



Garden Reach Shipbuilders & Engineers Limited

A Government Of India Undertaking Under the Ministry Of Defence

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NOTICE INVITING TENDER

E- TENDER NO: NCM/OT/DM/ASW.SWC/MS NWT BHD GLAND/ET-1841

1. Offers are invited from reputed manufacturers in two bid system through e-procurement mode from the vendors having experience in **ITEM: MS NWT BHD GLAND** FOR GRSE YARD NO. 3033-36 (ASW SWC PROJECT), i.e. for 4 Shipsets, as per enclosed specification & scope.
2. Nature of Tender : Open
3. Last date & Time of Receipt of Tender : 12-04-2022 (12:00 Hrs IST)
4. Date & Time of opening of Tender : 14-04-2022 (14:00 Hrs IST)
5. Technical Specification & Scope of Supply : As per Annexure - II enclosed.
6. Other Commercial Terms : As per Annexure – I, VI & VII enclosed.
7. Delivery/ Shipment : earliest / staggered as per Annex-A.
8. Tender can be down loaded from web sites www.grse.nic.in and www.tenders.gov.in.
9. Tender / Bid formats are to be downloaded from our e-portal "<http://eprocuregrse.co.in>" and Offers in filled-in formats are to be uploaded using Digital Signature Certificate (DSC).

DM(NCM)

M/s. Garden Reach Shipbuilders & Engineers Limited,
43/46, Garden Reach Road,
Kolkata-700 024 (INDIA)

Enclosure List:

1. Annexure – I : Instructions to Bidders/ Special terms and Condition of NIT.
2. Annexure – II(a) to II(d) : Scope of Supply, Technical Specifications & Drawings.
3. Annexure – III : GRSE Indigenisation Policy (Separate PDF file attached)
4. Annexure – IV : Undertaking/ Declaration, To Be Furnished
5. Annexure – V : Bank Guarantee Formats & Shipping Instructions.
6. Annexure – VI : Standard Terms & Conditions (INDIGENOUS vendors)
7. Annexure – VII: Standard Terms & Conditions (IMPORT vendors)
8. ~~Annexure – VIII:~~ XXXXXXXXXX
9. Annexure –IX : Standard Terms & Conditions (B&D Spares)
10. Annexure –X : Acceptance Matrix

INSTRUCTIONS TO BIDDERS / SPECIAL TERMS AND CONDITION OF NIT

E-TENDER NO. : NCM/OT/DM/ASW.SWC/MS NWT BHD GLAND/ET-1841

ITEM : MS NWT BHD GLAND

YARD : ASW-SWC PROJECT Yard Nos. 3033-36

INDENT NOS. : 1000041772-75

1. **Scope of Supply:** MS NWT BHD GLAND FOR GRSE YARD NO. 3033-36 (ASW SWC PROJECT) as detailed vide **DRG NO.6034.007.01.REV.02** (enclosed vide Annexure-II) available for download from e-portal using DSC by invited bidders only). The present requirement is for GRSE Yard Nos. 3033-3036, i.e., for 4 shipsets.
2. **Contact:** Bidders may contact for Technical clarifications, if any, with Mr. D. Nath, DM (D)(L&W) (e-mail ID: Nath.Debashis@grse.co.in).
3. **EMD:** For indigenous firm EMD amount of **Rs. 2100.00 (Rupees Two Thousand One Hundred 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, Dy. 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.

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.

MSE vendors and SSI Units registered with NSIC single point vendor registration scheme are exempted from the EMD 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 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.

4. **Tender Fees:** 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.
5. **Term of Prices:** FOR GRSE basis including packing, forwarding, Freight & insurance, loading etc. charges. No price escalation will be allowed at any stage. Quoted price includes all required specifications as per technical state. Firm to ensure they have submitted offer for OBS, Tools and B&D Spares as per SOTR/ as finalised in TNC in respective price template sheet of price bid alongwith break up of items. **All Quoted Price should be in INR ONLY.**

6. **Terms of Delivery:**

For Supply:

- (i) Delivery date mentioned in tender shall be considered for all purposes.
- (ii) Material is to be delivered GRSE Store Kolkata on free Door Delivery basis. Terms of delivery i.e. FOR GRSE.
- (iii) For delivery on FOR GRSE basis: Packing, Forwarding, Freight and Insurance charge is to be borne by the supplier. Firm may be required to deliver the material at any store of GRSE, Kolkata and if required, prior confirmation for delivery store location to be obtained from ordering department.
- (iv) GRSE will prefer to receive the entire deliverables on lot basis (mentioned below) as per delivery period mentioned in the tender/ finalised in the P.O. ***Usually No Part Supply (of item) and Part Payment will be done unless required by GRSE and Part supply and Part payment clause is included in the P.O.. Payment will be made on receipt of the requisite documents on lot basis on supply of all items of the respective Lots (refer Payment terms):***
 - (a) LOT-1: all Pre-launch item
 - (b) LOT-2: all Post launch Item
 - (c) LOT-3: all OBS and Tools
 - (d) LOT-4: all Documentation

Accordingly, bidders to submit details along with breakup of Main Equipment, items for OBS, Tools and B&D Spares of this tender (if applicable) in techno-commercial bid (price not to be quoted) and submit price break up in respective price template sheet of price bid and should clearly mentioned LOT-1 to LOT-4 for GRSE reference. Bidders to note that items & quantities (OBS & Tools of this tender (if applicable)) will be finalized during TNC as per SOTR attached and evaluation will be made as per finalized items & quantities in TNC only.

Detailed Break up Prices:

Supplier on receipt of Purchase Order and by a date not later than 3 months from the date of receipt of order shall list out and confirm all deliverables including Main Equipment (Pre-launch & Post-launch), Accessories, On-board Spares, B&D Spares, Tools, Technical Documentation and other items as finalised in Technical negotiation/. Price negotiation. Each item shall have the supplier'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. GRSE shall issue Purchase Orders / Amendment to the Purchase Orders incorporating the details from the firm with GRSE code numbers, individual prices etc. in advance of contractual delivery.

NOTE:

- (i) Delivery time line for each ships is to be complied by the firm. GRSE store will not accept the material before the schedule delivery date mentioned against each part supply/or any request for early delivery will not be accepted, if not consented by GRSE.
- (ii) 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.
- (iii) In case of non-submission of Detailed Price break up and Incorporation of same in GRSE P.O., consignment may not be accepted at the Store.

For Service: Service Engineer as per SOTR will be as and when required, by berth at any location in Main Land India. Work to be undertaken within 7 days from intimation based on requirement projected by GRSE berth/Yard.

- (a) Price for Service Engineers (Dedicated independent team for each ship) is on Lump sum basis is inclusive of to & fro travelling expenses, lodging and boarding and local conveyance for each activity as per TSP.
- (b) It is the sole responsibility of supplier to complete the trails till SATs including Final Machinery Trials (FMT) within quoted prices of services of Engineers.
- (c) While deputing service engineer for attending on board activity against GRSE's call, checklist /prerequisite for that activity to be forwarded three working days in advance, to enable GRSE to keep the system ready for that activity. Timely availability of service Engineers shall be ensured.

7. Dispatch:

Before dispatch, firm is to ensure submission of detailed price break up and receipt of amended P.O. from GRSE with incorporation of GRSE material code and firm Part No. While despatching, each item should be identified with GRSE Code Number properly. Packing list will also indicate GRSE Code No. against each item and respective Box No. and LOT no. Item of different LOTS (i.e., LOT-1, LOT-2, LOT-3 & LOT-4) is mandatorily required to be packed in separate box. Material should be packed properly to prevent any damage, rusting, ingress of water, dust etc. Each consignment is to be supplied along with the following 05 copies of documents (not for Payment):-

- (i) GST invoices (out of 05 No. 01 No. Original)
- (ii) Delivery challan
- (iii) Packing list
- (iv) Copy of Pre-Despatch Inspection clearance certificate issued by relevant inspection agency
- (v) Copy of Warranty certificate

8. **Inspection Authority and Pre-despatch Inspection Criteria:** will be as per SOTR/Drawing and Minutes of Meeting of technical negotiation.

Pre-despatch Inspection authority: TPIA Nominated by GRSE (Presently M/s. RINA)

Receipt Inspection: Receipt inspection cell of GRSE/ Appointed agency. Intimation of discrepancies or rejection of item during receipt inspection will be sent directly by RIC to firm with intimation to NCM. Hence firm is to mention contact details (mail ID and Mobile No.) of relevant personnel in the packing list of the Consignment.

9. Inspection charges:

- A) For **Classification Society** (as applicable as per SOR) 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.

- 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.

10. Submission of Drawing / QAP

Submission of Drawings / QAP (Quality Assurance Plan) shall be done by supplier as per SOTRs/ as finalized during TNC.

11. Payment Terms:

A. For Supply:

- (a) 90% of order value will be paid through ECS/NEFT against receipt and acceptance of material and submission of ink signed invoice duly accompanied with Pre-despatch Inspection clearance Certificate, Guarantee Certificate & Packing List and Receipted copy of challan/LR. (All in 03 copies)
- (b) Balance 10% payment will be made through ECS/NEFT on submission of bill supported with clear receipt inspection certificate (ICGRN) with Performance Bank Guarantee (PBG) as per GRSE format, which shall remain valid till expiry of the guarantee period or balance 10% will be made after guaranty 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.

12. Part Supply & Part Payment: Usually No Part Supply (of item) and Part Payment will be done unless required by GRSE and Part supply and Part payment clause is included in the P.O. Payment will be made on receipt of the requisite documents on lot basis on supply of all items of the respective Lots (refer Payment terms):

- (a) LOT-1: all Pre-launch item
 (b) LOT-2: all Post launch Item
 (c) LOT-3: all OBS and Tools
 (d) LOT-4: all Documentation

B. For Service:

100% against Ink signed invoice supported with work completion certificate duly certified by GRSE/WOT/SS for the respective services.

C. For Training:

100% against Ink signed invoice supported with training completion certificate duly certified by GRSE/WOT/SS.

D. Binding Data: During the submission of Binding Data & Drawings as per TNC, firm has to be submit Non GST Proforma Invoice for further process. However, payment for the same will be made along with the supply of Main Equipment against receipt of GST Invoice put together.

13. Submission of Bills by supplier :-

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 envelope:

- 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.

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

15. Guarantee/ Warrantee Clause:

- (a) The equipment/materials are to be guaranteed/warranted for satisfactory performance for the period of **18 months from the planned delivery date of ship by GRSE to Indian Navy, on which the equipment/materials/items are installed OR for the period of 48 months from the date of receipt and acceptance at GRSE, whichever expires later** against improper design, defective materials and faulty workmanship. During guarantee/ warrantee 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/repared 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.

Warranty shall be applicable in accordance with scheduled delivery of items as per tender / PO. Warrantee period will be applicable on LOT basis and date of receipt of last item of LOT shall be reckoned for warrantee period.

During warrantee period, firm has to confirm within 5 days of intimation, their action plan and arrange liquidation of GD within 25 days, failing which GRSE may invoke Risk Purchase and may arrange liquidation of GD from alternative source at risk and cost of firm. However, warrantee period will be remain intact as per T&C of P.O. even after liquidation of GD from alternative Source.

<u>Yard No.</u>	<u>Planned delivery date to IN</u>
3033	Oct 2024
3034	Oct 2025
3035	Oct 2025
3036	Oct 2026

- (b) Additionally, warranty extension charges for 02 years from expiry date of original in built warranty period are to be sought from bidders. Supplier shall mandatorily indicate their offer (Part II/Price bid) for warranty period extension charges in percentage per annum for a period of two years from date of expiry of original warranty.

16. **Liquidated Damage (L.D):**

- (a) 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 5% 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.
- (b) Additional Penalty @ 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) to the concern authority for approval for the first ship set only.

17. **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.

18. **Option Clause:**

GRSE retains the right to place order for additional quantities up to a maximum of 50% of the tendered quantity against this tender, at the same rate and Terms and Conditions. Such an option shall be available during the finalization of contracts.

19. **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.

20. **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.

21. **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.

22. **Taxes & Duties:**

Firm to confirm that GST rate and HSN/SAC Code for the quoted items indicated in techno-commercial bid as well as price bid.

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

24. **Custom Duty:**

- (a) Only Basic custom duty (BCD) as applicable on Import content, will be reimbursed to the Indian bidder by GRSE against documentary proof of payment (submissions of original receipts).
- (b) Basic custom duty (BCD) as applicable on all imported goods, shall not be considered for arriving at landed price.
- (c) Indian Supplier will forward to GRSE, separate lists of items required to be imported by themselves and their sub-supplier giving the respective drawing references three months prior to actual import for scrutiny.
- (d) At the time of claiming reimbursement based on above, the following documents have to be forwarded:
- Copy of the Import Purchase Order
 - Copy of the Import Invoice
 - Certification by Supplier that items being imported are for fitment onward ships.
 - Air Way Bill / Bill of Lading marked as Freight Paid

- Insurance Policy / Insurance Document.
- Evidence / Receipt towards payment of above taxes / duties
- (e) Reimbursement of BCD/OTHER COMPONENT OF CD shall be based on GOI/RBI guidelines as issued from time to time.
- (f) The following procedure will be adopted for reimbursement of BCD on input material covered by para 25 (a) to (e) Reimbursement of BCD on input materials will originally be done at actuals at the time of release of payment after inspection and despatch and along with payment of taxes and duties based on following principals:
 - BCD shall be a reimbursable expense to be done at actuals against proof of valid documents
 - Reimbursement of BCD shall be in Indian Rupees only, irrespective of the currency in which the contract has been denominated
 - Reimbursement of BCD shall be restricted to the net amount for which CDEC would have been admissible after reducing the value for which CDEC has already been issued.
 - BCD will not be reimbursed if it has become payable to extended delivery period where such extensions is on account of delay attributable to the vendor.
 - BCD will not for part of initial advance or be paid in advance of actual incurrence of expense.
 - Claim of reimbursement of BCD shall be accompanied with the following documents
- (1) A statement duly signed by the vendor and his statutory auditor showing the components and amount under various element of the custom duty, the admissibility and amount of CENVAT Credit applicable and how the benefit is being passed to the purchaser. All benefits must be passed on at the stage of or prior to claiming the reimbursement.
- (2) The vendor shall along with the invoice submit an undertaking specifying that all CENVAT Credit admissible has been passed on to the Purchaser. If at a later stage, the purchaser discovers that full amount of CENVAT credit has not been passed on to the purchaser or false/ misleading statement has been issued, purchaser shall recover the same with interest as applicable from the instant contract or any other payment due to the vendor. The purchaser also deserves the right to initiate other actions as per extent procedure and rules in vogue.

25. **Goods and Services Tax (GST):**

- (a) 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).
- (b) 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.
- (c) 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.
- (d) 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.
- (e) 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.
- (f) 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.

26. **Performance Bank Guarantee (PBG):**

- (a) Separate PBGs for 'Main Equipment & Tools' and 'OBS' (In GRSE format) for 3% of each part order value excluding taxes, duties shall be submitted along with the claim for balance payment of 10%.
- (b) PBGs 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(s) 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.

27. **Progress Report**

Supplier will submit progress report/ bar chart initially within 1 months from the date of receipt of order and thereafter on monthly basis.

28. **Obsolescence / After Sales Support:**

As applicable as per SOTR & MOM of TNC.

29. **Product improvement:**

The supplier agreed to incorporate any improvement in the equipment either during the period of manufacturing or until commissioning of the ship on which equipments are fitted and such improvement shall be incorporated in this supply, free of cost.

30. **Packing & Forwarding :**

Shall be arranged by Supplier at their cost. However, Supplier to ensure that all materials are properly packed (Spares in PIP in a separate box) to withstand transit damage / pilferage during transit.

All OB Spares and B&D Spares are to be supplied in PIP Packing. OB Spares, B&D Spares and tools are to be supplied in separate boxes with clear identification and part numbers in metallic or plastic tag with identical description in the respective packing list(s). Each box shall have a separate packing list attached with the detailed description mentioned and marking done on it. Supplier's representative is required during receipt inspection of loose items, accessories, spares and tools for easy identification and detection of shortfall.

Packing List of Supplier shall compulsorily indicate the GRSE item codes and respective Supplier Item codes for each of the supplied items.

31. **Preservation / De-preservation:**

Preservation/de-preservation/re-preservation, if applicable shall be conducted as per SOTRs and as agreed vide MOM of TNC.

32. **Transportation, Way Bill & Delivery of Material:-**

Materials are to be dispatched by road.

Way bill: As per notification of GST council, online waybill has to be generated through GST waybill portal from 01.04.2018. Now supplier/ authorized transporter can generate online waybill.

Invoice must incorporate value of goods, amount of taxes separately as well as GST registration no. Consignment note must incorporate relevant Invoice no./date. Transport charges will be borne by the firm.

Material to be delivered in store with 4 copies invoice with MTC & GC, and Inspection release note (if applicable).

Delivery Location: For FOR, GRSE delivery location to be provided by GRSE before dispatch. Before dispatching supplier to contact before 2-3 days to obtain delivery location.

33. **Order Placement:**

GRSE will issue separate order for items for Yard 3035 & 3036.

34. **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."

35. **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.

36. **Rejection Replacement:**

Any equipment found defective/rejected, Supplier will collect the same from GRSE Stores, all incidental charges to be borne by them, within 30 days from the date of intimation to Supplier of such rejection.

GRSE reserves the right to dispose of the rejected items at the end of a total period of 90 days in any manner to the best advantage to GRSE & recover storage charges and any consequence damage from sale proceeds of such disposal.

37. **Individuality of Contract:**

This order shall be treated as an individual contract, shall not allow any general lien to the portions and shall not get any prejudice in execution due to situation arising out of some other contract that supplier may have entered into with GRSE.

38. **Governing Jurisdiction:**

All contracts shall be deemed to have been wholly made in Kolkata and all claims there under 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.

39. **Order Acknowledgement:** The supplier will acknowledge the Order within 7 days of its receipt by them. If no contrary advice is received within that period it will be deemed to have been accepted by you.

40. Parts Identification List (PIL) / Manuals if any of the equipment as applicable should be submitted along with the delivery or as stipulated vide SOTR/TNC.

41. Firm confirm whether they have registered with SSI / NSIC / MSME / GRSE / NONE. If yes, request indicate category alongwith supporting certificate.

42. **Bids Evaluation Methodology & Criterion:**

L1 bidder shall be determined based on F.O.R GRSE BASIS, on **ITEM WISE** price along with warrantee Charges (i.e., Inbuilt warrantee), warrantee extension charges for 02 years (beyond inbuilt warrantee period), reduction for preponement of delivery and delivery postponement charges & other components of the tender (as applicable) On **ITEM WISE BASIS**. Ranking of bids for L1 determination shall be done considering, the total "Cost to Company" basis for respective item. The taxes and duties will be taken into account for ranking of bids, if it's a Cost to GRSE. Applicable Loading factors for deviation in tender terms as per GRSE policy.

43. **The tender is DIVISIBLE in nature and hence L1 determination is on ITEM WISE basis (as per L1 determination criterion). Item wise order of any order value to be accepted.**

44. Delivery Preponement and postponement charges has been quoted in price bid against each line item. Firm to confirm the same.

45. Warranty Extension charges per annum in percentage of Basic Rate (%) quoted in price bid against each line item. Firm to ensure the same.

46. **Validity of offer:**

Offer must be valid for 180 days from the date of tender opening. However, offer for B&D spares (where applicable) has to be kept valid for 20 months from tender opening date.

47. **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.

48. **STACS:**

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

49. **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 IV 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.

50. **Integrity Pact:-** [REDACTED]

51. **Independent External Monitors (IEM) (Applicable / Not applicable for this tender):-** [REDACTED]

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

52. **Bid Rejection Criteria:**
- (a) **Bids will be categorically rejected under following criteria:**
- (i) Bid received other than through e-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) Quote received with Price Variation Clause.
- (xiv) Bid received without pre-qualification documents where required as per the tender. Bids not meeting the pre-qualification parameters stipulated in the tender enquiry.
- (xv) Delivery by High seas sales / Sales in transit.
- (xvi) 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.
- (xvii) Bidder does not agree to provide warranty extension.
- (xviii) Bidder does not quote for all line items where it is mandatory to quote as such.
- (xix) Bidder not complying the GRSE's indigenization policy.
- (xx) 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.
- (xxi) Any deviation is sought which are not acceptable to GRSE

53. **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.

54. **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.

55. **Bid Modification:**

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

56. **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.

57. **Miscellaneous Instruction to bidder:**

- (i) Tender document to be downloaded from GRSE E–procurement site - <http://eprocuregrse.co.in> or www.grse.nic.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 queries raised by the bidder.

58. **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.

59. **Purchase Preference for Make in India/Indigenisation.** Indigenisation policy attached as Annexure III for information and necessary action.

60. **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.

61. **Issuance of Free Issue Material (if any) to firm:**

- (a) Free issue material required (if any, finalized during Technical negotiation) will be supplied by GRSE against submission of Bank Guarantee of equivalent amount (shall be intimated after placement of P.O.) to remain valid upto complete return of free issued item to GRSE, Kolkata. Firm is to provide a Bank Guarantee as per GRSE format and Guidelines as security for issue of material.
- (b) Collection of free issue item from GRSE, Kolkata and subsequent delivery of the same to GRSE, Kolkata is to be arranged by the supplier at their risk and cost. It will be firm responsibility to arrange Way Bill (if required any).
- (c) After placement of P.O., minimum 30 days in advance from the actual requirement, firm will approach GRSE (along with the Bank Guarantee in GRSE Format) for issuance of material.
- (d) Intimation will sent to the firm for collection of Item from GRSE and firm will collect the same within 07 days from GRSE.
- (e) Items issued by GRSE to the firm as a free issue material, will be returned by the firm to GRSE, Kolkata within the Contractual delivery date of the P.O.. In case firm failed to deliver the total returnable items, GRSE will be entitled to encash the bank Guarantee of amount equivalent to the undelivered items. Therefore, for reconciliation, it is imperative that all free issued material will be weighted at GRSE during collection and delivery of the material. BG will be released after reconciliation of the order.

62. **Polices for MSME:**

- A. 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.
- B. The percentage of procurement of goods and services from MSEs will be at least 25% of the total annual procurement.
- C. 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.
- D. Following facilities/benefits will be given to MSEs :-
 - (a) Issue of Tender sets free of cost.
 - (b) Exemption for payment of Earnest Money Deposit.
- E. (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.
- F. (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.
- G. 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.

- H. 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).
- I. 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.
- J. 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.
- K. 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, Addl. 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.
- L. 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.
- M. Smt Tumpa Gargary Dana, Manager (Purchase), is the nodal officer to look after procurement from women owned MSEs; mobile – 84200 08832, email id – Gargary.Tumpa@grse.co.in.
- N. 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.
- O. The 358 items, reserved for purchase exclusively from Micro & Small Enterprises, will be procured only from MSE manufacturing enterprises for which they are registered.
- P. All Micro & Small Enterprises are required to declare their Udyog Aadhaar 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.
- Q. 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.
- R. 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

63. **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:-
- An entity incorporated, established or registered in such a country; or
 - A subsidiary of an entity incorporated, established or registered in such a country; or
 - An entity substantially controlled through entities incorporated, established or registered in such a country; or
 - An entity whose beneficial owner is situated in such a country; or
 - An Indian (or other) agent of such an entity; or
 - A natural person who is a citizen of such a country; or
 - 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:
- 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.

Certificate in Letterhead of Bidder:

“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 is not from such a country and is eligible to be considered.”

TO BE SUBMITTED IN BIDDRR'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.....

FORMAT NO. QS/03/0019

PROFORMA OF BANK GUARANTEE TOWARDS SATISFACTORY PERFORMANCE

THIS DEED OF GUARANTEE made thisday ofBETWEEN.....(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 OfficeAt 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 of 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

GARDEN REACH SHIPBUILDERS & ENGINEERS LIMITED

43/46, GARDEN REACH ROAD
KOLKATA – 700 024.

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 reasn 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. Not withstanding 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 b released and discharged from all liabilities thereof.

ForBank Limited.

(seal)

Dated theday of200.....

SHIPPING INSTRUCTIONS

SHIPPING MARKS:

The packing case should be marked as

GRSE LTD., KOLKATA (INDIA)

CASE NO..... DIMENSION

GROSS WEIGHT NET WEIGHT

CONSIGNOR'S NAME

PORT OF DISCHARGE

Shipping arrangements through Sea will be made by the Ministry of Shipping.

1) Transport (Chartering Wing), PARIVAHAN BHAWAN, 1, Parliament Street, New Delhi - 110007(Cable TRANSCART) Fax No.011 2371- 8614 through their respective Forwarding AGENTS/nominees as mentioned below to whom adequate notice about the readiness of each consignment should be given by the Sellers from time to time at least six weeks in advance of the required position, for finalizing the shipping arrangements.

OR

2) By GRSE nominated freight forwarder as the case may be.

3) The Bills of Lading should be drawn so as to show:

Consignee : To order

Notify : Garden Reach Shipbuilders & Engineers Ltd.,
43/46, Garden Reach Road,
Kolkata – 700 024.

4) Two non-negotiable copies of the Bills of Lading including the freight amount and discount, if any allowed, should be forwarded to the Shipping Co-ordination Officer, Ministry of Shipping & Transport (Chartering Wing), PARIVAHAN BHAWAN, 1 Parliament Street, New Delhi – 110007 after the shipment of each consignment is affected.

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)

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- A. STACS ACCEPTANCE FORMAT
- B. EMD BANK GUARANTEE FORMAT & GUIDELINE
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- 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.	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-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-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
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.	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-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.	
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-111
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.	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. 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-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 1996 & Rules and are also required to maintain registers & records and submit returns.	IN-112
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	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-113
		IN-114
		IN-115
		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. 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. 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.

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.

IN-117 **Registration as Approved Vendor :**

- (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.
- (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.

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-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.

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-2. **Quotations and Order Acceptance Terms:**

IN-201 *Tenderer shall pay special attention to the following points. Failure to comply with these may disqualify the tenderer.*

- (a) Tender number and due date to be superscribed on all the envelopes.
- (b) Tender to be submitted on or before the due date and time.
- (c) Offer to be as per specifications and complying with tender conditions.
- (d) The envelopes to be sealed properly.

IN-202 Unless otherwise stated, the offers shall be in 'Two Bid System' only, in two separately sealed envelopes: -

- (a) PART-I - 'Techno-Commercial Bid' and marked thus. In addition, Part-I shall include-
- (i) Proforma Price Schedule blanking the prices and indicating 'Quoted / Not Quoted' (as applicable against each item on tender).
- (ii) Duties / Taxes, Octroi, freight charges, insurance and/or any other Statutory levies payable, specifying incidence clearly / separately against each head.
- (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.
- (iv) Compliance Statement clearly highlighting deviations / exceptions, if any, to Technical Specifications, Standard 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).
- (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.
- (vi) Copy of ISO 9000 or equivalent Quality System Standards certificate valid as of date.
- (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.

(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.

IN-203 (b) PART-II - 'Price Bid' - Quotes to be written in figures and words duly authenticated / signed by the authorised person and marked thus.

- (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-204

- (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
- (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.	default by the Sub-contractor / Supplier / Vendor, the Security Deposit will be forfeited.
(b) The Sub-contractor / Supplier / Vendors offer shall include a list of manufacturer's recommended spares together with itemised prices for <ul style="list-style-type: none"> • 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.) 	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.
(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.	IN-3.0 <u>Packing, Shipping, Insurance & Freight details and Delivery:</u>
(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-301 <u>Identification of Deliverables And Penalty For Non-Compliance:</u>
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.	(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.
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.	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.
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.	(b) All material shall be strongly and securely packed for shipment / transportation as applicable in minimum cubic 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. (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.
IN-211 <u>Security Deposit (Interest free) :</u> 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	IN-302 <u>Insurance:</u> IN-302.1 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. IN-302.2 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. IN-303 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.

IN-304	<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>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>
IN-404		<p>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>
IN-405		<p>Issues/Defects related to Guarantee/Warranty shall have to be liquidated at the location of vessel and as desired by the Purchaser / Owner.</p>
IN-305	<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>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</p>
IN-306	<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>(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>(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>Quality Certification:</p>
IN-501		<p>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>
IN-502		<p>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>
IN-503		<p>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		<p>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.</p>
IN-6.0		<p>Terms of Payment:</p>
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>
IN-4.0	<p>Guarantee / Warranty</p>	<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.</p> <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</p>
IN-401	<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>	
IN-402	<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>	
IN-402	<p>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>	
IN-403	<p>Inspection and approval of the equipment or material by the Inspecting Authority/ies does not absolve the Sub-contractor / Supplier / Vendor of</p>	

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.

(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)

(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.

(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.

(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.

(g) Works Contract : In case of works contract following payment terms shall be followed:-

(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.

(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.

OR

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.

(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.

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.

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.

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.

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.

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.

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.

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-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-607 **Liquidated Damages / Risk Purchase:**

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-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-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-607.3.1 Drawings submitted by the Sub-contractor / Supplier / Vendor (Seller) will be the property of Indian Navy.

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 .		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.
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-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-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-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-608	Submission of Bills to SLP Section (Corporate Finance/GRSE) 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-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:
IN-7.0	Quality Assurance, Inspection ,Testing and Commissioning Assistance:	(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.
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	(b)	The guarantee period of replaced parts /items shall however be reckoned from the date of replacement.
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.	(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-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-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-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-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-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-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-706	Receipt Inspection shall be carried out by GRSE/Indian Navy/Owner's representative at GRSE yard as applicable. Receipt Inspection of on-	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.

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:

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.

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 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.

TO BE SUBMITTED IN BIDDER'S LETTER HEAD

Garden Reach Shipbuilders & Engineers Ltd.

**STANDARD TERMS AND CONDITIONS OF SUPPLY
INDIGENOUS EQUIPMENT/MACHINERY.**

Tender No.....

Date

STACS CLAUSE NO.	BIDDER'S REMARKS	STACS CLAUSE	BIDDER'S REMARKS	STACS CLAUSE	BIDDER'S REMARKS	STACS CLAUSE NO.	BIDDER'S REMARKS
IN-101		IN-203		IN-501		IN-704	
IN-102		IN-204		IN-502		IN-705	
IN-103		IN-205		IN-503		IN-706	
IN-104		IN-206		IN-504		IN-707	
IN-105		IN-207				IN-708	
IN-106		IN-208		IN-601		IN-709	
IN-107		IN-209		IN-602.1		IN-710	
IN-108		IN-210		IN-602.2		IN-711	
IN-109		IN-211		IN-603		IN-712	
IN-110		IN-212		IN-604		IN-713	
IN-111				IN-605		IN-714	
IN-112		IN-301		IN-606		IN-715	
IN-113		IN-302		IN-607.1			
IN-114		IN-303		IN-607.2		IN-801	
IN-115		IN-304		IN-607.3		IN-802	
IN-116		IN-305		IN-607.4		IN-803	
IN-117		IN-306		IN-607.5		IN-804	
IN-118				IN-607.6		IN-805	
IN-119		IN-401		IN-608		IN-806	
IN-120		IN-402					
		IN-403		IN-701			
IN-201		IN-404		IN-702			
IN-202		IN-405		IN-703			

COMPANY SEAL.

SIGNATURE
NAME
DESIGNATION.....
COMPANY NAME & ADDRESS
.....
.....

NOTE:

- Bidders should read the standard terms and conditions(STACS) included in the Tender carefully prior to filling up this acceptance format.
- This format should be properly filled signed and returned along with your technical bid for considering your bid.
- Please indicate ACC- For accepted, NO – For not accepted and DEV – For deviation taken.
- Separate sheet to be attached for any deviation taken by you.
- STACS clause numbers shown in the format includes the sub clauses under them also.

**STANDARD TERMS AND CONDITIONS OF SUPPLY
(IMPORTED EQUIPMENT / MACHINERY FOR PROJECT)**

REF. NO. : GRSE-STACS-PE-IMP

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PE-1 GENERAL

- PE-101 The word '**Purchaser**' refers to GARDEN REACH SHIPBUILDERS & ENGINEERS LTD (GRSEL), a Company registered under the Indian Companies Act, 1913 and it includes its successors or assigns.
- PE-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.
- PE-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.
- PE-104 The equipment / products / items to be supplied shall be strictly in accordance with the Drawings / Specifications / Requirements indicated in the Tender / Enquiry / Order with deviations, if any, as mutually accepted.
- PE-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.
- PE-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.
- PE-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.
- PE-108 All contracts shall be deemed to have been wholly made in Kolkata and all claims thereunder are payable at Kolkata 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.
- PE-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 the 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.
- PE-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.
- PE-110.1 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.
- PE-110.2 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.
- PE-111 **SECRECACY:**
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.

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.

PE-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.

PE-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.

PE-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.

PE-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.

PE-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.

PE-117 Registration as Approved Vendor :

- (c) 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.
- (d) 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.

PE-118 **MOU** : Regular suppliers are requested to enter into Memorandum of Understanding with GRSE as regards Commercial Terms & Conditions contained in this STACS.

PE-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.

- PE-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.
- PE-2. Quotations and Order Acceptance Terms:**
- PE-201 *Tenderer shall pay special attention to the following points. Failure to comply with these may disqualify the tenderer.*
- (a) Tender number and due date to be superscribed on all the envelopes.
 - (b) Tender to be submitted on or before the due date and time.
 - (c) Offer to be as per specifications and complying with tender conditions.
 - (d) The envelopes to be sealed properly.
- PE-202 Unless otherwise stated, the offers shall be in 'Two Bid System' only, in two separately sealed envelopes: -
- (a) PART-I - 'Techno-Commercial Bid' and marked thus. In addition, Part-I shall include-
 - (i) Proforma Price Schedule blanking the prices and indicating 'Quoted / Not Quoted' (as applicable against each item on tender).
 - (ii) Duties / Taxes, Octroi, freight charges, insurance and or any other Statutory levies payable, specifying incidence clearly / separately against each head.
 - (iii) The cost incidence against each head clearly indicating for F. O. B. alongwith charges for packing and forwarding.
 - (iv) Compliance Statement clearly highlighting deviations / exceptions, if any, to Technical Specifications, Standard Terms and Conditions of Supply, 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 1).
 - (v) In case of press Tender Earnest Money Deposit @ 2% of the total bid value by way of a bank guarantee from a bank of international repute or value of Bid Bond as stipulated in the tender, to be provided by overseas bidder / supplier as per format provided by the Purchaser. (Format placed at Annexure 2).
 - (vi) Copy of IS 9000: 2000 or equivalent Quality System Standards certificate valid as of date.
 - (vii) A copy of the valid Export Licence.
 - (viii) Delivery Schedule.
 - (b) PART-II - 'Price Bid' - Quotes to be written in figures and words duly authenticated / signed by the authorised person and marked thus.
- PE-203
- (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 at the following place/s: -
Material Department.
G.R.S.E. LTD.
43/46, Garden Reach Road,
Kolkata-700 024
(*strike out whichever is not applicable)
 - (b) Overseas Bidders / Tenderers shall forward their offers addressed to Deputy General Manager (Materials) OR Deputy General Manager (N & I) Garden Reach Shipbuilder & Engineers Limited, 43/46, Garden Reach Road Kolkata 100 024, as the case may be, either by courier service or by speed post so as to reach 48 hours 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.
- PE-204
- (a) The Price per 'Ship set' shall be quoted and breakup price of individual items of main equipment and its accessories for supply to Purchaser's Yard for FOB, must be clearly stated.
 - (b) The offer shall indicate the discounted price, if more than one ship-set is ordered.
 - (c) The price shall be inclusive of all rights, if any, of patents, registered designs or trademarks and the Sub-contractor / Supplier / Vendor shall indemnify the Purchaser against all claims in respect of the same.
 - (d) 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.
- PE-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. 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/s 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**
 - (iii) 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.
- PE-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 failure on the part of Sub-contractor / Supplier / Vendor to do so is liable for disqualification / debarment of the Sub-contractor / Supplier / Vendor from all future tender enquiries and or delisting from the list of 'Approved Registered Vendors.'
- PE-207 Spares:
- (a) Offers for Testing and tuning / commissioning spares shall be submitted, if not included / forming part of the main equipment, as specified in the Statement of Requirement / Tender enquiry.
 - (b) The Sub-contractor's / Supplier's / Vendor's offer shall include a list of manufacturer's recommended spares together with itemised prices for -
 - One year uninterrupted operation (On board Spares)- validity of offer shall be a minimum for 90 days.
 - Five-year operation Base & Depot Spares - validity of offer shall be a minimum for 180 days. Minimum order quantity against each item, if applicable, may also be indicated.
 - (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.
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 and financial implication to the Purchaser.
- PE-208 Tenders will be opened on the tender due date after 15.00 Hours in the Materials Dept. Only authorised representatives of tenderers are permitted to witness the Part I tender opening, in case of 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.
- PE-209 In case of only Press Tenders authorised representatives of technically qualified tenderers, who have submitted EMD / Bid Bond, 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 parted with information on prices at a later date. EMD of unsuccessful tenderers will be refunded on submission of original copy of 'Money Receipt' / Bid Bond will be returned within 30 days of finalisation of order.
- PE-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 LOI / Purchase Order, the Contract is concluded.
The Sub-contractor / Supplier / Vendor shall, on receipt of the Purchase 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 Purchase Order. It shall be the responsibility of the Sub-contractor / Supplier / Vendor to enumerate specifically any error or discrepancy in the Purchase Order at the time of acceptance. Failure to do so shall make

the Purchase 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, invoking Bid Security / Bid Bond given by the Sub-contractor / Supplier / Vendor. If the Sub-contractor's / Supplier's / Vendor's bid contains any conditions 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 or by invoking the Bid Security / Bid Bond shall be regarded as cancellation of the contract which has come in to existence on the acceptance of the offer by the Purchaser.

PE-211

Security Deposit

Security Deposit / Contract Performance Bank Guarantee for 5% of total order value (in GRSE format enclosed) is to be submitted within one month from the date of placement of order and this CPBG will remain valid till receipt and acceptance of all materials with a claim period of one month. The successful overseas Tenderer is required to submit Security Deposit in the form of Bank Guarantee by a bank of international repute, drawn in favour of Purchaser. The Bank Guarantee 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.

PE-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 equipment / article/s supplied.

- (a) The binding drawings called for as per the 'Statement of Requirement' / 'Technical Specifications for Procurement' or the Purchase Order shall be supplied within 4 weeks from the date of Order or within stipulated time frame as indicated on the face of Order, free of cost. Failure to comply may lead to cancellation of Order without any financial implications to the Purchaser.
- (b) The drawings shall be submitted to Inspecting Authority and or DGQA / NSM / GRSEL / Classification Society, as appropriate, within 4 weeks from the date of Order.
- (c) Wherever applicable, pilot sample shall be submitted to the authorities specified in the Purchase Order within 4 weeks from the date of Order.
- (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.
- (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.

PE-3.0

Packing, Shipping, Insurance & Freight details and Delivery:

PE-301

Packing

Packing should be export quality AIR/SEA-worthy rigid cases duly tied with steel band to ensure full safety of the consignment in transit and also must be properly secured in position within the cases using suitable materials. The items should be wrapped in rust preventive papers. Due care should be taken to adhere to following instructions –

- a) All material shall be strongly and securely packed for shipment / transportation as applicable in minimum cubic 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 instructed 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.

- b) The main equipment, accessories and spares shall be separately packed and cases be clearly marked. (Shipping Instructions are placed at Annexure - 5).
- 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.
- d) Codification of Deliverables: All deliverables should be supplied with GRSE item Code nos., which should be mentioned in the packing list and on tags attached to each item. Design Dept will give the Code nos. In advance of contractual delivery. 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.

- e) 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.

PE-302

Insurance

Transit Insurance shall be arranged by Purchaser. Sub-contractor / Supplier / Vendor shall immediately on despatch of the items, inform the despatch details such as Purchase Order number, AWB number, number of packages, value of consignment, invoice number directly GRSE for arranging necessary transit insurance.

PE-303

Storage and Demurrage will be claimed from the Sub-contractor / Supplier / Vendor for all shipments that reach GRSEL without proper despatch documentations and 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.

PE-304

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 an 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.

PE-305

The Purchaser reserves the right to advise the Sub-contractor / Supplier / Vendor at short notice, of Purchaser's intention to airfreight certain items in part or full thereof, if the need arises, in order to meet the criticality of shipbuilding programme. The Sub-contractor / Supplier / Vendor shall make necessary arrangements for airworthy packing and forward the consignments to the Airport without any extra charges to the Purchaser. Sub-contractor / Supplier / Vendor shall fax the flight details and airmail well in advance all despatch documents in triplicate to the Purchaser.

PE-4.0

Guarantee / Warranty

PE-401

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 including direct expenses relating to removal and repositioning of the replacement / repaired equipment or components thereof and subsequent test & trial, incurred there to..

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.

PE-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's / Supplier's / 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.

PE-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.

PE-404 Should the articles, or any portion thereof of the equipment be found defective / rejected, the Contractor/ Supplier shall collect the same from the Purchaser's Stores, all incidental charges being borne by him (inclusive of Customs Duty, if payable), within 30 days from the date of intimation to the Contractor / Supplier of such rejection. The Purchaser reserves the right to dispose of the rejected items at the end of a total period of 90 days in any manner to the best advantage to the Purchaser and recover storage charges and any consequential damages, from sale proceeds of such disposal.
The defective / rejected material noticed during receipt inspection stage or at manufacturing stage will be returned to Manufacturer / Supplier, if so desired by him, on FOB basis only and nominate shipping agent to facilitate replacement. In the event Manufacturer / Supplier is not desirous of taking away the rejected material for any reason whatsoever, the applicable customs duty that will become payable shall be paid by / recoverable from the Manufacturer / Supplier.

PE-405 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.

PE-406 Issues/Defects related to Guarantee/Warranty shall have to be liquidated at the location of vessel and as desired by the Purchaser / Owner.

PE-5.0 Quality Certification:

PE-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.

PE-502 The Sub-contractor / Supplier / Vendor shall submit as proof, in Part-I of the bid documents, a copy of ISO 9000: or equivalent international Quality System Standards certificate valid as of date.

PE-503 The Sub-contractor / Supplier / Vendor shall 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: or equivalent international Quality System Standards.

PE-504 In the event the Sub-contractor / Supplier / Vendor is not being ISO 9000: 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.

PE-6.0 Terms of Payment:

PE-601 Unless or otherwise mutually agreed upon and stipulated in the Purchase Order, 90% payment of the Purchase Order value shall be made by irrevocable letter of credit to be opened four Months prior to delivery on presentation and receipt of the following documents by the Purchaser's Bankers: -

- a) Original and three copies of Clean Bill of Lading / Airway Bill.

- b) Six copies of invoice showing itemwise FOB prices alongwith packing lists.
- c) Certificate confirming that three copies of Invoice, Packing List, Certificate of Origin, Test Certificate and Non-negotiable copy of Bill of Lading / Airway Bill have been airmailed directly to Purchaser immediately on shipment.
- d) Certificate of country of origin, in triplicate, issued by the Chamber of Commerce.
- e) Warranty certificate, in triplicate.
- f) Six copies of Manufacturer's Works Test Certificate / Shop Test Certificate.
- g) Six copies of Certificate of Inspection and Approval from ABS / LRS / DNV/ SPS,MOD(N),U.K BV / DOT / NMD or any other nominated Inspection Authority, (whichever is applicable).
- h) Certificate to the effect that copies of Instruction / Operation / Maintenance Manuals have been directly forwarded to the openers of Letter of Credit by the beneficiary.
- i) Certificate to the effect that six copies of 'as built' drawings alongwith three reproducible drawings or in Electronic medium have been directly forwarded to the openers of Letter of Credit by the beneficiary.
- j) Certificate regarding Liquidated Damage / Penalty vis-à-vis delivery schedule.
- k) A performance Bank guarantee of 10% of the order value in the format issued with the Purchase Order (original + 2 Xerox copies). The bank guarantee is to be valid during the currency of the guarantee period for the equipment, with an invocation period of one month.

All the documents clearly indicate the Purchaser's Order number, Import Licence Number, Airway Bill / Bill of Lading Number on Invoice and Packing Lists.

The balance 10% payment shall be made by Telegraphic Transfer, after satisfactory installation and trials / commissioning and as certified by the Purchaser. The Contractor / Supplier shall have to submit the invoice through their bankers for payment on 'Collection Basis' from Purchaser's bankers. The invoice will have to indicate total amount payable as per the Purchase Order, amount received against Letter of Credit, balance amount due, less Liquidated Damages recoverable as per the Purchase Order yielding net payable. Certificate from Purchaser certifying satisfactory commissioning of equipment and a certificate regarding Liquidated Damages amount is to be submitted along with the invoice.

PE-601.1 Advance Payment is not accepted by GRSE. However, if still insisted advance payment Upto a maximum of 10% against submission of equivalent Bank Guarantee (in GRSE Format)
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.

Where order is cancelled and advance payment already released to the contractor , the Contractor shall refund all such advance payments received, to GRSE with LIBOR Rate Interests and GRSE shall have the right to recover the amount from outstanding dues to the contractor against any purchase orders placed by GRSE.

PE-602 Liquidated Damages / Risk Purchase:

PE-602.1 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 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 this Purchase Order represent a reasonable determination of the amount of damages that the Purchaser will suffer, and are not 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.

PE-602.2 Sub-contractor / Supplier / Vendor will be liable to pay Liquidated Damages for late delivery of product / documentation as stated in the Purchase Order. Unless otherwise expressly specified, the rate of Liquidated Damages for late delivery of product shall be at the rate of 0.5% of the total price of undelivered product per week (or part thereof) of delay upto a maximum of 5% of the value of undelivered product. Such Liquidated Damages shall be deducted by the Purchaser from any monies due to Sub-contractor / Supplier / Vendor. Payments made by the Sub-contractor / Supplier / Vendor 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.

PE-602.3	Sub-contractor / Supplier / Vendor will be liable to pay Liquidated Damages for late delivery of Manuals, Drawings and Documentation as agreed to by Purchaser and Sub-contractor / Supplier / Vendor and as stated in the Purchase Order.	
PE-602.4	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.	PE-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.
PE-602.5	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.	PE-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.
PE-602.6	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.	PE-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.
PE-603	Taxes & Duties : All taxes, duties, levies etc. as applicable outside India will be borne by firm / vendor, whereas, All taxes, duties, levies etc. as applicable in India will be borne by GRSE.	PE-710 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.
PE-604	Bank Charges : All normal Bank Charges in India will be borne by GRSE and Bank charges outside India will be borne by the supplier. Letter of Credit shall be negotiable through any correspondent Bank of GRSE Bankers in the supplier's country. Bank Charges for extension of LOC required by the Supplier's default shall be borne by the supplier.	PE-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, 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.
PE-7.0	<u>Inspection, Testing and Commissioning Assistance:</u>	PE-712 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.
PE-701	The equipment / items will be inspected by one or more agencies indicated below and an inspection certificate(s) shall accompany the equipment. Statutory : D. O. T. or N. M. D. Regulatory: Classification Society – L. R. S., A B. S., D. N. V., B. V., etc. Specification: Survey, DQAN / CQAE, Classification Society. Others: Owners, W. P. S. (K), GRSEL	PE-713 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.
PE-702	The articles to be supplied shall be strictly in accordance with the drawings/specification/statement of requisition (SOR) / samples indicated in the order.	PE-714 <u>REPLACEMENT FOR REJECTION :</u>
PE-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.	(d) 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.
PE-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.	(e) The guarantee period of replaced parts /items shall however be reckoned from the date of replacement.
PE-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.	(f) 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.
PE-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. PE-112 above.	PE-715 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.
		PE-801 <u>Agent or Agency Commission.</u>

The Seller confirms and declares to the Buyer that the Seller is the original manufacture of the stores referred to in this contract and has not engaged any individual on firm, whether Indian or foreign whatsoever, to intercede facilitate or in any way to recommend to the Government of India or any of its functionaries, whether officially or unofficially, to the award of the contract to the Seller nor has any amount been paid, promised or intended to be intercession, facilitation or recommendation. The Seller agrees that if it is established at any time to the satisfaction of the buyer that the present declaration is in any way incorrect or if at a later stage it is discovered by the Buyer that the Seller has engaged any such individual/firm, and paid or intended to pay any amount, gift, reward, fees, commission or consideration to such person ,party, firm or institution, whether before or after the signing of this contract, the Seller will be liable to refund that the amount to Buyer. The Seller will also be debarred from entering into any Supply contract with the Government of India for a minimum period of five years. The Buyer will also have a right to consider cancellation of the contract either wholly or in part without any entitlement or compensation to the Seller who shall in such event be liable to refund all payments made by the Buyer in terms of the contract along with the interest at the rate of 2% per annum above, the LIBOR rate, the buyer will also have the right to receive any such amount from any contracts concluded earlier with the Govt. of India.

The Contractor / Supplier shall confirm and declare to the Purchaser his genuine status as either the original manufacturer of equipment or as the stockist / supplier of the equipment / machinery / items referred to in this contract and that he has not engaged any individual or firm, whether Indian or foreign whatsoever, to intercede, facilitate or in any way to recommend to the Purchaser or any of its functionaries, whether officially or unofficially, to the award of the contract to the Contractor / Supplier nor has any amount been paid, promised or intended to be paid to any such individual or firm in respect of any such intercession, facilitation or recommendation. The Contractor / Supplier shall agree that if it is established at any time to the satisfaction of the Purchaser that the present declaration is in any way incorrect or if at a later stage it is discovered by the Purchaser that the Contractor / Supplier has engaged any such individual / firm, and paid or intended to pay any amount, gift, reward, fees, commission or consideration to such person, party, firm or institution, whether before or after the signing of this contract, the Contractor / Supplier shall be liable to refund that amount to the Purchaser. The Contractor / Supplier will also be debarred from entering into any supply contract with the Purchaser for a minimum period of five years. The Purchaser will also have a right to consider cancellation of the contract either wholly or in part, without any entitlement or compensation to the Contractor / Supplier who shall in such event be liable to refund all payments made by the Purchaser, along with interest at the rate of 2% per annum above the **LIBOR** rate. The Purchaser will also have the right to recover any such amount from any contracts concluded earlier with the Purchaser.

PE-802 Access to the Books of accounts.

In case it is found to the satisfaction of the Buyer that the Seller has engaged an Agent on said commission or influenced any person to obtain the contract as described in clauses relating to Agents/agency commission and penalty for use of undue influence, the Seller on specific request of the Buyer shall provide necessary information/inspection of the relevant financial documents/information.

PE-803 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/order, 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' in short) for adjudication of the said disputes or differences as Sole Arbitrator, in accordance with the provisions of the Arbitration & Conciliation Act, 1996.

The CMD (or MD), GRSE, if he so desires, may nominate/appoint another officer of GRSE 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 & Conciliation Act, 1996 and the rules framed thereunder or any statutory modification or 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., 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 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., 43/46 Garden Reach Road, Kolkata - 700 024.

PE-804 Indemnification

The Contractor / Supplier, 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 Contractor / Supplier, 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.

PE-805 Force Majeure

Should any force majeure circumstances arise, each of the party to the order 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 fire, flood, natural calamities or other acts such as war, turmoils, strikes (as not limited to be establishment of the supplier), 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 by the party.

Notwithstanding the provisions of the immediate foregoing clause 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 order 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 order for the goods received..

PE-806 Use of Undue Influence / Corrupt Practices:

- a) The Contractor / Supplier 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 Contractor / Supplier or any one employed by him or acting on his behalf (whether with or without the knowledge of the Contractor / Supplier) or the commission of any offence by the Contractor / Supplier 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 Contractor / Supplier and recover from the Contractor / Supplier 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 Contractor / Supplier.
- b) The Contractor / Supplier 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 Contractor / Suppliers or any one employed by them or acting on their behalf (whether with or without the knowledge of the Contractor / Suppliers) or the commission of any offence by the Contractor / Suppliers 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 Contractor / Supplier 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 Contractor / Supplier 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 Contractor / Supplier, on a specific request of the Purchaser shall provide necessary information / inspection of the relevant financial document / information.

PE-807

Immunity of Government of India Clause

It is expressly understood and agreed by and between M/s. (Contractor / Supplier) and M/S Garden Reach Shipbuilders & Engineers Ltd. 43/46, Garden Reach Road, Kolkata -700024 (the Indian PSU) is entering into this Agreement solely on its own behalf and not on the behalf of any person or entity. In particular, it is expressly understood and agreed that the Government of India is not a party to this Agreement and has no liabilities, obligations or rights hereunder. It is expressly understood and agreed that Garden Reach Shipbuilders & Engineers Ltd. 43/46, Garden Reach Road, Kolkata 700024 (the Indian PSU) is an independent legal entity with power and authority to enter into contracts solely in its own behalf under the applicable of Laws of India and general principles of Contract Law. The (Contractor / Supplier) expressly agrees, acknowledges and understands that Garden Reach Shipbuilders & Engineers Ltd. 43/46, Garden Reach Road, Kolkata-700024 (the Indian PSU) is not an agent, representative or delegate of the Government of India. It is further understood and agreed that the Government of India is not and shall not be liable for any acts, omissions and commissions, breaches or other wrongs arising out of the contract. Accordingly, (Contractor / Supplier) hereby expressly waives, releases and foregoes

any and all actions or claims, including cross claims, impleader claims or counter claims against the Government of India arising out of this contract and covenants not to sue Government of India in any manner, claim, cause of action or thing whatsoever arising of or under this Agreement.

PE-808

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.

PE-809

No information in respect of contracts/orders shall be released to the national or international media or any one not directly involved in its execution without the express written approval of the Integrated Headquarters, MOD(Navy) [DND/DSP].

PE-810

- 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 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.

Garden Reach Shipbuilders & Engineers Ltd.

**STANDARD TERMS AND CONDITIONS OF SUPPLY
IMPORTED EQUIPMENT/MACHINERY.**

Tender No.....

Date

STACS CLAUSE NO.	BIDDER'S REMARKS	STACS CLAUSE NO.	BIDDER'S REMARKS	STACS CLAUSE NO.	BIDDER'S REMARKS	STACKS CLAUSE NO.	BIDDER'S REMARKS
PE-101		PE-203		PE-501		PE-708	
PE-102		PE-204		PE-502		PE-709	
PE-103		PE-205		PE-503		PE-710	
PE-104		PE-206		PE-504		PE-711	
PE-105		PE-207				PE-712	
PE-106		PE-208		PE-601		PE-713	
PE-107		PE-209		PE-601.1		PE-714	
PE-108		PE-210		PE-602.1		PE-715	
PE-109		PE-211		PE-602.2			
PE-110		PE-212		PE-602.3		PE-801	
PE-111				PE-602.4		PE-802	
PE-112		PE-301		PE-602.5		PE-803	
PE-113		PE-302		PE-602.6		PE-804	
PE-114		PE-303		PE-603		PE-805	
PE-115		PE-304		PE-604		PE-806	
PE-116		PE-305				PE-807	
PE-117				PE-701		PE-808	
PE-118		PE-401		PE-702		PE-809	
PE-119		PE-402		PE-703		PE-810	
PE-120		PE-403		PE-704			
		PE-404		PE-705			
PE-201		PE-405		PE-706			
PE-202		PE-406		PE-707			

COMPANY SEAL.

SIGNATURE
NAME
DESIGNATION.....
COMPANY NAME & ADDRESS

NOTE:

- *Bidders should read the standard terms and conditions(STACS) included in the Tender carefully prior to filling up this acceptance format.*
- *This format should be properly filled signed and returned along with your technical bid for considering your bid.*
- *Please indicate ACC- For accepted, NO – For not accepted and DEV – For deviation taken.*
- *Separate sheet to be attached for any deviation taken by you.*
- *STACS clause numbers shown in the format includes the sub clauses under them also.*

GRSE STANDARD TERMS & CONDITIONS FOR PROCUREMENT OF B&D SPARES.

1. **Terms Of Price:** The consignee for the B&D spares is Material Organization, Material Organization (Karwar), Material Organization (Kochi), Material Organization (V). Relative distribution of the ordered B&D Spare among the above base port will be indicated at the time of Ranging and Scaling (R&S).
2. While dispatching each item should be identified with GRSE code number and Firms part number. Packing list should indicate all deliverable items. Each item should be identified with Metallic or Plastic tag indicating both GRSE code number and Firms part number.
3. **Packing:** All spares have to be well packed and tagged to withstand damage/pilferage during transit. Order no. part no./GRSE code no. details of Spares, quantity, in ILMS & NSN format in triplicate to be provided by the Vendor. Spares are to be delivered on PIP packed.
4. **Consignee/Delivery Point:** All items along with supporting documents (Tax invoice, Inspection Certificate, guarantee Certificate, Conformity Certificate, packing list in ILMS/NSN format) to be delivered to the consignee, controller of ware housing, Material Superintendent, Material Organization.
5. **Inspection:**
Pre dispatch inspection: As per the SOTR/ same as original approving authority.
Receipt Inspection by Material Organization
6. **Warranty:** The equipment / Materials are to be guaranteed / warranted for satisfactory performance for the period of 12/24 months from the date of delivery at MOV (VIZAG). During guarantee/warranty period any spares supplied by the Vendor suffers due to defective material and or due to improper design and or drawing or due to faulty workmanship, The Vendor will take full responsibility of rectification of such defective parts thereof direct expenses related to removal and re-positioning of the replacement/ repaired spares or components and subsequent test & trial, incurred thereon without any financial implication to GRSE.
7. **Liquidated Damage:** In case delay in delivery beyond contractual delivery date, GRSE reserves the right to recover LD. @ ½ % per week or part there of subject to maximum 5 % of order value of the undelivered materials.
8. **Force Majeure:** As per existing order of ministry of Law.
9. **Custom duty:** same as for Main Equipment.
10. **FE Content:** to be indicated as per Main Equipment
11. **FE Rate Variation:** - not applicable.
12. **Arbitration:** Same is Original Item
13. **Individuality of Contract:** This order shall be treated as an individual contract, shall not allow any general lien to the portions and shall not get any prejudice in execution due to situation arising out of some other contract that Firms may have with GRSE.
14. **Validity of Offer:** The offer for B&D Spares has to be kept valid for 180 days from the date of P.O. for main supply.
15. **Payment Terms : :**
 - (i) 90% of order value shall be paid on pro rata basis against delivery of spares to Material Organization on production of following documents:(4 copy each along with one original copy e.i. ink signed)
 - (a) Ink signed Invoice
 - (b) Original Receipted challan or receipted LR/CN along with copy of challan/Packing list.
 - (c) Packing list indicating details of spares descriptions in ILMS format.

- (d) Inspection certificate issued by appropriate Authority
- (e) Guarantee certificate of materials
- (f) Conformity Certificate.

If the list of B&D spares is not provided in ILMS format 85% payment will be made. 5% payment will be released after receipt of B&D spares list in ILMS Format.

- (ii) Balance 10% will be paid after receipt and acceptance of materials by consignee supported by Stores Receipt Voucher and on submission of Performance Bank Guarantee of equivalent amount, valid up to expiry of guarantee period.
- 16. Order Acknowledgement :** The Vendor , on whom the Order will be placed, will acknowledge the Order within 10 days of its receipt by them. If no contrary advice is received from them within ten days of its receipt, this will be deemed to have been accepted by them.
- 17. Risk Purchase:** In case of delay in delivery beyond 10 weeks, GRSE shall have also the right to cancel the Order and obtain items from alternative source at firms complete risk and cost.
- 18.** All other terms & conditions are as per the GRSE "STACS".

*****END*****