

**REQUEST FOR BRI (BUILDER'S RISK INSURANCE) INSURANCE QUOTE FOR TWO(2)
NUMBERS OF ASW SWC PROJECT.**

Ref. No: FIN/INS.BRI/3035-36/02

Date: 19.05.2022

To

.....Insurance Company

Dear Sir,

Re: **REQUEST FOR QUOTATION (RFQ) FOR BUILDERS RISK INSURANCE (BRI) FOR 2 (TWO) NOS. ANTI-SUBMARINE WARFARE SHALLOW WATER CRAFT (ASW SWC).**

1. **Garden Reach Shipbuilders & Engineers Ltd (GRSE)**, is a premier Warship building Company and offshore fabrication yards in India, under the administrative control of Ministry of Defence, Government of India. It is conferred with "best performing shipyard" for four years in a row – (2011-2014) by Hon'ble Raksha Mantri.
2. GRSE since 1960 has constructed warships for various roles, starting from state of the art Frigates & Corvettes, Offshore Patrol Vessels, various types of Survey Vessels, Fast Patrol Boats etc .**So far GRSE has delivered more than 100 Ships to its customers.**
3. GRSE (hereinafter referred to as Builder) has been awarded with a contract for construction of 8 (Eight) numbers of Anti-Submarine Warfare Shallow Water Craft (ASW SWC) by Ministry of Defence (hereinafter referred to as Buyer) towards Design, Construction, Equipment, Floating, Launching /Sea Trial Run and Delivery (Ex-Shipyard).

At present GRSE intends to cover the risk for 2 (two) ASW SWC Yard No 3035 & 3036 by Builders Risk Insurance under Institute Builders Risk Clause, 1988. The details of various parameter of insurance are provided in Annexure-A (Techno-commercial Bid).

4. The above 2(two) vessels shall be built at Builders Yards at Main Unit situated at 43/46 Garden Reach Road, Kolkata 700 024 and/or any other units at Kolkata owned by Garden Reach Shipbuilders & Engineers Ltd. However, Keel laying of Yard 3035 already commenced on 21.12.2021.
5. **Bidders Eligibility Criteria**
 - (a) The bidder must have previous experience in underwriting of Builders Risk Insurance for shipbuilding works as a lead insurer and the bidder has issued policy for Builders Risk Insurance for a Sum Insurance of not less than Rs.50 Crores per ship.
 - (b) The bidder has to attach the policy copy of the BRI Policy in support of above criteria.

6. Total contract value of the two (2) ship are as under:

SHIP-1 Rs. 674.29 crores (excluding B & D spares)

SHIP-2 Rs. 674.29 crores (excluding B & D spares)

TOTAL CONTRACT VALUE Rs. 1348.58 cr

7. **Tentative Breakup** of Component (SUM INSURED) of each Ship:

(a) Imported Items: Rs.141.00 cr

(b) Indigenous Items: Rs.414.44 cr

(c) Labour/ Fabrication: Rs.118.85 cr

8. **Date of Keel Laying:**

(a) Yard 3035 : 21st. December, 2021

(b) Expected Date for Yard 3036 in October 22. However this date may vary.

Please find the chart having tentative value of production at Yard 3035 & 3036 on half yearly basis. However, this may vary.

| | | PROJECTED/ESTIMATED VALUE OF PRODUCTION (IN CR.) | | | | |
|--------------------|---------------------------------------|--|--------------------------------|----------|------------|--|
| MONTH | YARD 3035 | | YARD 3036 | | | |
| | H-YEARLY | CUMULATIVE | MONTH | H-YEARLY | CUMULATIVE | |
| Jun-22 | 48.62 | 48.62 | | | | |
| Dec-22 | 160.54 | 209.16 | Mar-23 | 48.62 | 48.62 | |
| Jun-23 | 169.84 | 379.00 | Oct-23 | 210.54 | 259.16 | |
| Dec-23 | 124.03 | 503.03 | Mar-24 | 239.84 | 499.00 | |
| Jun-24 | 171.26 | 674.29 | Oct-24 | 175.26 | 674.29 | |
| | | | | | | |
| KEEL LAYING | 21 st. December, 2021 (ACTUAL) | | OCTOBER 2022 (Expected) | | | |

9. Basic Technical Specification of each ship are as under:

| SL | PARTICULARS | DIAMENSION |
|----|----------------------------|-----------------|
| 1 | LENGTH OVERALL (LOA) | 76.55M |
| 2 | LENGTH B.P. | 69.44 M |
| 3 | BREADTH (MOUNDED) | 10.50 M |
| 4 | DEPTH (MINIMUM) UP TO DECK | 6.30 M |
| 5 | DESIGN DRAFT | 2.70 M (APPROX) |
| 6 | DISPLACEMENT | 950 TONS |
| 7 | ENDURANCE | 1800 NM@14KNOTS |
| 8 | MAXIMUM SPEED | 25 KNOTS |
| 9 | MAIN DECK AREA | 725 SQ M |
| 10 | LOWER DECK AREA | 950 SQ M |
| 11 | DEAD WEIGHT CAPACITY | 135 TONS |
| 12 | GROSS TONNAGE(GRT) | 1500 (APPROX.) |

10. In terms mentioned above, GRSE intends to cover the risk of all the above two (2) ASW SWC by Builders Risk Insurance under Institute Builders Risk Clause, 1988. **There will be separate BRI policy(s) for each ship with respective period of insurance which may please be noted by the bidder.**
11. Before commissioning of the ship multiple trials/ sorties are to be undertaken by GRSE including Sea/River trials. **The BRI coverage must include Sea/River sorties for Trials up to a limit of 300 Nautical Miles.**
12. No Defect Liability cover is required under this Builders Risk.
13. **COVERAGE REQUIRED:**
All risks of physical loss or damage to the project property including vessel, all machineries, materials, equipment, appurtenances and outfit, built into or installed in or upon the Vessel including its modification as per said Builders Risk Insurance cover and also including fabrication/ sub-contractors' premises anywhere in India subject to the following add-on covers/waivers under the proposed BRI Policy(s):
 - i. Inclusion of Earthquake and Volcanic Eruption. (By deletion of Exclusion Clauses No.6 of Institute Clauses for Builders Risks (1st. June, 1988)
 - ii. Inclusion of Strike, Malicious Act, Riot, Civil Commotion (i.e. by deletion of Exclusion Clause No.22 & 23 of Institute Clauses for Builders Risks (1st. June, 1988).
 - iii. Coverage shall be extended to all temporary works, plant, equipment, machinery, materials, outfits and all property associated therewith whether such items are intended to form a permanent part of the works or not including site preparatory works or subsequent risks until delivery to the Buyer.
 - iv. Coverage required for physical loss and/ or damage to the property insured occurring during policy period and resulting from a defective part, faulty design, faulty materials, faulty or defective workmanship or latent defect even though the fault in design may have occurred prior to the attachment date of the policy.
 - v. There could be several preliminary trials and more than one Final Trial and the proposed BRI Cover shall continue seamlessly until delivery to the Buyers and the BRI Clause No.3 under Section II (1st. June, 1988) should be waived therefor. **The BRI coverage must include Sea/River sorties for Trials up to a limit of 300 Nautical Miles.**

14. **DEDUCTIBLE:**

Deductible should not exceed **Re.0.50% (Rs.3.37 Cr)** during construction and **Re.1.00% (Rs.6.74 Cr)** during launching / Trial Run period for all claims including Collision Liability, Sue & labour Charges, removal of wreck etc.

15. **SPECIAL CONDITION--BRI POLICY(S) PREMIUM RATES FOR EXTENSION(S):**

The individual policy period is extendable in case of delay in completion of the Ships at the discretion of the insured at the same rate of premium (to be calculated on monthly prorated basis i.e. total premium paid under respective policy is divided by the number of months covered) with same terms and conditions of the policy **provided the Incurred claim ratio is not more than 60% of the policy premium inclusive of premium for extension(s) under the respective policy(s)**. This is a mandatory condition of the Tender and non-acceptance of this condition by the bidder will render the quotation invalid and to be rejected.

16. **LOSS HISTORY:** GRSE has so far delivered more than 100 (hundred) ships to various customers in India and abroad. There is no past loss history on account of various BRI policy of GRSE.

17. **YARD SURVEY:**

Any insurance company, if so desires, can conduct Yard Survey at GRSE units at Kolkata and the same has to be done at their own cost and expenses subject to prior approval of the competent authority of GRSE **before submission of BRI premium quotation**. GRSE will not bear any cost of Yard Surveys. Bidder may access, if so desire, GRSE's Risk Inspection Reports of the year 2019 prepared by its Insurance Intermediary- M/s. Sun Risk Management And Insurance Broking Services Pvt Ltd.

18. **SPECIAL FEATURE OF THE TENDER:**

(A) **Higher Deductibles:**

- (i) **Deductible during construction period has been increased considerably to 0.50% of contract value as against standard industry practice of 0.15% of the contract value (in terms of value Rs.3.37 Cr.).**
- (ii) **Deductible during launching and trial run has been increased considerably to 1.00% of contract value as against standard industry practice of 0.30% of the contract value (in terms of value Rs.6.74 Cr.).**

(B) **Waiver of Storage Risk Exposure:** GRSE has a separate fire policy on floater basis for storage of all items allocated under BRI policy. The Storage of imported and indigenous materials/equipment of these Yards will be initially stored at GRSE Stores on arrival at GRSE.

GRSE is already having an annual SFSP policy in place on Floater basis for initial storage of these materials of the proposed Yards. These Yards materials/equipment (both imported and indigenous) will be issued by the Stores Dept. on requisition by the production Dept. as and when required. **The BRI Cover for such materials/equipment shall be effective on and from the date/time such materials/ equipment are issued to the respective Yards.** GRSE uses SAP system for control over receipt and issue of materials/equipment at different Stores. **To conclude, the storage risk which is inbuilt under BRI policy by default will not be availed by GRSE subject to as stated above which will reduce the risk exposure of the insurer considerably.**

(C) **LOSS HISTORY:** GRSE since 1960 has constructed warships for various roles, starting from state of the art Frigates & Corvettes, Offshore Patrol Vessels, various types of Survey Vessels, Fast Patrol Boats etc GRSE has so far delivered more than 100 (hundred) ships to various customers in India and abroad. There is no past loss history on account of various BRI policies of GRSE.

19. Sealed Quotations under two segments

Accordingly Competitive quote is invited from the bidder on Gross basis including all loading & discounts in two bids system, as under:-

19.1. (a) Techno-commercial Bid- Annexure - A:

The bidder needs to confirm to each of the points stated in Annexure- A in affirmative. Any points not covered by the bidder will render the quote invalid. The bidder also needs to confirm that he has submitted bid as per tender conditions and it should be signed by the bidder's authorized signatory with seal/stamp.

19.2. (b) Integrity Pact- Annexure-C

The Bidder is to prepare Integrity Pact as mentioned in point no 18.7 as per format provided in Annexure-c and should be signed by the bidder's authorized signatory with seal/stamp on Non-Judicial Stamp Paper of Rs. 100 (One Hundred only).

19.2 (c) **Both Annexure-A and Annexure-C should be enclosed in a sealed envelope super-scribing** “GRSE TENDER REF NO FIN/INS.BRI/3035-36/02 Date: 19.05.2022”.

19.3 Price Bid: (Annexure –B)

This separate envelope should contain Price Bid in format as stated in **Annexure- B** and should be sealed and super-scribed as **“Price Bid for BRI of ASW SWC Project Yard no 3035 & 3036 of GRSE”**.

19.4 Both the envelopes (point no.19.2 (c) & 19.3 above) should be placed in a larger envelope super-scribed as “GRSE TENDER REF NO FIN/INS.BRI/3035-36/02 Date: 19.05.2022” and put in the Tender Box of GRSE placed at the office of Additional General Manager (F- S,I&C), 43/46, Garden Reach Road, Kolkata- 700024.

20. Tender Procedures/ Opening of Tender :

20.1 The bidder needs to confirm to each of the points stated in Annexure- A (Point No.1 to 22) in affirmative and to enclose necessary documents/ provide information as sought for under the said points. The Bidders should not give any counter offer and/or deviation from the terms & condition of the Tender/RFQ as per details provided herein above. All the required information as available has been provided in this request for quote (RFQ) and Technical Bid. If any further clarification is required, the bidders may approach its insurance intermediary, Sun Risk Management for clarification but **such request must be made within 7 (Seven) working days of receipt of this invitation.**

20.2 Sealed quotation (consisting of both the Bids) is invited from the interested bidders, covering all the above points and to be addressed to **Additional General Manager (F- S,I&C), 43/46 Garden Reach Road, Kolkata-700 024** should reach the office **latest by 2 PM on 09.06.2022. The Technical bid (Annexure-A & Annexure -C) will be opened on the same day at 3PM .**

20.3 It may please be noted by the bidders that if the Technical bid is found defective /not in conformity with the tender specification, the same will be liable to be rejected as disqualified bidder as per discretion of GRSE Management. All the bidders are requested to be present at the time of opening of their bids.

20.4 The Price Bids of only the techno commercially qualified bidders (including Integrity Pact) will be opened at 4 PM on the same day / or any other working day at the discretion of GRSE Management. The authorized representatives of technically qualified insurance companies (bidders) may present at the time of bid opening. Quotes received after the scheduled date and time will not be considered and will be rejected.

21. **General Information:**

21.1. Please note that M/s. Sun Risk Management & Insurance Broking Services Pvt. Ltd, having their Kolkata Office at FMC FORTUNA, Unit- A-5, 3rd Floor. 234/3A, AJC Bose Road, Kolkata-700020, (Tel.No.033-4604-6767/ 4604-7316,/7317, email: hudait@sunrisk.co.in) is our General Insurance Intermediary and they will evaluate the bids & quotation (both Technical Bid Terms & Conditions and the Price bid) and give placement recommendation.

21.2 GRSE reserves complete right to reject/disqualify any bidder if it is found that the quotation is not in conformity with the terms & condition specified in Technical Bid, Price Bid as stated herein above or for any other reason. GRSE will not give any reasons for not accepting a quote and GRSE's decision in accepting or rejecting a quote shall be final.

21.3 It may please noted by the bidders that the Price Bid should comprise of separate premium for each of the above 2 Yards' BRI proposals, with identical sum insured.

The cumulative total premium (excluding GST) of the 2 (two) Yards shall be aggregated together for the purpose of determining the L-1 bidder.

21.4 Premium & GST to be quoted separately.

21.5. **Correction of Errors:**

Bids determined to be responsive will be checked for any arithmetic error. Errors will be Corrected as follows:

- a) Where there is a discrepancy between the rates in figures and in words, the rates in words will govern.
- b) Where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern.

21.6 **INDEPENDENT EXTERNAL MONITORS (IEM):** Either or both of the following Independent External Monitors (IEM) will have the power to access the entire project/ Insurance document and examine any complaints received by him.

| | |
|--|--|
| Shri Bam Bahadur Singh Height – 7, Flat No: 1802, Uniworld City, New Town Rajarhat, Kolkata-700160 Email : bbsinghbeml@gmail.com | Shri Pidatala Sridhar, IRS (Retd.), Flat – 2C, Kanaka Lakshmi Apartments 3-6-467 & 468, Street No : -6, Himayatnagar, Hyderabad -500029 Email: sridharpidatala@gmail.com |
|--|--|

(Note : In case of any change in IEMs , it will be informed to bidders accordingly)

Regarding Name and Contact details / any further up date related to Independent external monitor, you are requested to visit GRSE website please.

21.7 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 (**Annexure –C**). The ‘Integrity pact’ dully filled as per enclosed format in **Annexure -C** to be submitted along with the offer. Bidders to ensure that every page of IP is ink signed with company seal/stamp. The Integrity Pact shall be in Non-Judicial Stamp Paper of Rs. 100 (One Hundred).

21.8 Right to Rejection:

Notwithstanding anything contained in this tender Document, GRSE reserves the right to accept or reject any offer and to annul the bidding process and reject all Proposals, at any time without assigning any reasons, and without thereby incurring any liability or any obligation for such acceptance, rejection or annulment to inform the affected bidder or bidders of the grounds for GRSE’s action. GRSE reserves the right to invite revised Technical bids and /or revised price bids from Bidders with or without amendment of the tender at any stage, without liability or any obligation for such invitation and without assigning any reason. GRSE reserves the right to reject any offer if the Bidder does not respond promptly and thoroughly, to requests for supplemental information required for the evaluation of the offer.

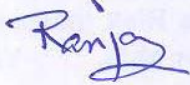
21.9 Cost of Bidding

The Bidder shall bear all costs associated with the preparation and submission of its bid, and the Buyer will in no case be responsible or liable for these costs, regardless of the conduct or outcome of the bidding process

Thanking You,

Yours faithfully,

For **Garden Reach Shipbuilders & Engineers Limited,**



Additional General Manager (F-S,I&C)

Encl: Annexure A, B & C

C.C. M/s. Sun Risk Management & Insurance Broking Services Pvt. Ltd.,
FMC FORTUNA, Unit- A-5, 3rd.Floor. 234/3A, AJC Bose Road, Kolkata-700020,
(Tel.No.033-4604-6767/ 4604-7316,/7317)

ANNEXURE—A

TECHNO- COMMERCIAL BID

Techno Commercial Bid has been devised for standard evaluation of quotation based on a common platform. The underwriters must specifically answer each and every points appended below in affirmative to qualify for opening of the Price bid as successful & qualified bidder in Technical Bid.

1. Please Confirm that

(a) You have previous experience in underwriting of Builders Risk Insurance for shipbuilding works and you have issued policy for Builders Risk Insurance, as a lead insurer, for a sum insurance of not less than Rs.50 Crores per ship. Y/N

(b) You have attached the policy copy of the BRI Policy in support of above criteria. Y/N

Note: Both the above confirmation in affirmative (by appropriate tick mark) is compulsory failing which your tender will be rejected.

2. Please confirm that you have quoted for the above risk as per Institute Clauses for Builders Risks (1st. June, 1988) on full sum insurance and proposed period. YES/NO
3. Please confirm that your coverage extends to all the GRSE Units. YES/NO
4. Please confirm that you agree to provide coverage to the respective vessels considering its technical specification, contract value, expected keel laying date /actual keel laying date as mutually agreed and as detailed / clarified in points. No. 4 to 11of the Request for Quote (RFQ). YES/NO
5. Please also confirm that your coverage extends to all the activities as more fully described and elaborated under point 12 to 16 of the RFQ and same have been complied without any omission/ deviation/ counter cover etc. YES/NO
6. Please confirm that you have given coverage for **Earthquake and Volcanic Eruption**. YES/NO
7. Please confirm that you have given coverage of **Strike, Malicious Act, Riot, and Civil Commotion**. YES/NO
8. Please confirm that you have given coverage for temporary works plant, equipment, machinery, materials, outfit set and associated items as stated under Point No13(iii) of RFQ. YES/NO

9. Please confirm that you have given coverage for any loss resulting from a defective part, faulty design, faulty materials, faulty or defective workmanship or latent defects stated under Point No.13 (iv) of RFQ. **YES/NO**
10. Please confirm that you have waived the BRI Clause No.3 under Section II (1st. June, 1988) relating to final trial/delivery etc. and **included coverage for Sea/River sorties for Trials upto a limit of 300 Nautical Miles** as stated under Point No.13 (v) of RFQ. **YES/NO**
11. Please confirm that Deductible for each vessel should not exceed Re.0.50% of contract value ie. (Rs.3.37 Cr) during construction and Re.1.00% of contract value ie. (Rs.6.74 Cr) during launching/ Trial Run period for all claims including Collision Liability, Sue & labour Charges, removal of wreck etc. **YES/NO**
12. Please confirm that the individual policy period is extendable in case of delay in completion of the vessels at the discretion of the insured at the same rate of premium (to be calculated on monthly prorate basis i.e. total basic premium paid under each policy is divided by the number of months) with the existing terms and conditions of the policy **provided that the Incurred claim ratio is not more than to 60% of the policy premium inclusive of premium for extension(s) under the respective policy(s) on the date of such extension. In case of claim ratio exceeding 60% of the policy premium then premium for extension will be decided mutually. Tentatively the period of such extension may vary between 1 to 12 months.** **YES/NO**
13. Please confirm that you have quoted all inclusive premium including stamp duty but excluding GST for each of the two (2) vessels in Annexure B (Format of Price Bid). **YES/NO**
14. Please also confirm that you have not given any alternate/ counter offer and/or deviated from the terms & condition of Tender as per details provided herein above. **YES/NO**
15. **PROJECT:**
- i) Name of the Builder : Garden Reach Shipbuilders & Engineers Ltd (GRSE)**
- ii) Name of the Project: Anti-Submarine Warfare Shallow Water Craft (ASW SWC)**
- iii) Place of Construction: GRSE Ltd -Main and other units of GRSE located at Kolkata.**
16. **TECHNICAL SPECIFICATIONS :**
- a) **Nature of Contract: Construction/Trial/Delivery of ASW SWC**

- (i) "Design – by GRSE
- (ii) Construction, Equipment, Floating, Launching & Delivery by GRSE.
- (iii) Others, if any.
- b) **Category of Vessel**: - ASW SWC for Indian Navy
- c) **No of Vessel to be constructed**:- 02 (Two) Nos.
- d) **Type of Vessel and its use** : War Ship
- e) **Designated Yard, its number and Location**: Yard Nos. 3035 and 3036 to be built at Main & other units of GRSE.
- (f) **Period of Contract**:
 - (i) For Yard Nos. 3035 - 30 months from actual Keel Laying date and up to Date of Final Delivery to Buyer.
 - (ii) For Yard Nos. 3036 - 24 months from the expected date of Keel Laying and up to Date of Final Delivery to Buyer.
- (g) **Date of Keel Laying**:
 - (i) Yard 3035 : Already commenced on 21 st. December, 2021. No claim declaration will be provided by GRSE from the date of keel laying till the date of inception of risk.
 - (ii) Expected Date for Yard 3036 in October, 2022. However this date may vary.

17. TECHNICAL SPECIFICATION OF EACH SHIP :

- A. Length Overall (LOA) : 76.55 m
- B. Length B. P. 69.44 m
- C. Breadth (Mounded) : 10.50 m
- D. Depth (minimum) upto main deck: 06.30 m
- E. Main Deck Area :- 725 m²
- F. Lower Deck Area :- 950 m²
- G. Dead Weight Capacity : 135 Tons
- H. Gross Tonnage (GRT) :- 1500 (Approx)
- I. Draft :- 02.70 m (Approx)
- J. Displacement : 950 Tons
- K. Endurance : 1800nm @ 14 knots
- L. Maximum Speed: 25 knots
- M. Classification Flags and other details : SWASTIKA SUL, SWASTIKA IY, RS-200, ASW, SHALLOW WATER CRAFT, MINE LAYER VESSEL UHS, RESIDUAL STRENGTH ASSESSMENT, WA, DSA (ABS & IRS)
- N. Diesel Generator Details: - Make M/s Cummins/ Equivalent to 400KW (04 Nos. each Ship).
- O. Main Engine :- Make M/s MTU/ M/s Rolls Royce , 4300 KW (03 .Nos. each Ship)

- P. Accommodation/ crews etc:- 07 Officers and 50 Sub-Officers/Naviks
 Q. Bow Details:- V shape (with bulbus bow)
 R. Speed on Trial (Knots) : - 25. Knots

18. **Main Machinery:** - Main Engine (03), Gear Box (03), Water Jets 03),
 Main Diesel Generator 04, HVAC &
 Weapon systems (IRL, TTL, GUN)

Particulars of Engine :

- a) Maker's Name : M/s Rolls Royce Solutions Germany / M/s MTU
 b) Type of Engine & Nos. : Diesel Engine
 c) Fuel used : High Speed Diesel Oil
 d) Is reverse gear provided : No
 e) No. of Propellers : One Water jet per Engine
 f) Horse Power : .4300KW/5766Hp
 g) No. Cylinders : 20

Auxiliaries:- Fresh Water Generator, Fire/Genl. Service Pump/Bilge-Genl. Service Pump & Emergency Generator –4 nos. 400KW each and Fuel Oil Purifier- 4300LPH

SUM INSURED OF EACH SHIP: - Rs. 674.29 Crs.

- (i) **Hull Sum Insured** : - (Note below) (a) Indigenous Material – INR 16.30 Crores.
 (b) Imported Material – INR. 7.21 Crores.

(ii) **Machinery Sum Insured** : - (Note below)

- (a) Indigenous Material – INR 398.14 Crores.
 (b) Imported Material – INR 133.79 Crores.

(iii) **Labour /Fabrication etc. cost** (Note below) --- INR 118.85 Crores

(iv) **TOTAL SUM INSURED OF EACH SHIP:** ----- INR 674.29 Crores (Excl. B & D spares)

Note- The bifurcation of total sum insured of Rs.674.29 Crs is tentative and may vary keeping total sum insured unchanged.

19. **Period of Validity of Price Bid:**

- i) The validity of Price Bid shall be firm for four month period from opening of price bid for **Yard No. 3035 and one month from actual date of keel laying for Yard No. 3036.** This condition should be confirmed by the bidders. **YES/NO**

ii) **Repeat order clause**

GRSE reserve the right to take BRI coverage for two (2) more identical vessels at the same rate, terms and conditions within a period of 18 months from the date of keel laying of Yard 3036. GRSE request categorical confirmation from the Bidder that those two (2) more identical vessels will be covered by the successful bidder on identical rate(s) and terms and conditions. This is however, subject to the incurred Claim ratio, if any, not exceeding 60% of the premium of Yards 3035 and 3036. **YES/NO**

20. The bidder has to confirm that they will take lead reinsurance support with a rating of not less than BBB as per IRDA Regulation. **YES/NO**

21. All the bidders need to disclose their respective capacity per vessel in respect of MARINE-HULL (Reinsurance Treaty Arrangement).

In this regard the bidder has to confirm the following:

“We hereby confirm that our company has Rs.Cr. capacity per vessel under Marine Hull Business Treaty arrangement.”

22. All bidder’s need to disclose their Solvency Margin as on 31st, March, 2021 published by IRDAI.

23. **Coinsurance :**

GRSE reserves the right of distribution of premium (Co-sharing) among all Techno-Commercially qualified bidders subject to the condition that Co-insurers have to agree with the premium and all other terms and conditions of L-1 bidder. Minimum share of L1 bidder should not be less than 55%.

Basis of co sharing among the remaining bidders apart from L1 shall be made based on ranking of Solvency Margin as on 31-03-2021 published by IRDA i.e bidder (other than L1 bidder) having greater solvency margin will be given preference for co sharing subject to their acceptance. However, quantum of acceptance shall be restricted to capacity per vessel as declared in point (21) above. Residual sum insurance, if any, after all distribution shall revert to leader only.

In absence of any co-insurer, coverage for 100% sum insurance to be taken by the L1 bidder.

Declaration by the Bidder

We hereby confirm our acceptance of all the terms/clauses / specifications /Sum Insured specified under Point Nos. 1 to 23 (including sub-paragraphs’ therein) as above and RFQ details {Point Nos. 4 to 18 (including sub-paragraphs’ therein)} and also categorically confirm that

(1) No additional condition has been imposed by us.

(2) That in case of co-sharing of premium, we undertake to pay the claim proportionate to our Coinsurance share.

Date :.....

.....
Authorized signatory of the Bidder with Seal

ANNEXURE B

All Other terms & conditions: -As per details stated in RFQ and Techno commercial Bid (Annexure-A)

FORMAT OF PRICE BID

| Builders Risk Insurance for GRSE Yard No. | Period of Cover starting from the date of keel laying | Sum Insured (SI) each Yard | Premium including all associated charges i.e. Stamp Duty and etc but excluding GST (Rs) | Applicable Rate of GST on the date of quotation |
|---|---|----------------------------|---|---|
| 3035 | 30 Months | Rs.674.29 cr | | % |
| 3036 | 24 Months | Rs.674.29 cr | | % |
| | TOTAL | | | |

- (i) Premium including all associated charges i.e. Stamp Duty and etc but excluding GST for Yard 3035 (In word) : Rs.
- (ii) Premium including all associated charges i.e. Stamp Duty and etc but excluding GST for Yard 3036 (In word) : Rs.

Date:.....

Authorized signatory of the Bidder
with Seal

NOTE FOR PRICE BID:

- (1) Price to be quoted strictly as per this format and any alteration/ addition/ deletion will render the Bid liable for rejection.
- (2) GST as applicable at the time of payment of premium shall be paid extra.

ANNEXURE C
INTEGRITY PACT

(ON RS.100/- NON-JUDICIAL STAMP PAPER)

Between M/s. Garden Reach Shipbuilders & Engineers Limited (GRSE) hereinafter referred to as “The Principal” and hereinafter referred to as “ the Bidder ”

The Principal intends to award, under laid down organizational procedures, contract for purchase of Builders Risk Insurance policy for Yard No 3035 & 3036. 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).

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)

- [1] The Bidder(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) 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.
 - b. The Bidder(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) 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) 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) 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, if any.

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

- (1) The Bidder(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) accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the Bidder(s). The Bidder(s) will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation.. The monitor is under contractual obligation to treat the information and documents of the Bidder(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 Bidder(s), 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.
- (7) Monitor shall be entitled to compensation on the same terms as being extended to / provided to Independent Directors on the GRSE Board.
- (8) If the Monitor has reported to the Chairman GRSE a substantiated suspicion of an offence under relevant IPC/PC Act, and the Chairman GRSE has not, within the reasonable time taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, the Monitor may also transmit this information directly to the Central Vigilance Commissioner.
- (9) The word '**Monitor**' would include both singular and plural.

Section 9 – Pact Duration:

This pact begins when both parties have legally signed it. It expires for the Contractor 18 months after the last payment under the contract, and for all other Bidders 6 months after the contract has been awarded.

If any claim is made / lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged / determined by Chairman of GRSE.

Section 10 – Other provisions:

- 1) This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal i.e. Kolkata.
- 2) Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.
- 3) If the Contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.
- 4) Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.
- 5) Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

(For & On behalf of the Principal)
Seal)

(For & On behalf of Bidder /Contractor) (Office
(Office Seal)

Place.....

Date.....

Witness 1:

(Name & Address)

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Witness 2:

(Name & Address)

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