that every page of IP is ink signed and company seal/stamp is affixed on the document.~~

~~**21. Independent External Monitors (IEM).** Either or both of the following Independent External Monitors (IEMs) will have the power to access the entire project document and examine any complaints received by him.~~

Shri Lov Verma, IAS (Retd.), B-12, Second Floor, Green Park Extension, Near Uphar Cinema, New Delhi – 110016 Email: lov_56@yahoo.com	Shri Debashis Bandyopadhyay, Ex-Director (HR), BHEL B1001 Prateek Wisteria, Sector 77, Noida Uttar Pradesh – 201301 Email: debashis9999@gmail.com
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22. Force Majeure:

Force Majeure will be applicable as per GRSE STACS clause no. IN 801 and as vetted by Ministry of Law.

23. Exchange Rate Variation (ERV) Clause: All quoted price should be in INR only and Exchange rate is not applicable for this case.

24. Custom Duty: Custom duty will not be reimbursed. Quoted price should be inclusive of custom duty if any.

25. Foreclosure:

If at any time after acceptance of the order and during execution of Contract, GRSE may decide to abandon/reduce the scope of the supply for any reason whatsoever and hence not require the whole or part of the supply to be carried out, GRSE shall give notice in writing to that effect to the **Supplier** and the **Supplier** shall act accordingly in the matter. The Supplier/contractor shall have no claim to any payment of compensation or otherwise whatsoever, on account of any profit or advantage which he might have derived from the execution of the supply in full, but which he did not derive in consequence of the foreclosure of the whole or part of the Contract/Order. The **Supplier** shall be paid at contract rates full amount for supply executed till the date of issue of foreclosure notice. Provided always that against any payments due to the contractor on this account or otherwise, GRSE shall be entitled to recover or be credited with any outstanding material due from the Supplier for advance paid in respect of any materials and any other sums which at the date of termination were recoverable by GRSE from the contractor under the terms of the contract.

26. Risk Purchase:

For unsatisfactory progress even before contractual delivery date or delay in delivery, GRSE shall have the right to cancel the part order/ whole contract and procure materials & services from alternative source completely at the suppliers risk and cost.

27. Non- Disclosure Agreement of the contract Document:

Except with the written consent of the Buyer/Indian Navy, other party shall not disclose the contract or any provision, specification, plan, design, pattern, sample or information thereof to any third Party.

28. Additional Information:

GRSE shall not be bound by any conditions or provisions in the sellers bid form or acknowledgement of contract, invoices, packing list and any other documents which purport to impose any conditions at variance with the tender/PO terms. Wherever bidders

provide additional information/requirements in their response bid/offer to this NIT, GRSE may consider the same only if these are in line with NIT requirements, discussed by bidder in TNC/CNC and recorded in relevant Minutes of Meeting.

29. Indigenization:

OEM/Suppliers while participating in bid shall clearly indicate the indigenous content in % terms. Bidders shall provide details on list of items being imported, proposed indigenization content, model and plan towards indigenization in their techno-commercial offer. The proposed indigenization plan shall be formulated in such a manner that there is a progressive increase towards indigenization as well as items from first ship set to the last.

30. The tender is NOT DIVISIBLE i.e. NOT SPLITTABLE.

31. Fall clause:

If the item being offered by the Bidder has been supplied/ contracted with any organisation, public/ private in India, the details of the same may be furnished in the technical as well as commercial offers. The Bidders are required to give a written undertaking that they have not supplied/ is not supplying the similar systems or subsystems at a price lower than that offered in the present bid to any other Ministry/ Department of the Government of India and if the similar system has been supplied at a lower price, then the details regarding the cost, time of supply and quantities be included as part of the commercial offer. In case of non-disclosure, if it is found at any stage that the similar system or subsystem was supplied by the Bidder to any other Ministry/ Department of the Government of India at a lower price, then that very price, will be applicable to the present case and with due allowance for elapsed time, the difference in the cost would be refunded to the Buyer, if the contract has already been concluded.

32. STACS:

All other terms and conditions will be applicable are as per GRSE's latest STACS Ref. No. GRSE STACS -PE-INDG (August – 2006)

33. Contact Person Detail:

i	Technical	Bhandari.Surajit@grse.co.in	Bala.BinayKumar@grse.co.in
ii	Commercial	Mukherjee.Dibyendu@grse.co.in	saha.rajen@grse.co.in

NOTE:

BIDDERS ARE TO NOTE THAT ALL COMPLIANCE MATRIX ARE TO BE FILLED UP, SIGNED AND STAMPED PROPERLY AND TO BE SUBMITTED WITH PART I BID FOR ACCEPTANCE OF OFFER. OVER AND ABOVE, SIGNED AND STAMPED COPY OF ALL PAGES OF SOTR and/or DRAWINGS ARE ALSO TO BE SUBMITTED AS CONFIRMATION OF ACCEPTANCE.

For GARDEN REACH SHIPBUILDERS & ENGINEERS LTD.

**D Mukherjee
Manager (NCM-L&W)
Mukherjee.Dibyendu@grse.co.in**



गार्डेन रीच शिपबिल्डर्स एंड इंजीनियर्स लिमिटेड Garden Reach Shipbuilders & Engineers Ltd.

(भारत सरकार का उपक्रम, रक्षा मंत्रालय)
(A Government of India Undertaking, Ministry of Defence)
CIN NO.: L35111WB1934GOI007891

ANNEXURE -VI (COMMERCIAL OFFER)



गार्डेन रीच शिपबिल्डर्स एंड इंजीनियर्स लिमिटेड Garden Reach Shipbuilders & Engineers Ltd.

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ANNEXURE -VI (COMMERCIAL OFFER) FOR ITEMS OF HVAC SYSTEM FOR YARD 3024/P17A

	CLAUSE REF.	NAME & ADDRESS OF THE BIDDER WITH REFERENCE NO./DATE*	
INSTRUCTION TO BIDDER			
1	3	VALIDITY OF OFFER: 180 DAYS FROM TENDER OPENING	SELEC AN OPTION
2	15	WARRANTY EXTENSION CHARGE: QUOTED FOR 2 YEARS	SELEC AN OPTION
3		COMPLIANCE OF ANNEXURE-XV	SELEC AN OPTION
4		CURRENCY	INR
SPECIAL TERMS AND CONDITIONS			BIDDER TO CONFIRM
Sl. No.	Clause SI No.	Description	OPTIONS
1	1	SCOPE OF SUPPLY	SELEC AN OPTION
2	2	TERMS OF PRICE	SELEC AN OPTION
3	3	TERMS OF DELIVERY	SELECT AN OPTION
4	4	DELIVERY SCHEDULE:	SELECT AN OPTION
5	5	DESPATCH	SELECT AN OPTION
6	6	PAYMENT TERMS:	SELECT AN OPTION
7	7	PAYMENT MODE	SELECT AN OPTION
8	8	PART SUPPLY / PART PAYMENT	SELECT AN OPTION
9	9	GOODS & SERVICE TAX	SELECT AN OPTION
		GOODS & SERVICE TAX RATE	SELECT AN OPTION
		GOODS & SERVICE TAX REGISTRATION NO	
10	10	SECURITY DEPOSIT BANK GUARANTEE (SDBG)	SELECT AN OPTION
11	11	PERFORMANCE BANK GUARANTEE	SELECT AN OPTION
12	12	LIQUIDATED DAMAGE(LD)	SELECT AN OPTION
13	13	WARRANTY	SELECT AN OPTION
14	14	INSPECTION AUTHORITY	SELECT AN OPTION
15	15	INSPECTION CHARGES	SELECT AN OPTION
16	16	VARIATION OF ITEM QUANTITY	SELECT AN OPTION
17	17	ACCEPTANCE	SELECT AN OPTION
18	18	BID MODIFICATION	SELECT AN OPTION
19	19	ARBITRATION	SELECT AN OPTION
20	20	INTERGRITY PACT	SELECT AN OPTION
21	21	INDEPENDENT EXTERNAL MONITORS (IEM)	SELECT AN OPTION
22	22	FORCE MAJEURE	SELECT AN OPTION
23	23	EXCHANGE RATE VARIATION (ERV) CLAUSE	SELECT AN OPTION
24	24	CUSTOM DUTY	SELECT AN OPTION
25	25	FORECLOSURE	SELECT AN OPTION
26	26	RISK PURCHASE	SELECT AN OPTION
27	27	NON- DISCLOSURE AGREEMENT OF THE CONTRACT DOCUMENT	SELECT AN OPTION
28	28	ADDITIONAL INFORMATION	SELECT AN OPTION
29	29	INDIGENIZATION	SELECT AN OPTION
30	30	NON DIVISIBILITY CLAUSE	SELECT AN OPTION
31	31	FALL CLAUSE	SELECT AN OPTION
32	32	STACS	SELECT AN OPTION

ATTACH SHEET OR SUPPORTING DOCUMENTS IF REQUIRED (PRICE NOT TO BE MENTIONED HERE)



गार्डेन रीच शिपबिल्डर्स एंड इंजीनियर्स लिमिटेड Garden Reach Shipbuilders & Engineers Ltd.

(भारत सरकार का उपक्रम, रक्षा मंत्रालय)
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ANNEXURE-VII (PRICE BID)



गार्डेन रीच शिपबिल्डर्स एंड इंजीनियर्स लिमिटेड Garden Reach Shipbuilders & Engineers Ltd.

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ANNEXURE: VIII

FORMAT NO. QS/03/0019

PROFORMA OF BANK GUARANTEE TOWARDS SATISFACTORY PERFORMANCE

THIS DEED OF GUARANTEE made thisday of BETWEEN.....(hereinafter called "THE BANK") which expression shall unless excluded by or repugnant to the context, be deemed to include its successors in office and assigns of the ONE Part and GARDEN REACH SHIIPBUILDERS AND ENGINEERS LIMITED, having their Head Office at 43/46, Garden Reach Road, Calcutta – 700024 (hereinafter called "THE BUYERS") which expression shall unless excluded by or repugnant to the context be deemed to include their successors in Office and assigns of the part WHEREAS Messershaving its registered office at(hereinafter called "THE SELLER") have accepted an Order No.for supply offrom the Buyer to manufacture and deliver the same to Buyer in good condition .

AND WHEREAS it is one of the terms of the said order that the seller shall furnish to the Buyer a Bank Guarantee comprising% of the value of the order amounting to Rs. (Rupees..... only) for the satisfactory performance of the equipments supplied against the said order at least for a period of from the date of supply i.e. fromAND WHEREAS the Buyer has agreed to accept such Bank Guarantee .

NOW THIS INDENTURE WITNESSETH THAT in consideration of the premise the Bank hereby unequivocally undertakes and agrees with the Buyer to pay to the Buyer upon demand in writing whenever required so by them to do and within a fortnight from date of such demand sum or sums not exceeding in the whole of Rs.(Rupees..... only) as may become payable to the Buyer by the seller by virtue of or arising out of the Terms and Conditions of the said Order.

Provided it is hereby expressly stipulated and agreed that if any question as to whether any sum has become payable by the seller to the buyer by virtue of or arising out of the said order, the decision of the Buyer will be final and conclusive and the Guarantee herein contained shall not be revocable by notice or by reason of dissolution or winding up of the business of the seller or any change in the constitution or composition of the seller's business and the liability of the bank under this presents shall not be impaired in any way by any extension of time or alteration made given conceded in the conditions of the said order or any other indulgence given by the buyer or by reasons of any failure on the part of the Buyer to enforce any of their remedies against the sellers and / or by reasons of failure on the part of the Buyer to observe or perform any of the stipulation contained in the said order and to be observed or performed by the sellers or by any other dealings between the Buyer and Seller whether any of the above takes place with or without the knowledge of the Bank and that the Guarantee herein contained shall remain in full force and virtue only . All claims and demands of the Buyer arising out of or in connection with the said order have been fully paid and satisfied PROVIDED ALWAYS AND IT IS HEREBY AGREED BETWEEN THE PARTIES THAT a Bank's liability under this Indenture shall remain in full froce from the date of issue of the Guarantee till..... and is limited to a sum of Rs.(Rupees.....)only.

NOTWITHSTANDING anything stated above our liability under the Guarantee is restricted to Rs (Rupees..... only). Our Guarantee shall remain in force upto.....and unless a claim or demand in writing is made on the bank within 6 months from the date of expiry of the Bank Guarantee the bank shall be released and discharged from all liabilities thereunder.

Date :200

Signature of Bank's Authorised
Signatories with Code No., Name,
Designation and Bank Stamp

ANNEXURE: IX

GARDEN REACH SHIPBUILDERS & ENGINEERS LTD
(A Govt. of India Undertaking)
43/46, Garden Reach Road, Calcutta- 700 024.
Fax : 033-469-8150/2020 ; Telephone : 469-8100 to 8113

STANDARD TERMS AND CONDITIONS OF SUPPLY

(INDIGENOUS EQUIPMENT / MACHINERY)

REF. NO. GRSE-STACS-PE-INDG (AUGUST, 2006)

INDEX

1. GENERAL
2. QUOTATIONS AND ORDER ACCEPTANCE TERMS
3. PACKING, SHIPPING, INSURANCE & FREIGHT DETAILS, AND DELIVERY
4. GUARANTEE / WARRANTY
5. QUALITY CERTIFICATION
6. TERMS OF PAYMENT
7. QUALITY ASSURANCE, INSPECTION, TESTING AND COMMISSIONING ASSISTANCE
8. MISCELLANEOUS

ANNEXURE:

- A. STACS ACCEPTANCE FORMAT
- B. EMD BANK GUARANTEE FORMAT & GUIDELINE
- C. SECURITY DEPOSIT BANK GUARANTEE FORMAT & GUIDELINE
- D. PERFORMANCE BANK GUARANTEE FORMAT & GUIDELINE
- E. ECS FORMAT FOR BANK PARTICULARS & PAYMENT PROCEDURE

IN-1 IN-101	GENERAL The word ' Purchaser ' refers to GARDEN REACH SHIPBUILDERS & ENGINEERS LIMITED, (GRSE), a Company registered under the Indian Companies Act 1913 and includes its successors or assigns.	1996 & Rules and are also required to maintain registers & records and submit returns.
IN-102	The word ' Sub-contractor / Supplier / Vendor ' means the person / firm / Company who undertakes to manufacture and / or supply and / or undertake work of any nature assigned by the Purchaser from time to time and includes its successors or assigns.	IN-109 The Sub-contractor / Supplier / Vendor shall unconditionally and free of cost to the Purchaser transfer information on technological developments / innovations / modifications which the Sub-contractor / Supplier / Vendor would evolve in future (within 3 years) in relation to the supplied equipment. To enable this, the Purchaser's address shall be added to the Sub-contractor's / Supplier's / Vendor's mailing list or database or any other document maintained for dissemination of product information and the Purchaser shall be informed of the action taken in this regard. If such improvements / modifications are brought in by the Sub-contractor's / Supplier's / Vendor's Design Department in course of manufacture of equipment ordered by the Purchaser, the Sub-contractor / Supplier / Vendor shall incorporate such improved versions in the equipment without any extra cost to the Purchaser.
IN-103	The word ' Owner ' means the person or authority with whom Garden Reach Shipbuilders & Engineers Limited (Purchaser) has contracted to carry out work in relation to which orders are placed by the Purchaser on the Sub-contractor / Supplier / Vendor under this contract for supply or manufacture of certain items and would include Department of Defence Production & Supplies, Ministry of Defence, Government of India, the Indian Navy, the Coast Guard and any other specified authority.	IN-110 If the Purchaser be desirous of getting incorporated all post supply modifications / improvements arising out of technological developments to the original equipment supplied by the Sub-contractor / Supplier / Vendor, the Sub-contractor / Supplier / Vendor, shall quote for and carry out all such modifications to the equipment. (a) Where the whole or a portion of the equipment has been specifically developed by the Sub-contractor / Supplier / Vendor for the Owner and the latter would, through the Purchaser, be bearing the entire or part of the development cost incurred by the Sub-contractor / Supplier / Vendor, the design rights for the whole or portion thereof, of the equipment as appropriate, shall vest in the Owners. (b) Prior approval of the Owner should be obtained before similar articles are sold / supplied to any other party other than the Owner. If such approval is given and sale is effected, the Sub-contractor / Supplier / Vendor shall pay to the Owner royalty at the rate mutually agreed to.
IN-104	The equipment / products / items to be supplied shall be strictly in accordance with the Drawings / Specifications / Requirements indicated in the Tender / Inquiry / Order with deviations, if any, as mutually accepted.	IN-111 Secrecy : All property (such as materials, drawings, documents etc) issued by the Purchaser or any other individual or firm on behalf of the Purchaser in connection with the contract shall remain confidential, being the property of the Purchaser and the Sub-contractor / Supplier / Vendor shall undertake to return all such property so issued and will be responsible for any or all loss thereof and damage thereto resulting from whatever causes and shall reimburse the Purchaser the full amount of loss and damage.
IN-105	The Sub-contractor / Supplier / Vendor shall not either wholly or partly sell, transfer, assign or otherwise dispose of the rights, liabilities and obligations under the contract between him and the Purchaser without prior consent of the Purchaser in writing.	All information given to the supplier for the execution of the order is to be treated as SECRET / CONFIDENTIAL . The Technical information, Drawings, Specification and other related Documents forming part of this Enquiry /Order are the property of the Purchaser and shall not be used for any other purpose except for the execution of order. Any information / drawing etc. shall not be copied, transcribed, traced or reproduced in any other form or otherwise in whole / part or duplicated, modified, divulged and / or disclosed to a third party, not misused, used in any other form whatsoever without Purchaser's prior consent in writing except to the extent required for the execution of this order. At the time of tendering, the tenderer has to give an undertaking in favour of GRSE that in the event of any breach of the above provisions, he would make good of any loss /cost/damage / any other claim whatsoever preferred by anybody to GRSE in this respect.
IN-106	The Sub-contractor / Supplier / Vendor shall hold harmless and keep the Purchaser indemnified against all claims arising as a result of infringement of any patent / copy rights on account of manufacture, sale or use of articles covered by the order. A clear & quite possession of goods should take place with the passing of the title on execution of order.	IN-112 Preservation : A detailed procedure for long and short term preservation of the equipment and periodicity of preservation alongwith special preservatives, if required, prior to installation of the equipment shall be furnished by the Sub-contractor / Supplier / Vendor. The detailed procedure for de-preservation prior to commissioning shall also be furnished. Should any material require any additional preservation till its final installation / fitment on board the Ship, the materials should be supplied in preserved (sealed or in cocoons) condition for long duration of time as per order. Detailed procedures for subsequent de-preservation / re-preservation are to be stated by Sub-contractor / Supplier / Vendor. The preserved sealed cases / cocoons will not be opened on receipt and same will be opened when the first preservation is due or if required on board earlier. The short fall, discrepancy or damage , if any, found during the inspection after opening these cases will have to be replaced / made good by the supplier free of cost within reasonable period.
IN-107	Any letter, facsimile message, e-mail intimation or notice sent to the Sub-contractor / Supplier / Vendor at the last known address mentioned in the offer / order shall be deemed to be valid communication for the purpose of the contract.	
IN-108	Governing Jurisdiction and Compliance with Laws (a) All contracts shall be deemed to have been wholly made in Kolkata and all claims thereunder are payable in Kolkata City and it is the distinct condition of the order that no suit or action for the purpose of enforcing any claim in respect of the order shall be instituted in any Court other than that situated in Kolkata City, West Bengal State, India. (b) The Sub-contractor/Supplier/vendor is warranted that all goods purchased against the enquiry shall conform with all applicable city, states & central laws, ordinances and regulations. Further, the supplier shall indemnify / defend / relieve GRSE harmless from loss, cost of damage, by reason or any actual or alleged violation thereof. (c) GRSE shall not be liable under the workmen's compensation Act of 1923, in case any employee or workmen of any contractor receives injury while actually serving his employer in connection with the latter's work inside the compound of GRSE Ltd. (d) The existing Laws on employment of Child Labor shall be binding for the contract. (e) Sub-contractor/Supplier/vendor working at GRSE site , shall have ESI and PF registration no. of their own and shall ensure compliance with all provisions of ESI & PF act & rules, failing which withholding / deductions from Sub-contractor/Supplier/vendor's bills /dues as applicable or termination of the contract will be effected. Sub-contractor/Supplier/vendor working at GRSE site , are required to submit evidence showing compliance with ESI & PF formalities in respect of employees engaged in job of GRSE viz. monthly challan of ESI deposit, certified copy of half yearly returns submitted to ESIC, proof of P.F. deposition etc. (f) Sub-contractor/Supplier/vendor working at GRSE site are required to comply with all statutory obligations as per Contract Labour (R & A) Act 1970 and Contract Labour (R & A) Central Rules 1971 including obtainance /renewal of Labour Licence from Regional Labour Commissioner (Central) failing which deductions as applicable from bills / dues of contractor or termination of the contract may be effected. (g) All Sub-contractors/Suppliers/vendors engaged in shipbuilding work are required to obtain registration under the Building and Other Construction works (RE & CS) Act	

IN-113	The Sub-contractor / Supplier / Vendor shall render free of cost guidance in case the Purchaser intends to set-up testing, repair / maintenance facility to overhaul the equipment supplied by the Sub-contractor / Supplier / Vendor.	Terms and Conditions of Supply and Specific Tender Conditions. Non-specifying of deviations against any or all clauses would be construed as compliance to any / all conditions of tender. Any deviations to STACS, having financial implications, would be considered suitably for loading the quoted price. (STACS Acceptance Format is placed at Annexure 5).
IN-114	The Sub-contractor / Supplier / Vendor shall continue to support the equipment for a minimum period of 20 years from the date of supply by making available spare parts and assemblies of the equipment supplied. Should the Sub-contractor / Supplier / Vendor decides to discontinue the product, for any reason whatsoever, adequate notice shall be given to the Purchaser / Owner to enable procurement of the requisite lifetime spares.	(v) Earnest Money Deposit (interest free) as stipulated in the tender by way of D.D. / Pay Order / B.G. (as per GRSE format & guide line at Annx.-1) issued by any scheduled Bank other than Co – operative Bank to be provided by the bidder / tenderer in favour of GRSE as per discretion of the Purchaser.
IN-115	Purchase preference in respect of equipment / product and or services of Central Public Enterprises will be applicable for such / similar equipment / product / services on tender as per extant policy promulgated by Department of Public Enterprises, Government of India.	(vi) Copy of ISO 9000 or equivalent Quality System Standards certificate valid as of date.
IN-116	The Purchaser reserves the right to accept and or reject any or all tenders and / or to withdraw the tender in toto without assigning any reason whatsoever.	(vii) Delivery Schedule. (viii) IIG Form regarding Codification of Defence Equipment enclosed with SOR is to be filled -in and submitted. The same is included as deliverables by the supplier.
IN-117	<p>Registration as Approved Vendor :</p> <p>(a) The Sub-contractor/Supplier/vendor is to confirm whether they are registered with GRSE as approved Sub-contractor / Supplier / Vendor under 5-digit Supplier Code and indicate Product Group Code. If not registered, the Sub-contractor / Supplier / Vendor will have to approach GRSE's V R Cell for completion of all formalities for permanent registration with GRSE immediately after submission of any quotation/offer. Failure to comply to this requirement will result in rejection of offer and restriction of further business.</p> <p>(b) The bidder is to confirm whether they are registered with DGQA as approved vendor for supply of the category of item as tendered. If not registered, the bidder is to approach DGQA immediately for registration after complying with all formalities like capacity assessment for supply of the required category of equipment / item within a time frame of 6 weeks from placement of conditional order, if issued.</p>	(ix) Standard format for data to be provided by OEM as per ILMS requirement (Integrated Logistic Management System):- As required by Indian Navy for operation of ILMS successfully at their end, detail information regarding ILMS compatibility as per format provided in SOR is to be filled in by OEMs and submitted to GRSE as part of their contractual obligations and to be included as deliverables. (b) PART-II – 'Price Bid' - Quotes to be written in figures and words duly authenticated / signed by the authorised person and marked thus.
IN-118	MOU : Regular suppliers are requested to enter into Memorandum of Understanding with GRSE as regards Commercial Terms & Conditions contained in this STACS.	IN-203
IN-119	Examination of price: Where the contract price has not been fixed in effective competition and the contract is not for articles whose prices are controlled, the owner reserves the right to investigate reasonableness of the price paid and negotiate directly with the sub-contractor/supplier/vendor for reduction of price where appropriate. The Owner can also ask for declaration that less basic price is not charged to other customers including Govt. and PSU.	(a) Both these sealed envelopes-Part I and Part II, shall be put in a third envelope duly superscribing the Tender number and Due Date and sealed properly and deposited as specified in the enquiry in the securely locked Tender Box kept in the concerned deptt. (b) Outstation Bidder / Tenderer shall forward their offers addressed to concerned Authority either by courier service or by speed post so as to reach well in advance of the due date of tender or by hand delivery before due date and time of tender closing. Purchaser shall not be responsible for any postal / courier delay and it is attributable solely to the tenderer. (c) Offer in "Two Bid System" received by fax / e-mail and / or offers received beyond due date and time of tender is liable to be rejected.
IN-120	Individuality of contract: In the event of the offer getting converted into an order, the said order shall be treated as an individual contract, shall not allow any general lien to the parties and shall not get prejudiced in execution due to situation arising out of some other contract that the supplier may have with GRSE.	IN-204
IN-2. IN-201	<p>Quotations and Order Acceptance Terms:</p> <p><i>Tenderer shall pay special attention to the following points. Failure to comply with these may disqualify the tenderer.</i></p> <p>(a) Tender number and due date to be superscribed on all the envelopes.</p> <p>(b) Tender to be submitted on or before the due date and time.</p> <p>(c) Offer to be as per specifications and complying with tender conditions.</p> <p>(d) The envelopes to be sealed properly.</p>	(a) The price per 'Ship set' shall be quoted and breakup price of individual items of equipment and its accessories must be clearly stated. (b) The cost incidence against each head shall be clearly indicated for – - Door delivery - F. O. R. - Ex-Works - with charges for packing and forwarding
IN-202	<p>Unless otherwise stated, the offers shall be in 'Two Bid System' only, in two separately sealed envelopes: -</p> <p>(a) PART-I - 'Techno-Commercial Bid' and marked thus. In addition, Part-I shall include-</p> <p>(i) Proforma Price Schedule blanking the prices and indicating 'Quoted / Not Quoted' (as applicable against each item on tender).</p> <p>(ii) Duties / Taxes, Octroi, freight charges, insurance and/or any other Statutory levies payable, specifying incidence clearly / separately against each head.</p> <p>(iii) The cost incidence against each head clearly indicating for Door Delivery or F. O. R. or Ex-works alongwith charges for packing and forwarding.</p> <p>(iv) Compliance Statement clearly highlighting deviations / exceptions, if any, to Technical Specifications, Standard</p>	(c) The offer shall indicate the discounted price, if more than one shipset is ordered. (d) The offer shall clearly indicate the Foreign Exchange content, if any, and base Exchange Rate and cut off date for Import. If any item/s is / are required to be imported by the Sub-contractor / Supplier / Vendor for use in the manufacture of final product, Import Licence for such product/s is to be arranged by him only. (e) The vendor/supplier/sub-contractor shall indicate the bill of materials for intended import for incorporation in order. The purchaser shall issue Customs Duty Exemption Certificate on receipt of request from the vendor/supplier/sub-contractor along with the copies of bill of lading and invoice. The price advantage for Customs Duty Exemption will be passed on to the purchaser. (f) The purchaser reserves the right to investigate the reasonableness of the price and ask the vendor/supplier/sub-contractor for detail break up of their cost.
		IN-205
		(a) The offer shall be valid for 90 days for acceptance and the prices shall remain firm and fixed until delivery of the full quantity of the goods in the Purchaser's Yard. If not, the Sub-contractor / Supplier / Vendor shall indicate the period

during which the quoted price shall remain valid for supply of the equipment / article contracted for.

Should the Purchaser desire postponement of delivery of the equipment / article within or beyond validity date of the offer, the Sub-contractor / Supplier / Vendor shall indicate –

(i) The date by which such communication must be received by him for deferring delivery without any financial implication to the Purchaser,

and

(ii) Terms and conditions for effecting postponement of delivery beyond the price validity period.

(b) Purchaser reserves the right to consider placement of Purchase Order in part or in full against the tendered quantity.

IN-206 The Sub-contractor / Supplier / Vendor shall inform the Purchaser in advance in case he is unable to participate in the tender for whatsoever reason. Failure to comply with this will be viewed seriously and consecutive three failures on the part of Sub-contractor / Supplier / Vendor to do so is liable for disqualification / debarring of the Sub-contractor / Supplier / Vendor from all future tender enquiries and or delisting from the list of 'Approved Registered Vendors.'

IN-207 **Spares:**

(a) Offers for Testing and tuning / commissioning spares shall be supplied along with the main equipment, as specified in the requisition.

(b) The Sub-contractor / Supplier / Vendors offer shall include a list of manufacturer's recommended spares together with itemised prices for

☒ One year uninterrupted operation – validity of offer shall be a minimum for 90 days.

☒ Five year operation – validity of offer shall be a minimum for 180 days. (Minimum order quantity against each item, if applicable, may also be stated.)

(c) While the spares for one year are ordered by the Purchaser, the spares for 5 years Operation will be ordered by the Owners or Purchaser. In case of 5 years operation spares, the Sub-contractor / Supplier / Vendor shall indicate a base price applicable to the year of quotation and indicate an acceptable annual escalation formula based on which prices for future requirements could be established during the life cycle of the equipment in service.

(d) In the event of inability to make an offer for these spares at the time of quoting for main equipment, the Sub-contractor / Supplier / Vendor shall commit a date by which such an offer can be made and adhere to it. Non-receipt of offer as committed will render the order for main equipment liable for cancellation without notice from the purchaser and without any financial implication to the Purchaser.

IN-208 Tenders will be opened on the specified date and time in the concerned department. Only authorised representatives of tenderers are permitted to witness the Part I tender opening for Press tenders only. Tender opening shall neither be delayed nor withheld / postponed on account of absence of any one or more Tenderers. All the envelopes marked as 'PRICE BID' received at the time of Tender opening will be noted and held unopened separately.

IN-209 Authorised representatives of only technically qualified tenderers, in case of Press Tenders only, who have submitted EMD as applicable, and complied with tender terms, will only be permitted to be present and note the proceedings of the Price Bid - Part II opening in a manner as directed by the tender opening officers. Qualifying tenderers not present during price bid opening will not be furnished with information on prices at a later date. EMD of unsuccessful tenderers will be refunded / returned within 30 days of finalisation of order on surrendering the Original copy of Money Receipt and upon instruction of Purchaser. EMD, if not claimed within one year from the date of notification to the tenderer for refund, will be forfeited.

IN-210 With the acceptance of the successful bidder's offer by the Purchaser, which is as per the Terms and Conditions of the tender, by means of LOA / Purchase Order, the Contract is concluded.

The Sub-contractor / Supplier / Vendor shall, on receipt of the order, communicate his unconditional acceptance within two weeks of from the date of mailing / receipt of the same in its

entirety by returning a copy of the Purchase Order duly signed by the authorised person and without any qualification. Communicating acceptance of the order subject to any other terms and conditions of the contract on the part of the Sub-contractor / Supplier / Vendor shall not bind the Purchaser in respect of these conditions which are less favourable to the Purchaser as compared with the conditions mutually agreed to and / or stipulated in the order. It shall be the responsibility of the Sub-contractor / Supplier / Vendor to enumerate specifically any error or discrepancy in the order at the time of acceptance. Failure to do so shall make the order binding on the Sub-contractor / Supplier / Vendor in all respects.

Any delay in acknowledging the receipt of the Purchase Order within the specified time limit or any qualification or modification of the Purchase Order in the acknowledgement of the Purchase Order by the Sub-contractor / Supplier / Vendor shall be a breach of the contract on the part of Sub-contractor / Supplier / Vendor. Compensation for the loss caused by the breach will be recovered by the Purchaser by forfeiting the Earnest Money, given by the Sub-contractor / Supplier / Vendor. If the Sub-contractor's / Supplier's / Vendor's bid contains any condition and any correspondence which are contrary to the Notice Inviting Tender (NIT) then they shall be considered as superseded and void on the acceptance of the bid by the Purchaser.

Recovery of compensation by the Purchaser from the Sub-contractor / Supplier / Vendor by forfeiting the Earnest Money shall be regarded as cancellation of the contract which has come in to existence on the acceptance of the offer by the Purchaser.

IN-211 **Security Deposit (Interest free) :**

The successful Tenderer shall submit a Security Deposit as specified in the tender in the form of Demand Draft / Pay Order / Bank Guarantee (as per GRSE format & guide lines at Annex-2) issued by any scheduled Bank other than Co-operative Banks in favour of Purchaser. The Security Deposit will be returned only after the successful execution of the order. In the event of failure to execute the order satisfactorily or default by the Sub-contractor / Supplier / Vendor, the Security Deposit will be forfeited.

IN-212 Unless otherwise specified in the 'Statement of Requirement' / 'Technical specifications for Procurement', the supply shall include one set of reproducible Velographs stamped 'Approved' by the Inspecting Authority, micro-films, floppies / CDs and six sets of paper prints. It shall also include 15 sets each of the Operation / Maintenance Manuals, Part Identification List, Comprehensive Part List, Test Certificates / Shop Trial reports etc. of the article/s supplied.

IN-3.0 **Packing, Shipping, Insurance & Freight details and Delivery:**

IN-301 **Identification of Deliverables And Penalty For Non-Compliance:**

(a) The Supplier on receipt of Purchase Order and by a date not later than 8 weeks from receipt of P.O., shall list out and confirm all deliverables including Main Equipment, Accessories, On Board Spares, Tools, Technical Documentations and other items. Each item shall have the firm's part no. and break up price. The same is required essentially for incorporating GRSE material code nos. into the Purchase Orders and computer systems. In the event of delay in submission of the required details penalty @ ½% per week or part thereof upto the maximum of 5% of total value of all deliverables, shall be levied on the Supplier.

GRSE shall issue amendment to Purchase Orders incorporating the details receipt from the Supplier with GRSE Code numbers , individual prices etc. in advance of contractual delivery. While despatching the Supplier shall identify each item with GRSE code no. and the firm's part number. Packing list should indicate all deliverable items specially mentioning/ mounted on main equipment or loose items. Each item should be identified with metallic or plastic tag indicating both GRSE code no. and firm's part no. In case of any deviation, GRSE shall not be in any way responsible for delay in issue of receipt inspection report and payment.

All OBS are to be PIP packed. OBS and tools are to be supplied in separate boxes with clear identification and part numbers in metallic or plastic tag. Supplier's rep. is required during receipt inspection of loose items, accessories, spares and tools for easy identification and detection of shortfall.

(b) All material shall be strongly and securely packed for shipment / transportation as applicable in minimum cubic

	<p>space in such a manner as to prevent damage and pilferage in transit from point of shipment to final destination. Metal parts wherever necessary shall be well slushed with preservatives to prevent rusting in transit. Should it be proved that loss and damage has arisen from inadequate packing, the losses shall be borne by Sub-contractor / Supplier / Vendor. Each packing shall be plainly marked and numbered upon four sides and the top thereof as directed in the Purchase Order. Letters and numbers shall be atleast 80 mms. high wherever possible. Packing should indicate Case No., Order No., Gross Weight in Kgs., Nett Weight in Kgs. and outside dimensions LxWxH (The information on outside dimensions and weight shall be furnished to Purchaser atleast one (1) month prior to shipment / despatch). No marking other than as directed shall be inscribed on the said packages.</p>	<p>(c) Wherever applicable, pilot sample shall be submitted to the authorities within the stipulated time as specified in the Order.</p> <p>(d) In case of patternised items the vendor/supplier/sub-contractor must confirm that the relevant drawings are held by them and no waiver of contractual terms of order shall be considered for non-performance on this account.</p> <p>(e) For repeat orders, unless otherwise some changes in design had taken place, fresh approval of drawings will not be required if the same has already been approved. Supplier/vendor/sub-contractor shall go ahead with manufacture of the items which are already developed for same / deferment ships for Navy based on earlier approved drawings. Immediately on receipt of order, Supplier/vendor/sub-contractor shall submit 6 copies of drawings for stamping and distribution.</p>
	<p>(c) Every package shall contain a packing list in triplicate and the order number, package number, number of cases in the consignment, description and quantity of each item packed shall be clearly shown in the packing list. The description and quantity of each item shall tally with that specified in the order, wherever applicable.</p>	
<p>IN-302 IN-302.1</p>	<p>Insurance: In cases where the Sub-contractor's / Supplier's / Vendor's offers are for 'Free Delivery to Purchaser's Yard,' transit Insurance charges shall be borne by the Sub-contractor / Supplier / Vendor.</p>	
<p>IN-302.2</p>	<p>In case of Ex-works / Ex-Transporter's warehouse or Railway godown offers, the Sub-contractor / Supplier / Vendor shall give details of materials with despatch particulars and their value to Purchaser immediately after the despatch. The Insurance Charges will be borne by Purchaser.</p>	
<p>IN-303</p>	<p>Storage and Demurrage will be claimed from the Sub-contractor / Supplier / Vendor for all shipments that reach the purchaser without proper despatch documentations, Lorry Receipts not accompanied by packing lists, invoices etc. The Sub-contractor/ Supplier/ Vendor shall be responsible for fines due to errors or omissions in description, weight or measurements and for increased handling charges due to improper packing. Demurrage, if any, due to wrong/non-availability of shipping documents will borne by supplier/vendor.</p>	<p>The equipment/materials are to be guaranteed/warranted for satisfactory performance for the period of 12 months from the date of satisfactory commissioning of the vessel on which the equipment/materials/items are installed OR for the period of 36 months from the date of final dispatch, whichever expires earlier, against improper design, defective materials and faulty workmanship. During guarantee/warranty period any equipment or component thereof supplied by the vendor/sub-contractor, suffers due to defective material and or due to improper design and or due to defective drawing or due to faulty workmanship the vendor/sub contractor will assume full responsibility of rectification of such defective equipment or component thereof including direct expenses related to removal and re-positioning of the replacement/repaired equipment or component thereof and subsequent test & trial, incurred thereon without any financial implication to GRSE.</p> <p>In the event Purchaser/Owner desires to have extension of Guarantee/Warranty period beyond the stipulated period, as above, the vendor/sub-Contractor/supplier shall quote for the same on monthly basis for the period of such extension.</p>
<p>IN-304</p>	<p>Where so stipulated in the order, the Sub-contractor / Supplier / Vendor shall render such reports from time to time as regards the progress of the contract and in such a form as may be called for by the Purchaser. The Purchaser reserves the right to cancel the order forthwith without any financial implications on either side, if on completion of 50% of the scheduled delivery period the progress of manufacture is not to the satisfaction of Purchaser / Owner and failure on the part of the Sub-contractor / Supplier / Vendor to comply with the delivery schedule is inevitable. In such an event the Sub-contractor / Supplier / Vendor shall repay all the advances together with interest at prevailing bank rates from the date of receipt of such advances till date of repayment. The title of any property delivered to Purchaser will be reverted to the Sub-contractor / Supplier / Vendor at his cost.</p>	<p>IN-402 If the defects intimated during the Guarantee period are not remedied within a reasonable / stipulated time, the Purchaser may proceed to rectify the defects at the Sub-contractor / Supplier / Vendor's risk and cost, but without prejudice to any other rights which the Purchaser may have against the Sub-contractor / Supplier / Vendor in respect of the failure of the Sub-contractor / Supplier / Vendor to remedy such defects.</p> <p>IN-403 Inspection and approval of the equipment or material by the Inspecting Authority/ies does not absolve the Sub-contractor / Supplier / Vendor of the responsibility of guarantee for the equipment / material. It will be the sole responsibility of the Sub-contractor / Supplier / Vendor to ensure that the equipment / material supplied is complete in all respects and performs to its / their designed parameters.</p>
<p>IN-305</p>	<p>The Sub-contractor / Supplier / Vendor shall arrange despatch of goods by Rail / Road consigned to GRSE through GRSE nominated transporter.. An Advance Copy of the invoice along with copies of other relevant documents shall be forwarded to Purchaser sufficiently in advance to avoid demurrage. In case of door delivery contracts, the Transporter shall be directed to deliver the ordered equipment without insisting for consignee copy of Lorry Receipt.</p>	<p>IN-404 In the event of Sub-contractor's / Supplier's / Vendor's failure to attend the Guarantee defects within a reasonable period of time, the Performance Bank Guarantee will be encashed by the Purchaser. The Purchaser's decision shall be final and binding on Sub-contractor / Supplier / Vendor in this regard.</p> <p>IN-405 Issues/Defects related to Guarantee/Warranty shall have to be liquidated at the location of vessel and as desired by the Purchaser / Owner.</p>
	<p>However, for manufacture of Naval Ships under Cost plus Contracts, GRSE is acting in the capacity of an Agent since Purchase Orders are issued by GRSE on behalf of Indian Navy under MOD, Govt. of India. Accordingly, in case of orders for supply to Naval Ships under cost plus contract, despatch document (challan / Consignment Note etc) and Invoice should be marked with the words "GRSE A/C INDIAN NAVY".</p>	<p>IN-5.0 Quality Certification:</p>
<p>IN-306</p>	<p>(a) The binding drawings called for as per the 'S. O. R.' / 'T. S. P.' or the Purchase Order shall be supplied within stipulated time frame as indicated in the Purchase Order, free of cost. Failure to comply may lead to cancellation of Purchase Order without any financial implications to the Purchaser.</p>	<p>IN-501 Purchase preference will be considered in case the Sub-contractor / Supplier / Vendor is accredited with ISO 9000: 2000 or equivalent International Quality System Standards in respect of equipment / Products and or items on tender.</p> <p>IN-502 The Sub-contractor / Supplier / Vendor shall submit as proof, in Part-I of the bid documents, a copy of ISO 9000: 2000 or equivalent International Quality System Standards certificate valid as of date.</p>
	<p>(b) The drawings shall be submitted to Inspecting Authority and or DGQA / NSM / GRSE / Classification Society, as appropriate, as specified in the Order. The onus of getting the drawings approved within the stipulated time frame shall lie with the supplier/vendor/sub-contractor.</p>	<p>IN-503 The Sub-contractor / Supplier / Vendor shall preferably engage sub-contractors and avail supplies from suppliers with prior approval of Purchaser and such sub-contractors and suppliers shall also be accredited with ISO 9000: 2000 or equivalent International Quality System Standards.</p>

IN-504	In the event the Sub-contractor / Supplier / Vendor is not being ISO 9000: 2000 accredited firm, the fact shall clearly be stated and the Quality Assurance / Quality Control organisation of the company be described in detail. Pursuant to scrutiny of such statement / documentation, the Purchaser may decide to accept the offer with pre-conditions specified for acceptance or reject the bid submitted.	(f) Where order is cancelled and advance payments already released to the contractor, the contractor shall refund all such advance payments received to GRSE with prevailing Bank interests and GRSE shall also have the right to recover the amount from outstanding dues to the Contractor against any other Purchase Orders placed by GRSE.
IN-6.0	<u>Terms of Payment:</u>	(g) Works Contract : In case of works contract following payment terms shall be followed:-
IN-601	<p>(a) Unless or otherwise mutually agreed upon and stipulated in the Purchase Order, the terms of payment shall be 90% of Order value within 45 days from the date of receipt inspection and acceptance of material and presentation of bill supported with complete set of documents as under: -</p> <p>(i) Seven copies of signed invoice indicating Vendor Code Number and itemwise price (indicating GRSE material code no. if in the order) alongwith packing lists. In case of orders for supplies to Naval Ships, invoice should be marked with the words "GRSE A/C INDIAN NAVY" for cost plus contract, as detailed in para IN- 305. However in case of fixed cost contract , Invoice will be in the name of GRSE.</p> <p>(ii) Warranty Certificate in triplicate.</p> <p>(iii) 3 copies of Manufacturer's Works Test Certificate.</p> <p>(iv) 3 copies of Certificate of Inspection and approval from LRS / IRS / ABS / DQA (WP) / DQAN / CQAE / WOT / GRSE (whichever is applicable).</p> <p>(v) 3 copies of GRSE's unqualifying Inspection Cum Goods Receipt Note (ICGRN)</p> <p>(vi) Complete set of Classification / On board spares as per the Purchase Order.</p> <p>(vii) Complete set of operation / Maintenance / Instruction Manuals as per the Purchase Order and also in Electronic Medium.</p> <p>(viii) Complete set of Parts Identification List / Comprehensive Parts List as per the Purchase Order and also in Electronic Medium.</p> <p>(ix) Complete set of "As fitted" drawing and reproducible drawings.</p> <p>(x) Quotations for B & D spares for (a) 2 years operation and (b) 5 years operation.</p> <p>(xi) IIG Forms duly filled in.</p> <p>(xii) Standard Format for data provided by OEM as per ILMS requirement (Integrated Logistic Management System).</p> <p>All the documents shall clearly indicate the GRSE's Purchase Order No. and date.</p>	<p>(i) Material Portion : 75% payment against despatch document, 15% payment against receipt & acceptance of material and balance 10 % will be released after G.P. or against PBG for equivalent amount valid till G.P.</p> <p>(ii) Labour Portion : 90% payment on job completion and certification. Balance 10% will be released after G.P. or against PBG for equivalent amount valid till G.P.</p> <p style="text-align: center;">OR</p> <p>Where unit rate is mentioned , 90% payment progressively on job completion and Certification. Balance 10% will be released after G.P. or against PBG for equivalent amount valid till G.P.</p> <p>(h) If GRSE material code no. & itemised price is not incorporated in the order, supplier will submit detailed list of items (separately deliverables) and price break-up latest within 6 weeks of receipt of order to enable GRSE amend the order indicating material code no. of each item with its price. All Invoices, Packing list etc should invariably indicate GRSE material code no. against each item for recording receipt and issue of ICGRN as well as for processing payment.</p>
IN-602.1	<p>(b) Balance 10% will be released after G.P. or against submission of PBG for equivalent amount (as per GRSE format & guidelines at Annex-3) valid till G.P. Issue of GRN : For materials received at GRSE without Inspection report of 3rd party, GRN will be issued to Local supplier for their submission of bill with GRN. But for materials received at GRSE with 3rd party Inspection report received from outstation suppliers, balance payment bill is to be submitted by suppliers with copy of clear & accepted ICGRN for further linking by Corporate Finance with GRN for processing balance payment.</p>	<p>IN-602.1 Octroi Duty at present is not applicable in West Bengal. However, Octroi Duty if applicable, at a later date, will be re-imbursed by Purchaser at actuals against submission of 'Original Octroi paid money receipt' and copy of Form 'B'. Octroi receipts are to be issued in the name of 'GARDEN REACH SHIP BUILDERS & ENGINEERS LTD.' only.</p>
IN-602.2	<p>(c) Payment may be made to the vendors through Electronic Clearing System (ECS). Vendors are to furnish requisite documents / information on receipt of the order. (ECS Format for Bank Particulars and Payment Procedure enclosed at Annex.- 6)</p>	<p>IN-602.2 Way Bill – In West Bengal, Way Bill is to be issued for entry of materials from outside the state. GRSE will issue the Way Bill on submission of copy of Invoice and Consignment Note. Consignment Note should be in the name of GRSE. In case of Transit Sale, the name of the Consignors (other than seller) are to be mentioned in the P.O. and Consignment Note will be in the name of GRSE as consignee.</p>
IN-603	<p>(d) In special cases and /or for development equipment where advance / stage payment is specified in order, all such payments shall be made against Bank Guarantee of equivalent amount in GRSE format valid till receipt and acceptance of material. No advance payment shall, however, be claimed without submission of binding drawing to Approving Authority. The advance payment may be released in stages depending upon the progress of work and mobilization of required equipments etc.</p>	<p>IN-603 The Sales Tax Registration Number and Central Sales Tax Number, Service Tax Number, as applicable, are to be quoted on all invoices. Invoices shall be accompanied by a certificate to the effect that the Sub-contractor's / Supplier's / Vendor's registration certificate was in force on the day the sale was effected.</p>
IN-604	<p>(e) All advance payments should be interest bearing. Penal interest is to be charged on the advance in case of delay in delivery of supplies beyond the agreed schedule. Amount of Advance & Rate of interest will be decided by the Management / TC as appropriate.</p>	<p>IN-604 Unless otherwise stated Excise Duty, Sales Tax and any other statutory levies will be payable extra at actuals. However, the Sub-contractor / Supplier / Vendor shall submit the proof of having paid the duties / levies along with the Invoices / Bills. In case of orders for supplies to Naval vessels, Excise Duty exemption certificate issued by Indian Navy will be provided on readiness of items for despatch & GRSE is to be intimated by supplier / vendor / sub-contractor regarding readiness of items at least a month before despatch. Such exemption certificates shall be issued to Sub-contractors / Sub-vendors of Sub-contractor / Supplier / Vendor on whom Purchaser had placed a Purchase Order.</p>
IN-604.1	<p>(f) Where order is cancelled and advance payments already released to the contractor, the contractor shall refund all such advance payments received to GRSE with prevailing Bank interests and GRSE shall also have the right to recover the amount from outstanding dues to the Contractor against any other Purchase Orders placed by GRSE.</p>	<p>IN-604.1 For supplies from States outside the state of West Bengal, Declaration Form "C" or "D" as applicable will be issued to the supplier for concessional rate of Sales Tax . In case of sale within the state of West Bengal, W.B.S.T. Form will be issued for concessional rate of Sales Tax.</p>
IN-604.2	<p>(g) Works Contract : In case of works contract following payment terms shall be followed:-</p>	<p>IN-604.2 Declaration Form can be issued to suppliers in case of transit sale, i.e. transfer of documents during the period of transit of the materials to obtain Sales Tax benefit. Invoice shall clearly indicate cost incidentals against each head, as applicable: Basic Cost, Excise Duty, Packing & forwarding charges, Central / State Sales Tax, Service Tax, Freight, Insurance, etc.</p>

IN-605	Payment made under one order shall not be assigned or adjusted to any other order except to the extent agreed upon in writing by the Purchaser. During the currency of the contract, if any sum of money is payable by the Sub-contractor / Supplier / Vendor the same shall be deducted from any sum then due or thereafter may become due to the Sub-contractor / Supplier / Vendor under the contract or any other contract with the Purchaser.	IN-607.6	In case of unsatisfactory progress of supply at any point of time after placement of order GRSE reserve the right to cancel the order without assigning any reason and to procure the ordered material from any alternative source at your complete risk and cost. GRSE also reserves the right to cancel the order forthwith without any financial implications on either side if upon lapse of 50% of the scheduled delivery time the progress of manufacture is not up to the satisfaction of GRSE/Owner and the failure on the part of the sub-contractor/ supplier/vendor to conform to the delivery schedule is inevitable.
IN-606	Works Contract Tax, wherever applicable, will have to be borne by Sub-contractor / Supplier / Vendor. In addition, Employees State Insurance premium, Provident Fund, Service Tax and other statutory dues of workers deployed at Purchaser's premises by Sub-contractor / Supplier / Vendor will have to be borne by him. In case of Works Contract Form 58 or 59 as applicable is to be submitted by the vendor/supplier/sub-contractor.	IN-608	<u>Submission of Bills to SLP Section (Corporate Finance/GRSE)</u> The bills presently submitted to SLP Section by vendors for purchase orders placed by NCM / Purchase Department in respect of "SHIP DIVISION ONLY" will now be deposited in the Box kept at the entrance of the Corporate Finance Department (in front of Pantry). All suppliers are requested to drop their bills in sealed cover in the Box earmarked for, effective from 01 st April, 2002. Computer generated acknowledgement for the bills dropped during the previous day may be collected in the next working day from the Central Despatch Section, except Saturday. Corporate Finance (SLP Section) will forward the computer generated receipts to Central Despatch Department by 11-00 hrs. everyday. The supplier should ensure that all the bills are kept in a separate envelope orderwise and also mention their vendor code number for easy identification and registration. All enclosures are also be firmly fixed with the bills and no responsibility will be taken by the SLP Section for alleged missing of documents. Bank Guarantee must be submitted separately in sealed closed cover of the Bank to the SLP Section AND NOT TO BE ENCLOSED WITH BILL. For payment through ECS, bills will be deposited in the Box kept at the entrance of Corporate Finance Dept. as elaborated above. ECS Format of Bank particulars and Payment Procedure are enclosed at Annexure – 6 reference Clause IN 601(c) above.
IN-607	<u>Liquidated Damages / Risk Purchase:</u>	IN-7.0	<u>Quality Assurance, Inspection, Testing and Commissioning Assistance:</u>
IN-607.1	In the event that- (a) Sub-contractor / Supplier / Vendor (SELLER) fails to deliver the equipment / product or documentation meeting the requirement of the Purchase Order on or before the dates specified, or (b) the equipment / product when tested in accordance with the performance requirement of the Purchase Order, fails to meet those performance parameters, the buyer (Purchaser) will suffer damages in an amount that is not susceptible to calculation with reasonable certainty. Therefore, any Liquidated Damages set forth in the Purchase Order represent a reasonable determination of the amount of damages that the Purchaser will suffer, and are not in the way of penalties. Seller hereby waives any defence to Purchaser's recovery of such Liquidated Damages on the plea that actual damages are ascertainable or that such Liquidated Damages do not represent a reasonable determination of damages suffered by Purchaser or are penalties.	IN-701	The equipment will be inspected by one or more agencies indicated below and an inspection certificate(s) shall accompany the equipment. Statutory : M. M. D. or N. M. D. Regulatory : Classification Society–L.R.S./A.B.S/D.N.V/ I.R.S. etc. Specification: Survey, DQA(WP)/DQAN/CQAE, Classification Society. Others: Owners, W. P. S. (KOLKATA), GRSE
IN-607.2	Sub-contractor / Supplier / Vendor (Seller) will be liable to pay Liquidated Damages for late delivery of Products, Manuals, Drawings and Documentation as stated in the Purchase Order. Unless otherwise expressly specified, the rate of Liquidated Damages for late delivery shall be at the rate of 0.5% of the total order value per week or part thereof of delay upto a maximum of 5% of the total order value. Such Liquidated Damages shall be deducted by the Purchaser from any monies due to Sub-contractor / Supplier / Vendor (Seller). Payments made by the Sub-contractor / Supplier / Vendor (Seller) of Liquidated Damages shall be in addition to any other remedies (other than any other remedy for the recovery of damages) available to the Purchaser, including without limitation the remedy of cancellation of Order for default.	IN-702	The articles to be supplied shall be strictly in accordance with the drawings/specification/statement of requisition (SOR) / samples indicated in the order.
IN-607.3	Sub-contractor / Supplier / Vendor (Seller) will be liable to pay Liquidated Damages for late submission of Drawings for approval as agreed to by Purchaser and Sub-contractor / Supplier / Vendor (Seller) and as stated in the Purchase Order. The amount of such damages will be clearly defined in the Purchase Order and may extend upto 5% of the Order value.	IN-703	The supplier /vendor/sub-contractor shall not sell, transfer, assign or otherwise dispose off the rights, liabilities and obligations under the contract without the previous consent of the purchaser in writing.
IN-607.3.1	Drawings submitted by the Sub-contractor / Supplier / Vendor (Seller) will be the property of Indian Navy.	IN-704	The articles shall be subject to Inspection and Quality Assurance by QA Authorities or their agents (Inspecting Officer) as specified in the order. The supplier/vendor/sub-contractor shall give 30 days' notice for inspection and will make necessary arrangements / provide necessary facilities to inspectors / nominated agency to carry out inspection / testing during course of manufacture/final inspection and testing as required. Formal Inspection Certificates will be issued by the relevant QA Authorities /Agents.
IN-607.4	If the equipment / article or any portion thereof be not delivered by the scheduled delivery date, the Purchaser shall be at liberty, without prejudice to the right of the Purchaser to recover Liquidated Damages / penalty as provided for in these conditions or to any other remedy for breach of contract, to terminate the contract either wholly or to the extent of such default. Amounts advanced or part thereof corresponding to the undelivered supply shall be recoverable from the Sub-contractor / Supplier / Vendor at the prevailing bank rate of interest .	IN-705	Immediately on receipt of order the supplier/vendor/sub-contractor shall get in touch with the Inspection Authority and submit Quality Assurance Plan. Exact scope, stages and parameters of inspection and test schedule shall be as per QA Plan duly approved by the QA Authority. All charges for inspection shall be borne by the suppliers/vendors/sub-contractor.
IN-607.5	The Purchaser shall be at liberty to purchase, manufacture or supply from stock as it deems fit, other articles of the same or similar description to make good such default and or in the event of the contract being terminated, the balance of the articles of the remaining to be delivered thereunder. Any excess over the purchase price, cost of manufacture or value of any articles supplied from the stock, as the case may be, over the contract price shall be recoverable from the Sub-contractor / Supplier / Vendor.	IN-706	Receipt Inspection shall be carried out by GRSE/Indian Navy/Owner's representative at GRSE yard as applicable. Receipt Inspection of on-board spares (OBS) will be carried out by Quality Assurance (QA) dept. of GRSE and thereafter, the same will be mustered & handed over to ship as & when required. Joint inspection along with supplier/vendor's representative shall be carried out for major items.

For materials supplied with long term preservation in sealed cases / cocoons, receipt inspection will be followed as per PRESERVATION at Cl. IN-112 above.

IN-8.0 Miscellaneous:

IN-801 Force Majeure (as vetted by Min. of Law) :-

Should any force majeure circumstances arise, each of the contracting party shall be excused for the non fulfilment or for the delayed fulfilment of any of its contractual obligations, if the affected party within 15 days of its occurrence informs the other party in writing.

Force majeure shall mean fires, floods, natural calamities or other acts such as war, turmoils, strikes (as not limited to be establishment of the seller), sabotage, explosions, quarantine restrictions beyond the control of either party.

It is understood and agreed between the parties hereto that the rights and obligations of the parties shall be deemed to be in suspension during the continuance of the force majeure event as aforesaid and the said rights and obligations shall automatically revive upon the cessation of the intervening force majeure event. The period within which the rights and obligations of the parties shall be in suspension due to force majeure event shall not be considered as a delay with respect to the period of delivery and / or acceptance of delivery under the contract or otherwise to the detriment of either party.

Notwithstanding the provisions of the immediately foregoing clauses it is further understood and agreed between the parties hereto that in the event of any force majeure persisting for an uninterrupted period exceeding 6 (six) months, either party hereto reserves the right to terminate this contract upon giving prior written notice of 30 (thirty) days to the other party of the intention to terminate without any liability other than reimbursement on the terms provided in this agreement for the goods received.

IN-802 Arbitration:

Any dispute / differences between the parties arising out of and in connection with the contract shall be settled amicably by mutual negotiations. CMD/GRSE will be the Arbitrator. However Unresolved disputes/ differences, if any, shall be settled by Arbitration and the arbitration proceedings shall be conducted at Kolkata (India) in English language, under the Indian Arbitration and Conciliation Act, 1996.

If, at any time, before, during or after the contract period, any unsettled claim, question, dispute or difference arises between the parties, upon or in relation to or in connection with or in any way touching or concerning this tender / agreement / supply order (*retain whichever is applicable*) the same shall be referred to the Chairman & Managing Director ('CMD' in short) or the Managing Director ('MD' in short), as the case may be of Garden Reach Shipbuilders & Engineers Ltd. (GRSE Ltd' in short) for adjudication of the said disputes or differences, as Sole Arbitrator, in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

The CMD or MD, GRSE Ltd. if he so desires, may nominate / appoint another officer of GRSE Ltd. or a person, whom he thinks fit and competent, for adjudication of the disputes or differences, referred to him as the Sole Arbitrator.

Such arbitration shall, in all respects, be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and the rules framed thereunder or any statutory modification or re-enactment thereof for the time being in force.

The Award of the Sole Arbitrator shall be final, conclusive and binding upon the parties.

In the event of the death or resignation for any reason whatsoever of the said Sole Arbitrator, appointed by the said CMD or MD of GRSE Ltd., the CMD or MD of GRSE Ltd., on an application from either of the parties in this behalf, shall act himself as the Sole Arbitrator or nominate / appoint, in place of the outgoing Arbitrator, another officer of GRSE Ltd. or a person whom he thinks fit and competent to adjudicate the said disputes and differences in accordance with law.

Also in the event of an arbitration award is set aside by a competent court on an application from either party and unless otherwise ordered by the said court, the CMD or MD of GRSE Ltd., on an application from either party, shall himself act as Sole Arbitrator or nominate / appoint another officer of GRSE Ltd. or a person whom he thinks fit and competent to adjudicate the disputes and differences in accordance with law.

The cost of the arbitration, fees of the arbitrator, remuneration of the stenographer and clerk, stamp paper etc., as shall be decided by the Sole Arbitrator, shall be shared equally by the parties. The venue of arbitration, unless otherwise decided by the parties or by the Sole Arbitrator himself, shall be the premises of Garden Reach Shipbuilders & Engineers Ltd. located at 43/46, Garden Reach Road, Kolkata 700 024.

IN-803 Indemnification:

IN-707 The price should be inclusive of inspection/approval/certification cost to meet the relevant requirement of the technical specification. This should also include the cost of furnishing shock calculations and type test results wherever applicable.

IN-708 The supplier/vendor/sub-contractor shall furnish all relevant Inspection Certificates and Test & Guarantee Certificates along with each consignment and copies of same in triplicate shall also be mailed / forwarded to GRSE immediately on despatch of articles. The supplier/vendor/sub-contractor shall also provide 3 copies of weighed Weight Certificate for items supplied.

IN-709 The decision of the inspecting authority or his agent, as the case may be, on any question of the intent, meaning and the scope of specifications / standards shall be final, conclusive and binding on the Sub-contractor / Supplier / Vendor.

IN-710 REPLACEMENT FOR REJECTION:

(a) Should the articles, or any portion thereof be rejected, the contractor shall collect the same from the purchaser's yard within 15 days from the date of intimation of such rejection to the supplier/vendor/sub-contractor and replace/rectify the same on top priority basis. Before collection of rejected items the supplier/vendor/sub-contractor shall furnish Bank Guarantee/Bank Draft of equivalent amount or accept GRSE holding back payment of their qualifying bills of equivalent amount till deficiencies are made good. The purchaser reserve the right to dispose off the rejected items at the end of a total period of 90 days in a manner to the best advantage to the purchaser and recover storage charges and any consequential damages, from sale proceeds of such disposal. Rejection of materials and also the late delivery will affect further business with GRSE.

(b) The guarantee period of replaced parts /items shall however be reckoned from the date of replacement.

(c) If the defects are not remedied within a reasonable/stipulated time, the purchaser may proceed to rectify the defects at the supplier/vendor/sub-contractor's risk & cost but without prejudice to any other rights which the purchaser may have against the supplier/vendor/sub-contractor in respect of their failure to remedy such defects.

IN-711 The services of the Sub-contractor's / Supplier's / Vendor's Engineers shall be provided free of cost till Guarantee period / extended Guarantee period as required by the Purchaser to assist / supervise the installation, setting to work, commissioning of the equipment supplied by the Sub-contractor / Supplier / Vendor.

IN-712 The Sub-contractor / Supplier / Vendor shall provide the requisite training for the Purchaser's / Owner's Personnel at Sub-contractor's / Supplier's / Vendor's/ GRSE's premises or on board the vessel where the equipment is installed, in respect of the equipment received from the Sub-contractor / Supplier / Vendor. The cost of travelling, lodging, boarding etc. shall be borne as mutually agreed to and detailed in the order.

IN-713 The services of the Sub-contractor's / Supplier's / Vendor's Engineers shall be provided free of cost as required by the Purchaser to assist/supervise the installation, setting to work, commissioning, harbour and sea trials of the equipment supplied by the Sub-contractor / Supplier / Vendor for the periods as mutually agreed upon and as per the terms and conditions of the order.

Should the Purchaser / Owner desire to avail services beyond the free service periods available against the contract, the Sub-contractor / Supplier / Vendor shall quote for the same on hourly / daily rate basis along with other terms and conditions, if any.

IN-714 Conditions of tests and inspection requirements, if not held by the Sub-contractor / Supplier / Vendor are to be obtained from the Inspection Authority. Any / all other technical clarifications may be obtained from Inspection Authority directly, under intimation to Purchaser.

IN-715 The Sub-contractor / Supplier / Vendor shall accord all facilities to Purchaser's Inspectors / Nominated Agency to carry out Inspection / Testing during course of manufacture / final testing.

The Sub-contractor/Supplier/Vendor, his employees, licencees, agents or Sub-Vendor / Sub-contractor, while on site of the Purchaser for the purpose of this contract, shall indemnify the Purchaser against direct damage and / or injury to the property and/ or the person of the Purchaser or that of Purchaser's employees, agents, Sub-Contractors / Suppliers occurring and to the extent caused by the negligence of the Sub-contractor / Supplier / Vendor, his employees, licencees, agents or Sub-contractor by making good such damages to the property, or compensating personal injury and the total liability for such damages or injury shall be as mutually discussed and agreed to.

competent authority in due course, GRSE reserves the right to consider such bid(s) to be disqualified on this ground under intimation to the relevant vendor(s) before price bid opening.

- c) Delivery schedule as mentioned above is our essential requirement. GRSE reserves the right to cancel the bid if the delivery requirement is not met.
- d) Please forward your confirmation on all commercial points for acceptance of your offer in tender data sheet.
- e) In case your offer is not submitted in two separate given data sheet, the same is liable to be rejected.

IN-804

Use of Undue Influence / Corrupt Practices:

- (a) The Sub-contractor / Supplier / Vendor should give an undertaking that he has not given, offered or promised to give, directly or indirectly any gift, consideration, reward, commission, fees, brokerage or inducement to any person in service of the Purchaser or otherwise in procuring the contract or forbearing to do or for having done or forborne to do any act in relation to the obtaining or execution of the Contract with the Purchaser for showing or forbearing to show favour or disfavour to any person in relation to the Contract or any other Contract with the Purchaser. Any breach of the aforesaid undertaking by the Sub-contractor / Supplier / Vendor or any one employed by him or acting on his behalf (whether with or without the knowledge of the Sub-contractor / Supplier / Vendor) or the commission of any offence by the Sub-contractor / Supplier / Vendor or any one employed by him or acting on his behalf, as defined in Chapter IX of the Indian Penal Code, 1980 or the Prevention of Corruption Act, 1947 or any other Act enacted for the prevention of corruption shall entitle the Purchaser to cancel the contract and all or any other contracts with the Sub-contractor / Supplier / Vendor and recover from the Sub-contractor / Supplier / Vendor the amount of any loss arising from such cancellation. A decision of the Purchaser or his nominee to the effect that a breach of the undertaking has been committed shall be final and binding on the Sub-contractor / Supplier / Vendor.
- (b) The Sub-contractor / Supplier / Vendor shall not offer or agree to give any person in the employment of Purchaser any gift or consideration of any kind as "Inducement" or "reward" for doing or forbearing to do or for having done or foreborne to do any act in relation to the obtaining or execution of the contract/s. Any breach of the aforesaid condition by the Sub-contractor / Supplier / Vendor or any one employed by them or acting on their behalf (whether with or without the knowledge of the Sub-contractor / Supplier / Vendor) or the commission of any offence by the Sub-contractor / Supplier / Vendor or by any one employed by them or acting on their behalf which shall be punishable under the Indian Penal Code 1980 or the Prevention of Corruption by Public Servants, shall entitle Purchaser to cancel the contract/s and all or any other contracts and then to recover from the Sub-contractor / Supplier / Vendor the amounts of any loss arising from such contracts' cancellation, including but not limited to imposition of penal damages, forfeiture of Security Deposit, encashment of the Bank Guarantee and refund of the amounts paid by the Purchaser.
- (c) In case, it is found to the satisfaction of the Purchaser that the Sub-contractor / Supplier / Vendor has engaged an Agent or paid commission or influenced any person to obtain the contract as described in clauses relating to Agents / Agency Commission and use of undue Influence, the Sub-contractor / Supplier / Vendor, on a specific request of the Purchaser shall provide necessary information / inspection of the relevant financial document / information.

IN-805

Banned or de-listed Contractors:

The bidders shall give a declaration that they have not been banned or de-listed by any Government or quasi Government agencies or PSUs. If a bidder has been banned or de-listed by any Government or quasi Government agencies or PSUs, this fact must be clearly stated and it may not necessarily be a cause for disqualifying him.

IN-806

- a) As a general rule, price negotiation with L1 vendor(s) will not be entered into as far as possible, unless warranted by unreasonable price quoted in the opinion of GRSE.
- b) During Technical and / or commercial negotiation in case the participating vendors indicate the need of submission of revised price bid but the same is not acceptable by



गार्डेन रीच शिपबिल्डर्स एंड इंजीनियर्स लिमिटेड Garden Reach Shipbuilders & Engineers Ltd.

(भारत सरकार का उपक्रम, रक्षा मंत्रालय)
(A Government of India Undertaking, Ministry of Defence)
CIN NO.: L35111WB1934GOI007891

ANNEXURE: X

FORM NO. QS/03/0020

FORMAT OF BANK GUARANTEE TOWARDS SECURITY DEPOSIT.

- Ref : 1. BPE Notification No. BPE/G:032/78/1(4)/Adv(F)/69 dated 24.10.78.
2. F.No.0(7)/B.O.III/75 dated 2.11.77.

GUARANTEE BOND

(to be used by all scheduled banks)

1. In consideration of M/s. Garden Reach Shipbuilders & Engineers Limited, 43/46, Garden Reach Road, Kolkata – 700 024(hereinafter called "The Buyer") having agreed to exempt M/s..... (hereinafter called "The Party") from the demand,under the terms and conditions contained in the Tender/ Purchase order no.....dated (hereinafter called "the said Tender/ Order") of security deposit for the due fulfillment by the said Party's of the terms and conditions contained in the said Tender,on production of a Bank Guarantee for Rs..... (Rupees.....only), we Bank Limited (hereinafter referred to as "the Bank") do hereby undertake to pay to the Buyer an amount not exceeding Rs..... against any loss or damage caused to or suffered by the Buyer by reason of breach by the said Party of any of the terms or conditions contained in the said Tender.
2. We.....Bank do hereby undertake to pay the amounts due and payable under this Guarantee without any demur, merely on a demand from the Buyer stating that the amount claimed is due by way of loss or damage caused, to or would be caused to or suffered by the Buyer by reason of any breach by the said Party of any of the terms or conditions contained in the said Tender or by reason of the Party's failure to perform the said Tender. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the bank under this guarantee.
3. We.....Bank Limited further agree to the Guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said Tender. Order and that it shall continue to be enforceable till all the dues of the Buyer under or by virtue of the said Tender/Order have been fully paid and its claims satisfied or discharged or till the Chairman & Managing Director, Garden Reach Shipbuilders & Engineers Limited, certifies that the terms & conditions of the said Tender have been fully and properly carried out by the said Party and accordingly discharges the Guarantee. Unless a demand or claim under this Guarantee is made on us in writing on or before the..... we shall be discharged from all liability under this Guarantee thereafter.
4. We.....Bank Limited further agree with the Buyer that the Buyer shall have the fullest liberty without our consent and without affecting in any manner our our obligations hereunder to vary any of the terms & conditions of the said Tender/Order or to extended time of performance by the said party from time to time or to postpone for any time or from time to time any of the powers exercisable by the Buyer against the said Party and to forbear or enforce any of terms and conditions relating to the said Tender/Order and we shall not be relieved from our liability by reason of any such variation, or extension being granted to the said Party or for any for bearance, act or omission on the part of the Buyer or any indulgence by the Buyer to the said Party or by any such matter of thing whatsoever which under the law relating to sureties would but for this provision have effect of so relieving us.
5. We.....Bank Limited lastly undertake not to revoke this Guarantee during its currency except with the previous consent of the Buyer in writing.
6. Notwithstanding anything contained here in above, the liability of the Guarantor under this Guarantee is restricted to Rs..... (Rupees.....only) and that this Guarantee shall remain in force until its expiry on the(date), unless a suit or action to enforce a claim under this Guarantee is made against the Guarantor within six months from the date of expiry, all the rights of the beneficiary under the said Guarantee shall be released and discharged from all liabilities thereof.

ForBank Limited.

(seal)

Dated theday of200.....



ANNEXURE: XI
TO BE SUBMITTED IN BIDDER'S LETTER HEAD
FORMAT FOR UNDERTAKING/ DECLARATION, TO BE FURNISHED ON COMPANY LETTER
HEAD WITH REGARD BLACKLISTING/ BANNED/ISSUE OF TENDER HOLIDAY/ RISK
PURCHASE NOTICE

Ref: GRSE Tender No.

To

Garden Reach Shipbuilders & Engineers Ltd.
43/46 Garden Reach Road
Kolkata-700024

We hereby confirm and declare that we M/s., registered office at and factory athas not been blacklisted/ de-registered/ debarred/ under tender holiday by any Government Department/ PSU/DPSU for which we have undertaken the works/service during last 5 (five) years ending at Tender closing date.

We are also hereby declare that we have not been issued with any Risk Purchase Notice by Garden Reach Shipbuilders & Engineers Ltd, for non-fulfillment of delivery commitment of similar item for any project during last 2 years ending on (Tender Closing date)

For:

Authorised Signatory.....

Stamp.....

Date.....

Place.....

ANNEXURE: XII

DATE-

GARDEN REACH SHIPBUILDERS AND ENGINEERS LTD.

STANDARD TERMS AND CONDITIONS OF SUPPLY
STACS ACCEPTANCE FORMAT FOR INDEGENOUS EQUIPMENT / MACHINERY
REF. NO. GRSE-STACS-PE-INDG

TENDER NO. :-----				DATE:-----			
STACS CLAUSE NO.	BIDDER' S REMARK	STACS CLAUSE NO.	BIDDER' S REMARK	STACS CLAUSE NO.	BIDDER' S REMARK	STACS CLAUSE NO.	BIDDER' S REMARK
IN – 101		IN – 201		IN – 501		IN – 701	
IN – 102		IN – 202		IN – 502		IN – 702	
IN – 103		IN – 203		IN – 503		IN – 703	
IN – 104		IN – 204		IN – 504		IN – 704	
IN – 105		IN – 205		IN – 601		IN – 705	
IN – 106		IN – 206		IN – 602.1		IN – 706	
IN – 107		IN – 207		IN – 602.2		IN – 707	
IN – 108		IN – 208		IN – 603		IN – 708	
IN – 109		IN – 209		IN – 604		IN – 709	
IN – 110		IN – 210		IN – 604.1		IN – 710	
IN – 111		IN – 211		IN – 604.2		IN – 711	
IN – 112		IN – 212		IN – 605		IN – 712	
IN – 113		IN – 301		IN – 606		IN – 713	
IN – 114		IN – 302.1		IN – 607.1		IN – 714	
IN – 115		IN – 302.2		IN – 607.2		IN – 801	
IN – 116		IN – 303		IN – 607.3		IN – 802	
IN – 117		IN – 304		IN – 607.3.1		IN – 803	
IN – 118		IN – 305		IN – 607.3.1		IN – 804	
IN – 119		IN – 306		IN – 607.4		IN – 805	
IN – 120		IN – 401		IN – 607.5		IN – 806	
		IN – 402		IN – 608			
		IN – 403		IN – 607.4			
		IN – 404					
		IN – 405					

COMPANY'S SEAL

SIGNATURE & DATE :

NAME :

DESIGNATION :

COMPANY'S NAME & ADDRESS :

NOTE :

1. BIDDERS SHOULD READ THE STANDARD TERMS AND CONDITIONS STACS) INCLUDED IN THE TENDER CAREFULLY PRIOR TO FILLING UP THIS ACCEPTANCE FORMAT.
2. THIS FORMAT SHOULD BE PROPERLY FILLED, SIGNED AND RETURNED ALONG WITH YOUR TECHNICAL BID FOR CONSIDERING YOUR BID.
3. PLEASE INDICATE : ACC – FOR ACCEPTED, NO – FOR NOT ACCEPTED, DEV. – FOR DEVIATION TAKEN.
4. SEPARATE SHEET TO BE ATTACHED FOR ANY DEVIATION TAKEN BY YOU.
5. STACS CLAUSE NUMBERS SHOWN IN THE FORMAT INCLUDES THE SUB CLAUSES UNDER THEM ALSO.

ECS FORMAT

VENDOR'S NAME :

ADDRESS :

VENDOR'S REGN. CODE NO. WITH GRSE :

DESIGNATED BANK ACCOUNT NAME :

BANK ACCOUNT NO. :

NATURE OF ACCOUNT :

SAVINGS CURRENT OTHERS *

* give details.

NAME OF BANK :

BANK BRANCH ADDRESS :

BANK CODE NO. :

MICR NO. (9 DIGITS) FOR PAYMENT :

DATE OF EFFECT :

**NOTE : (A) ENCLOSE BANK'S VERIFICATION OF A/C. DETAILS AS PER
FORMAT APPENDED BELOW**

(B) ENCLOSE ONE COPY OF RELEVANT CHEQUE LEAF.

I, hereby, declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold the user institution responsible. I have read the option invitation letter and agree to discharge the responsibility expected of me as a participant under the scheme.

(.....

Signature of the Authorised signatory of the vendor

Date :

Certified that the particulars furnished above are correct as per our records.

BANK'S STAMP : (.....)

SIGNATURE OF THE AUTHORISED OFFICIAL
OF THE BANK

Date :

**Action points for implementation of ECS payment
to suppliers of NCM Deptt.**

a) General:

- 1) In respect of advance payment, supplier is to submit to SLP Section, the requisite Bank Guarantee in Bank's sealed envelope as per existing procedure.
- 2) The payment through ECS is scheduled to be effected on every Tuesday and Friday.
- 3) Payment will be made approx. within 2/3 weeks on receipt of clear bills by Corporate Finance.
- 4) The suppliers' copy/ intimation slip issued by SLP Section in respect of each Payment Voucher is to be collected by the supplier from Dak Deptt. after 2/3 weeks of submission of bill during business hours.
- 5) The Supplier is to super scribe the Invoice with Vendor Code and mode of payment ECS.

b) Balance payment/ Progressive payment:

- 1) The same procedure as mentioned above is to be followed for progressive payment for which necessary documents are to be forwarded by the supplier directly to SLP Section.
- 2) In cases where payment based on percentage of total value is to be made to the supplier on proof of delivery, the following documents are to be enclosed:
 - i) Invoice – 5 copies
 - ii) Test & Inspection Certificate of the designated Inspection Authority
- 4 copies
 - iii) Receipted copy of the Challan/ ICGRN as per stipulation of Purchase Order in line with existing procedure -- 2 copies.
- 3) In respect of payment of balance amount i.e. the final payment as per Purchase Order, the following documents are to be submitted by the supplier:
 - i) Invoice – 5 copies
 - ii) ICGRN copy indicating GRN No. which will be available from Stores.
 - iii) Other documents in original wherever necessary for additional claims as specified in the order viz. freight bill, third party inspection charges etc.

c) Payment against Purchase Order for 100%

This payment term should be avoided. In the event where such term is unavoidable the following documents are to be submitted by the supplier for making payment:

- i) Invoice – 5 copies
- ii) Receipted copy of Challan/ copy of ICGRN as per stipulation of Purchase Order.

- d) Acknowledgement of receipt of the bill will be collected by the supplier from Dak Dept. as per existing procedure.

Agreed as above.

Name of the supplier:

Signature :

Date:

ANNEXURE - XVI

FORMAT OF BANK GUARANTEE TOWARDS EARNEST MONEY

(to be used by all scheduled banks)

In consideration of M/s. Garden Reach Shipbuilders & Engineers Limited, 43/46, Garden Reach Road, Kolkata – 700 024 (herein after called "the Buyer") having agreed to exempt M/s. _____ (hereinafter called "the Party") from the demand, under the terms and conditions contained in the Tender / Purchase Order No. _____ dated _____ (thereinafter called "the said tender") of Security Deposit for the due fulfillment by the said party of the terms and conditions contained in the said tender, on production of a Bank Guarantee for Rs. _____ (Rupees _____ only). We, _____ Bank Limited (hereinafter referred to as "the Bank") do hereby undertake to pay to the Buyer an amount not exceeding Rs. _____ against any loss or damage caused to or suffered by the Buyer by reason of any breach by the said Party of any of the terms or contained in the said Tender.

2. We, _____ Bank _____ do hereby undertake to pay the amounts due and payable under this Guarantee without any demur, merely on a demand from the buyer stating that the amount claimed is due by way of loss of damage caused, to or would be caused to or suffered by the Buyer by reason of any beach by the said Party of any of the terms or conditions contained in the said Tender or by reason of the Party's failure to perform the said Tender. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this Guarantee.

3. We, _____ Bank Limited further agree to the Guarantee herein contained shall remain in full force and affect during the period that would be taken for the performance of the said Tender / Order and that it shall continue to be enforceable till all the dues of the Buyer under or by virtue of the said Tender/Order have been fully paid and its claims satisfied or discharged or till the Managing Director, Garden Reach Shipbuilders & Engineers Limited, certified that the terms and conditions of the said Tender/Order have been fully & properly and carried out by the said Party and accordingly discharges the Guarantee. Unless a demand or claim under this Guarantee is made on us in writing on or before the _____ we shall be discharged from all liability under this Guarantee thereafter.

4. We, _____ Bank Limited further agree with the Buyer that the Buyer shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said Tender / Order or to extend time of performance by the said party from time to time or to postpone for any time or from time to time any of the powers exercisable by the Buyer against the said Party and to forbear or enforce any of the terms and conditions relating to the said Tender / Order and we shall not be relieved from our liability by reason of any such variation, or extension being granted to the said party for any forbearance, act or omission on the part of the Buyer or any Indulgence by the Buyer to the said Party or by any such matter of thing whatsoever which under the law relating to sureties would but for this provision have effect of so relieving us.

5. We, _____ Bank Limited lastly undertake not to revoke this Guarantee during its currency except with the previous consent of the Buyer in writing.

6. Notwithstanding anything contained hereinabove, the liability of the Guarantor under this Guarantee is restricted to Rs. _____ (Rupees _____) and that this guarantee shall remain inforce until its expiry on the _____ (date), unless a suit or action to enforce a claim under this Guarantee is made against the Guarantor within six months from the aforesaid date of expiry, all the rights of their beneficiary under the said Guarantee shall be forfeited and the Guarantee shall be released and discharged from all liabilities thereof.

For _____ Bank Limited.

Dated the _____ day of _____ 20 _____



गार्डेन रीच शिपबिल्डर्स एंड इंजीनियर्स लिमिटेड Garden Reach Shipbuilders & Engineers Ltd.

(भारत सरकार का उपक्रम, रक्षा मंत्रालय)
(A Government of India Undertaking, Ministry of Defence)
CIN NO.: L35111WB1934GOI007891

ANNEXURE: XIV

Indigenization Policy - PPP MII Order dated 16th September 2020 and clarification dated 4th March 2021 and Addendum dtd. 29.12.2021

No. P-45021/2/2017-PP (BE-II)
Government of India
Ministry of Commerce and Industry
Department for Promotion of Industry and Internal Trade
(Public Procurement Section)

Udyog Bhawan, New Delhi
Dated: 16th September, 2020

To

All Central Ministries/Departments/CPSUs/All concerned

ORDER

Subject: Public Procurement (Preference to Make in India), Order 2017- Revision; regarding.

Department for Promotion of Industry and Internal Trade, in partial modification [Paras 2, 3, 5, 10 & 13] of Order No.P-45021/2/2017-B.E.-II dated 15.6.2017 as amended by Order No.P-45021/2/2017-B.E.-II dated 28.05.2018, Order No.P-45021/2/2017-B.E.-II dated 29.05.2019 and Order No.P-45021/2/2017-B.E.-II dated 04.06.2020, hereby issues the revised 'Public Procurement (Preference to Make in India), Order 2017' dated 16.09.2020 effective with immediate effect.

Whereas it is the policy of the Government of India to encourage 'Make in India' and promote manufacturing and production of goods and services in India with a view to enhancing income and employment, and

Whereas procurement by the Government is substantial in amount and can contribute towards this policy objective, and

Whereas local content can be increased through partnerships, cooperation with local companies, establishing production units in India or Joint Ventures (JV) with Indian suppliers, increasing the participation of local employees in services and training them,

Now therefore the following Order is issued:

1. This Order is issued pursuant to Rule 153 (iii) of the General Financial Rules 2017.
2. **Definitions:** For the purposes of this Order:

'Local content' means the amount of value added in India which shall, unless otherwise prescribed by the Nodal Ministry, be the total value of the item procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value, in percent.

'Class-I local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, meets the minimum local content as prescribed for 'Class-I local supplier' under this Order.

... Contd. p/2

'Class-II local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, meets the minimum local content as prescribed for 'Class-II local supplier' but less than that prescribed for 'Class-I local supplier' under this Order.

'Non - Local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content less than that prescribed for 'Class-II local supplier' under this Order.

'L1' means the lowest tender or lowest bid or the lowest quotation received in a tender, bidding process or other procurement solicitation as adjudged in the evaluation process as per the tender or other procurement solicitation.

'Margin of purchase preference' means the maximum extent to which the price quoted by a 'Class-I local supplier' may be above the L1 for the purpose of purchase preference.

'Nodal Ministry' means the Ministry or Department identified pursuant to this order in respect of a particular item of goods or services or works.

'Procuring entity' means a Ministry or department or attached or subordinate office of, or autonomous body controlled by, the Government of India and includes Government companies as defined in the Companies Act.

'Works' means all works as per Rule 130 of GFR- 2017, and will also include 'turnkey works'.

3. Eligibility of 'Class-I local supplier'/ 'Class-II local supplier'/ 'Non-local suppliers' for different types of procurement

(a) In procurement of all goods, services or works in respect of which the Nodal Ministry / Department has communicated that there is sufficient local capacity and local competition, only 'Class-I local supplier', as defined under the Order, shall be eligible to bid irrespective of purchase value.

(b) Only 'Class-I local supplier' and 'Class-II local supplier', as defined under the Order, shall be eligible to bid in procurements undertaken by procuring entities, except when Global tender enquiry has been issued. In global tender enquiries, 'Non-local suppliers' shall also be eligible to bid along with 'Class-I local suppliers' and 'Class-II local suppliers'. In procurement of all goods, services or works, not covered by sub-para 3(a) above, and with estimated value of purchases less than Rs. 200 Crore, in accordance with Rule 161(iv) of GFR, 2017, Global tender enquiry shall not be issued except with the approval of competent authority as designated by Department of Expenditure.

(c) For the purpose of this Order, works includes Engineering, Procurement and Construction (EPC) contracts and services include System Integrator (SI) contracts.

.... Contd. p/3

3A. Purchase Preference

(a) Subject to the provisions of this Order and to any specific instructions issued by the Nodal Ministry or in pursuance of this Order, purchase preference shall be given to 'Class-I local supplier' in procurements undertaken by procuring entities in the manner specified here under.

(b) In the procurements of goods or works, which are covered by para 3(b) above and which are divisible in nature, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure

- i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is 'Class-I local supplier', the contract for full quantity will be awarded to L1.
- ii. If L1 bid is not a 'Class-I local supplier', 50% of the order quantity shall be awarded to L1. Thereafter, the lowest bidder among the 'Class-I local supplier' will be invited to match the L1 price for the remaining 50% quantity subject to the Class-I local supplier's quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such 'Class-I local supplier' subject to matching the L1 price. In case such lowest eligible 'Class-I local supplier' fails to match the L1 price or accepts less than the offered quantity, the next higher 'Class-I local supplier' within the margin of purchase preference shall be invited to match the L1 price for remaining quantity and so on, and contract shall be awarded accordingly. In case some quantity is still left uncovered on Class-I local suppliers, then such balance quantity may also be ordered on the L1 bidder.

(c) In the procurements of goods or works, which are covered by para 3(b) above and which are not divisible in nature, and in procurement of services where the bid is evaluated on price alone, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:

- i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is 'Class-I local supplier', the contract will be awarded to L1.
- ii. If L1 is not 'Class-I local supplier', the lowest bidder among the 'Class-I local supplier', will be invited to match the L1 price subject to Class-I local supplier's quoted price falling within the margin of purchase preference, and the contract shall be awarded to such 'Class-I local supplier' subject to matching the L1 price.
- iii. In case such lowest eligible 'Class-I local supplier' fails to match the L1 price, the 'Class-I local supplier' with the next higher bid within the margin of purchase preference shall be invited to match the L1 price and so on and contract shall be awarded accordingly. In case none of the 'Class-I local supplier' within the margin of purchase preference matches the L1 price, the contract may be awarded to the L1 bidder.

.... Contd. p/4

(d) 'Class-II local supplier' will not get purchase preference in any procurement undertaken by procuring entities.

3B. Applicability in tenders where contract is to be awarded to multiple bidders - In tenders where contract is awarded to multiple bidders subject to matching of L1 rates or otherwise, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:

a) In case there is sufficient local capacity and competition for the item to be procured, as notified by the nodal Ministry, only Class I local suppliers shall be eligible to bid. As such, the multiple suppliers, who would be awarded the contract, should be all and only 'Class I Local suppliers'.

b) In other cases, 'Class II local suppliers' and 'Non local suppliers' may also participate in the bidding process along with 'Class I Local suppliers' as per provisions of this Order.

c) If 'Class I Local suppliers' qualify for award of contract for at least 50% of the tendered quantity in any tender, the contract may be awarded to all the qualified bidders as per award criteria stipulated in the bid documents. However, in case 'Class I Local suppliers' do not qualify for award of contract for at least 50% of the tendered quantity, purchase preference should be given to the 'Class I local supplier' over 'Class II local suppliers' / 'Non local suppliers' provided that their quoted rate falls within 20% margin of purchase preference of the highest quoted bidder considered for award of contract so as to ensure that the 'Class I Local suppliers' taken in totality are considered for award of contract for at least 50% of the tendered quantity.

d) First purchase preference has to be given to the lowest quoting 'Class-I local supplier', whose quoted rates fall within 20% margin of purchase preference, subject to its meeting the prescribed criteria for award of contract as also the constraint of maximum quantity that can be sourced from any single supplier. If the lowest quoting 'Class-I local supplier', does not qualify for purchase preference because of aforesaid constraints or does not accept the offered quantity, an opportunity may be given to next higher 'Class-I local supplier', falling within 20% margin of purchase preference, and so on.

e) To avoid any ambiguity during bid evaluation process, the procuring entities may stipulate its own tender specific criteria for award of contract amongst different bidders including the procedure for purchase preference to 'Class-I local supplier' within the broad policy guidelines stipulated in sub-para above.

4. Exemption of small purchases: Notwithstanding anything contained in paragraph 3, procurements where the estimated value to be procured is less than Rs. 5 lakhs shall be exempt from this Order. However, it shall be ensured by procuring entities that procurement is not split for the purpose of avoiding the provisions of this Order.

5. Minimum local content: The 'local content' requirement to categorize a supplier as 'Class-I local supplier' is minimum 50%. For 'Class-II local supplier', the 'local content' requirement is minimum 20%. Nodal Ministry/ Department may prescribe only a higher

....Contd. p/5

percentage of minimum local content requirement to categorize a supplier as 'Class-I local supplier' / 'Class-II local supplier'. For the items, for which Nodal Ministry/ Department has not prescribed higher minimum local content notification under the Order, it shall be 50% and 20% for 'Class-I local supplier' / 'Class-II local supplier' respectively.

6. **Margin of Purchase Preference:** The margin of purchase preference shall be 20%.
7. **Requirement for specification in advance:** The minimum local content, the margin of purchase preference and the procedure for preference to Make in India shall be specified in the notice inviting tenders or other forms of procurement solicitation and shall not be varied during a particular procurement transaction.
8. **Government E-marketplace:** In respect of procurement through the Government E-marketplace (GeM) shall, as far as possible, specifically mark the items which meet the minimum local content while registering the item for display, and shall, wherever feasible, make provision for automated comparisons with purchase preference and without purchase preference and for obtaining consent of the local supplier in those cases where purchase preference is to be exercised.
9. **Verification of local content:**
 - a. The 'Class-I local supplier' / 'Class-II local supplier' at the time of tender, bidding or solicitation shall be required to indicate percentage of local content and provide self-certification that the item offered meets the local content requirement for 'Class-I local supplier' / 'Class-II local supplier', as the case may be. They shall also give details of the location(s) at which the local value addition is made.
 - b. In cases of procurement for a value in excess of Rs. 10 crores, the 'Class-I local supplier' / 'Class-II local supplier' shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.
 - c. Decisions on complaints relating to implementation of this Order shall be taken by the competent authority which is empowered to look into procurement-related complaints relating to the procuring entity.
 - d. Nodal Ministries may constitute committees with internal and external experts for independent verification of self-declarations and auditor's/ accountant's certificates on random basis and in the case of complaints.
 - e. Nodal Ministries and procuring entities may prescribe fees for such complaints.
 - f. False declarations will be in breach of the Code of Integrity under Rule 175(1)(i)(h) of the General Financial Rules for which a bidder or its successors can be debarred for up to two years as per Rule 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.

Contd. p/5

- g. A supplier who has been debarred by any procuring entity for violation of this Order shall not be eligible for preference under this Order for procurement by any other procuring entity for the duration of the debarment. The debarment for such other procuring entities shall take effect prospectively from the date on which it comes to the notice of other procurement entities, in the manner prescribed under paragraph 9h below.
- h. The Department of Expenditure shall issue suitable instructions for the effective and smooth operation of this process, so that:
 - i. The fact and duration of debarment for violation of this Order by any procuring entity are promptly brought to the notice of the Member-Convenor of the Standing Committee and the Department of Expenditure through the concerned Ministry /Department or in some other manner;
 - ii. on a periodical basis such cases are consolidated and a centralized list or decentralized lists of such suppliers with the period of debarment is maintained and displayed on website(s);
 - iii. in respect of procuring entities other than the one which has carried out the debarment, the debarment takes effect prospectively from the date of uploading on the website(s) in the such a manner that ongoing procurements are not disrupted.

10. Specifications in Tenders and other procurement solicitations:

- a. Every procuring entity shall ensure that the eligibility conditions in respect of previous experience fixed in any tender or solicitation do not require proof of supply in other countries or proof of exports.
- b. Procuring entities shall endeavour to see that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of 'Class-I local supplier' / 'Class-II local supplier' who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier.
- c. Procuring entities shall, within 2 months of the issue of this Order review all existing eligibility norms and conditions with reference to sub-paragraphs 'a' and 'b' above.

d. Reciprocity Clause

- i. When a Nodal Ministry/Department identifies that Indian suppliers of an item are not allowed to participate and/ or compete in procurement by any foreign government, due to restrictive tender conditions which have direct or indirect effect of barring Indian companies such as registration in the procuring country, execution of projects of specific value in the procuring country etc., it shall provide such details to all its procuring entities including CMDs/CEOs of PSEs/PSUs, State Governments and other procurement agencies under their administrative control and GeM for appropriate reciprocal action.

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- ii. Entities of countries which have been identified by the nodal Ministry/Department as not allowing Indian companies to participate in their Government procurement for any item related to that nodal Ministry shall not be allowed to participate in Government procurement in India for all items related to that nodal Ministry/ Department, except for the list of items published by the Ministry/ Department permitting their participation.
 - iii. The stipulation in (ii) above shall be part of all tenders invited by the Central Government procuring entities stated in (i) above. All purchases on GeM shall also necessarily have the above provisions for items identified by nodal Ministry/ Department.
 - iv. State Governments should be encouraged to incorporate similar provisions in their respective tenders.
 - v. The term 'entity' of a country shall have the same meaning as under the FDI Policy of DPIIT as amended from time to time.
- e. Specifying foreign certifications/ unreasonable technical specifications/ brands/ models in the bid document is restrictive and discriminatory practice against local suppliers. If foreign certification is required to be stipulated because of non-availability of Indian Standards and/or for any other reason, the same shall be done only after written approval of Secretary of the Department concerned or any other Authority having been designated such power by the Secretary of the Department concerned.
- f. "All administrative Ministries/Departments whose procurement exceeds Rs. 1000 Crore per annum shall notify/ update their procurement projections every year, including those of the PSEs/PSUs, for the next 5 years on their respective website."

10A. Action for non-compliance of the Provisions of the Order: In case restrictive or discriminatory conditions against domestic suppliers are included in bid documents, an inquiry shall be conducted by the Administrative Department undertaking the procurement (including procurement by any entity under its administrative control) to fix responsibility for the same. Thereafter, appropriate action, administrative or otherwise, shall be taken against erring officials of procurement entities under relevant provisions. Intimation on all such actions shall be sent to the Standing Committee.

11. Assessment of supply base by Nodal Ministries: The Nodal Ministry shall keep in view the domestic manufacturing / supply base and assess the available capacity and the extent of local competition while identifying items and prescribing the higher minimum local content or the manner of its calculation, with a view to avoiding cost increase from the operation of this Order.

12. Increase in minimum local content: The Nodal Ministry may annually review the local content requirements with a view to increasing them, subject to availability of sufficient local competition with adequate quality.

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13. **Manufacture under license/ technology collaboration agreements with phased indigenization:** While notifying the minimum local content, Nodal Ministries may make special provisions for exempting suppliers from meeting the stipulated local content if the product is being manufactured in India under a license from a foreign manufacturer who holds intellectual property rights and where there is a technology collaboration agreement / transfer of technology agreement for indigenous manufacture of a product developed abroad with clear phasing of increase in local content.
- 13A. In procurement of all goods, services or works in respect of which there is substantial quantity of public procurement and for which the nodal ministry has not notified that there is sufficient local capacity and local competition, the concerned nodal ministry shall notify an upper threshold value of procurement beyond which foreign companies shall enter into a joint venture with an Indian company to participate in the tender. Procuring entities, while procuring such items beyond the notified threshold value, shall prescribe in their respective tenders that foreign companies may enter into a joint venture with an Indian company to participate in the tender. The procuring Ministries/Departments shall also make special provisions for exempting such joint ventures from meeting the stipulated minimum local content requirement, which shall be increased in a phased manner.
14. **Powers to grant exemption and to reduce minimum local content:** The administrative Department undertaking the procurement (including procurement by any entity under its administrative control), with the approval of their Minister-in-charge, may by written order, for reasons to be recorded in writing,
- reduce the minimum local content below the prescribed level; or
 - reduce the margin of purchase preference below 20%; or
 - exempt any particular item or supplying entities from the operation of this Order or any part of the Order.

A copy of every such order shall be provided to the Standing Committee and concerned Nodal Ministry / Department. The Nodal Ministry / Department concerned will continue to have the power to vary its notification on Minimum Local Content.

15. **Directions to Government companies:** In respect of Government companies and other procuring entities not governed by the General Financial Rules, the administrative Ministry or Department shall issue policy directions requiring compliance with this Order.
16. **Standing Committee:** A standing committee is hereby constituted with the following membership:

Secretary, Department for Promotion of Industry and Internal Trade—Chairman
Secretary, Commerce—Member
Secretary, Ministry of Electronics and Information Technology—Member
Joint Secretary (Public Procurement), Department of Expenditure—Member
Joint Secretary (DPIIT)—Member-Convener

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The Secretary of the Department concerned with a particular item shall be a member in respect of issues relating to such item. The Chairman of the Committee may co-opt technical experts as relevant to any issue or class of issues under its consideration.

- 17. Functions of the Standing Committee:** The Standing Committee shall meet as often as necessary, but not less than once in six months. The Committee
- shall oversee the implementation of this order and issues arising therefrom, and make recommendations to Nodal Ministries and procuring entities.
 - shall annually assess and periodically monitor compliance with this Order
 - shall identify Nodal Ministries and the allocation of items among them for issue of notifications on minimum local content
 - may require furnishing of details or returns regarding compliance with this Order and related matters
 - may, during the annual review or otherwise, assess issues, if any, where it is felt that the manner of implementation of the order results in any restrictive practices, cartelization or increase in public expenditure and suggest remedial measures
 - may examine cases covered by paragraph 13 above relating to manufacture under license/ technology transfer agreements with a view to satisfying itself that adequate mechanisms exist for enforcement of such agreements and for attaining the underlying objective of progressive indigenization
 - may consider any other issue relating to this Order which may arise.
- 18. Removal of difficulties:** Ministries /Departments and the Boards of Directors of Government companies may issue such clarifications and instructions as may be necessary for the removal of any difficulties arising in the implementation of this Order.
- 19. Ministries having existing policies:** Where any Ministry or Department has its own policy for preference to local content approved by the Cabinet after 1st January 2015, such policies will prevail over the provisions of this Order. All other existing orders on preference to local content shall be reviewed by the Nodal Ministries and revised as needed to conform to this Order, within two months of the issue of this Order.
- 20. Transitional provision:** This Order shall not apply to any tender or procurement for which notice inviting tender or other form of procurement solicitation has been issued before the issue of this Order.


(Rajesh Gupta)
Director
Tel: 23063211
rajesh.gupta66@gov.in

P-45021/102/2019-BE-II-Part(1) (E- 50310)
Government of India
Ministry of Commerce and Industry
Department of Promotion of Industry and Internal Trade
(Public Procurement Section)

Udyog Bhawan Delhi-110011

Dated March 4, 2021

OFFICE MEMORANDUM

Subject: Clarification for local content calculation PPP-MII Order –reg.

The undersigned is directed to refer Public Procurement (Preference to Make in India) Order dated 2017, as amended on 16.09.2020 regarding purchase preference for local manufactured items in Public Procurement.

2. References have been received in this department from various procuring entities wherein procuring entities have sought clarification as to whether the bidders offering imported content can claim themselves as Class-I local/Class-II local suppliers claiming the services such as transportation, insurance, installation, commissioning, training and after sales service support like AMC/CMC etc. as local value addition.

3. In this regard it is clarified that the bidders offering imported products will fall under the category of Non- local suppliers. They can't claim themselves as Class-I local suppliers/Class-II local suppliers by claiming the services such as transportation, insurance, installation, commissioning, training and after sales service support like AMC/CMC etc. as local value addition.

4. This issues with the approval of competent authority.


(Pritam Kumar)

Under Secretary to Government of India

E-mail: pritam.k@gov.in

Ph :- 011-23601306

To

All Ministries/Departments of Government of India

No.9/45/2017 HE&MT-Part I
Government of India
Ministry of Heavy Industries

Udyog Bhawan, New Delhi
Dated: 29/12/2021

Addendum

Subject: Applicability of Public Procurement (Preference to make in India) PPP-MII Order, 2017 guidelines on Process Plant Machinery - Addendum to OM of even no. dated 23.11.2021.

The undersigned is directed to refer to the DPIIT O.M. No. P-45021/103/2020 PP (BE-II)(E-43518) dated 02/12/2021 and clarify that in furtherance to MHI O.M. dated 23.11.2021 items mentioned in notification dated 08.06.2018 have now been classified in accordance with DPIIT Public Procurement (Preference to make in India) PPP-MII Order, 2017 dated 16.09.2020 and enclosed at Annexure-I.

Enclosed as above.



(Vikas Dogra)
Deputy Secretary to Government of India.
Email: vikasdogra71-cgo@gov.in

To,

1. All Ministries/ Department of the Govt. of India
2. Secretary General, PPMIAI
3. Director General, CII
4. Secretary General, FICCI
5. NIC, MHI for uploading on the MHI website

Copy to,

1. All Additional Secretaries/ Joint Secretaries/ Directors/ DSs of MHI
2. Shri Pritam Kumar
Under Secretary to Govt of India
DPIIT, Tel. 23061306
Email: pritam.k@gov.in

Annexure-I				
SN	Product	HSN Code	Minimum Local Content %	Proposed Local Supplier Type
A	Static Equipments			
1	Pressure Vessels			
a	Ammonia Converter (special type of pressure vessels used in Fertilizer Industry)	84198910	50	Class II local Supplier
b	Urea Reactors (special type of pressure vessels used in Fertiliser Industry)	84198910	50	
c	Hydro processing Reactor (special type of pressure vessels used in Petrochemicals Industry)	84198910	40	
d	Coke Drum (special type of pressure vessels used in Petrochemicals Industry vessels in Petrochemicals Industry)	84198910	50	
2	Heat Exchangers			
a	Urea Stripper (special type of heat exchangers used in Fertilizer Industry)	84195010	40	
b	Carbamate Condenser (special type of heat exchangers used in Fertilizer Industry)	84195010	40	
c	High Pressure Heat Exchangers	84195010	45	
3	Boilers			
a	RG Boilers/ Synloop Boilers/Fire Tube Boilers (Special type of Boilers used in Fertilizer Industry)	84021910	45	
B	Rotating Equipment			
1	Centrifugal pumps (Water Handling Pumps)	84139120	95	Class I local Suppliers
2	Compressors	84212900	90	
C	Instrumentation and Automation			
1	Instruments for Pressure	90262000	90	
2	Instruments for Temperature	90262000	90	
3	Instruments for Flow	90261010	70	
4	Instruments for Level	90261090	75	
5	Process Analyser System	90271000	65	
6	Continuous Emission Monitoring System	90271000	65	
7	Ambient Air Quality Monitoring System	90271000	65	
8	Distributed Control Systems	90328990	70/80	
D	Pipe Line Valves			
1	Control Valves	73181600	85	Class I local Suppliers
2	Steam Conditioning Valves/Turbine Bypass Valve	84818010/	80	
		84818090	80	
3	Valves for High Temperature and Pressure (Gate, Globe, Ball, Butterfly)	84818010/	80	
		84818090	80	

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Annexure- XV

Registration Requirement (DPIIT)

- I. **Any bidder from a country which shares a land border with India will be eligible to bid in this tender only if the bidder is registered with the Competent Authority. The Competent Authority for the purpose of registration shall be the Registration Committee constituted by the Department of Promotion of Industry and Internal Trade (DPIIT).**
- II. “Bidder” (including the term ‘tenderer’, ‘consultant’ or ‘service provider’ in certain contexts) means any person or firm or company, including any member of a consortium or joint venture (that is an association of several persons, or firms or companies), every artificial juridical person not falling in any of the descriptions of bidders stated hereinbefore, including any agency branch or office controlled by such person, participating in a procurement process.
- III. “Bidder from a country which shares a land border with India” for the purpose of this order means:-
 - a. An entity incorporated, established or registered in such a country; or
 - b. A subsidiary of an entity incorporated, established or registered in such a country; or
 - c. An entity substantially controlled through entities incorporated, established or registered in such a country; or
 - d. An entity whose beneficial owner is situated in such a country; or
 - e. An Indian (or other) agent of such an entity; or
 - f. A natural person who is a citizen of such a country; or
 - g. A consortium or joint venture where any member of the consortium or joint venture falls under any of the above.
- IV. The beneficial owner for the purpose of (iii) above will be as under:
 1. In case of a company or Limited Liability Partnership, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has a controlling ownership interest or who exercises control through other means.

Explanation –

 - a. “Controlling ownership interest” means ownership of or entitlement to more than twenty-five per cent. of shares or capital or profits of the company;
 - b. “Control” shall include the right to appoint majority of the directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholders agreements or voting agreements;
 2. In case of a partnership firm, the beneficial owner is the natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of entitlement to more than fifteen percent of capital or profits of the partnership;
 3. In case of an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together or through one or more juridical person, has ownership of or entitlement to more than fifteen percent of the property or capital or profits of such association or body of individuals;
 4. Where no natural person is identified under (1) or (2) or (3) above, the beneficial owner is the relevant natural person who holds the position of senior managing official;
 5. In case of a trust, the identification of beneficial owner(s) shall include identification of the

author of the trust, the trustee, the beneficiaries with fifteen percent or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.

V. An agent is a person employed to do any act for another, or to represent another in dealings with third person.

VI. **The successful bidder shall not be allowed to sub-contract works to any contractor from a country which shares a land border with India unless such contractor is registered with the Competent Authority.**

VII. **All Bidders must submit Certificate in their letterhead as per following format.** If the Bidder is registered with Competent Authority, the Registration Certificate along with the Certificate in following format is to be submitted in their techno-commercial (Part-I) bid. The Registration Certificate shall be valid at the time of submission of bids and at the time of acceptance of bids.

a) Certificate for Tenders

"I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India; I certify that this bidder is not from such a country or; if from such a country, has been registered with the Competent Authority. I hereby certify that this bidder fulfills all requirements in this regard and is eligible to be considered. [Where applicable, evidence of valid registration by the Competent Authority shall be attached.]"

b) Certificate for Tenders for Works involving possibility of sub-contracting

"I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India and on sub-contracting to contractors from such countries; I certify that this bidder is not from such a country or, if from such a country, has been registered with the Competent Authority and will not sub-contract any work to a contractor from such countries unless such contractor is registered with the Competent Authority. I hereby certify that this bidder fulfills all requirements in this regard and is eligible to be considered. [Where applicable, evidence of valid registration by the Competent Authority shall be attached.]"

**INTEGRITY PACT TO BE EXECUTED FOR
HIGH VALUE ORDERS**

1. ~~IN FORMAT ENCLOSED.~~
2. ~~IN NON – JUDICIAL STAMP PAPER OF VALUE RS. 110/-.~~
3. ~~TO BE EXECUTED BY PERSON WITH APPROPRIATE AUTHORITY.~~

INTEGRITY PACT

Between M/s. Garden Reach Shipbuilders & Engineers Limited (GRSE) hereinafter referred to as "The Principal"

and

..... hereinafter referred to as " the Bidder / Contractor"

~~The Principal intends to award, under laid down organizational procedures, contract for..... The Principal values full compliance with all relevant laws of the land, rules, regulations, economic use of resources and of fairness /transparency in its relations with its Capital Bidder(s)/ or Contractors(s).~~

~~In order to achieve these goals, the Principal will appoint an Independent External Monitor (IEM), who will monitor the tender process and the execution of the contract for compliance with the principals mentioned above.~~

Section 1 - Commitments of the Principal

[1] ~~The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles :-~~

- ~~a. No employee of the Principal, personally or through family members, will in connection with the tender for , or the execution of a contract, demand, take a promise for or accept for self or third person, any material or immaterial benefit which the person is not legally entitled to.~~
- ~~b. The Principal will, during the tender process treat all Bidder(s) with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidder(s) the same information and will not provide to any Bidder(s) confidential / additional information through which the Bidder(s) could obtain an advantage in relation to the tender process or the contract execution.~~
- ~~c. The principal will exclude from the process all known prejudiced persons~~

[2] ~~If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the IPC/PC Act, or if there be a substantive suspicion in this regard, the Principal will inform the Chief Vigilance Officer and in addition can initiate disciplinary actions. —~~

Section 2 – Commitments of the Bidder(s)/ Contractor(s)

[1] ~~The Bidder(s) /Contractor(s) commit himself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender process and during the contract execution.~~

- ~~a. The Bidder(s) / Contractor(s) will not, directly or through any other person or firm, offer, promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or other benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.~~

Contd....2

~~b. The Bidder(s)/Contractor(s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.~~

~~c. The Bidder(s)/Contractor(s) will not commit any offence under the relevant IPC/PC Act; further the Bidder(s)/Contractor(s) will not use improperly, for purpose of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.~~

~~d. The Bidder(s)/Contractor(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any. Similarly the Bidder(s) /Contractor(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. Further details as mentioned in the "Guidelines on Indian Agents of Foreign Suppliers" shall be disclosed by the Bidder(s) /Contractor(s). Further as mentioned in the Guidelines all the payments made to the Indian agent/representative have to be in Indian Rupees only, copy of the "Guidelines on Indian agent of foreign Supplier" is annexed and marked as annex.~~

~~e. The Bidder(s)/Contractor(s) will, when presenting his bid, disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.~~

~~[2] The Bidder(s)/ Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.~~

~~Section 3 – Disqualification from tender process and exclusion from future contracts.~~

~~If the Bidder(s)/Contractor(s) before award or during execution has committed a transgression through a violation of Section 2, above or in any other form such as to put his reliability or credibility in question, the Principal is entitled to disqualify the Bidder(s) /Contractor(s) from the tender process or take action as per the extant procedure of the company.~~

~~Section 4 – Compensation for Damages.~~

~~(1) If the *Principal* has disqualified the Bidder(s) from the tender process prior to the award according to section 3, the Principal is entitled to demand and recover the damages equivalent to earnest Money Deposit /Bid Security.~~

~~(2) If the principal has terminated the contract according to section 3, or if the Principal is entitled to terminate the contract according to section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages of the Contract value or the amount equivalent to Performance Bank Guarantee.~~

Contd....3

Section 5, - Previous Transgression

- (1) ~~The Bidder declares that no previous transgressions occurred in the last 3 years with any other company in any country conforming to the anti corruption approach or with any other Public Sector Enterprise in India that could justify his exclusion from the tender process.~~
- (2) ~~If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process or action can be taken as per the procedure mentioned in "Guidelines on Banning of business dealing".~~

Section 6 - Equal treatment of all Bidders / Contractors / Sub-contractors.

- (1) ~~The Bidder(s) /Contractor(s) undertake(s) to demand from all sub-contractors a commitment in conformity with this Integrity Pact, and to submit it to the Principal before contract signing.~~
- (2) ~~The Principal will enter into agreements with identical conditions as this one with all Bidders, Contractors and Sub-contractors.~~
- (3) ~~The Principal will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.~~

Section 7 – Criminal charges against violating Bidder(s) Contractor(s) / Sub-contractor(s)

~~If the Principal obtains knowledge of conduct of a Bidder, Contractor or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor which constitutes corruption, or if the principal has substantive suspicion in this regard, the Principal will inform the same to the Chief Vigilance Officer.~~

Section 8 – Independent External Monitor /Monitors

- (1) ~~The Principal appoints competent and credible Independent External Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.~~
- (2) ~~The Monitor is not subject to instructions by the representative of the parties and perform his functions neutrally and independently. He reports to the Chairman GRSE.~~
- (3) ~~The Bidder(s) /Contractor(s) accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the Contractor. The Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Subcontractors. The monitor is under contractual obligation to treat the information and documents of the Bidder(s) /Contractor(s) /Subcontractor(s) with confidentiality.~~
- (4) ~~The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor, The parties offer to the Monitor the option to participate in such meetings.~~
- (5) ~~As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of the Principal and request the Management to discontinue or take corrective action, or to take other relevant action. The monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.~~
- (6) ~~The Monitor will submit a written report to the Chairman, GRSE within 8 to 10 weeks from the date of reference or intimation to him by the Principal and, should the occasion arise, submit proposals for correcting problematic situations.~~

Contd....4

