



Garden Reach Shipbuilders & Engineers Limited

A Government Of India Undertaking Under the Ministry Of Defence
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DOMESTIC OPEN WEB TENDER

E- TENDER NO: NCM/BG/ASW.SWC/OT/SWITCH SOCKET/ET-1804

1. Offers are invited from reputed manufacturers in two bid system through e-procurement mode from the vendors having experience in manufacturing of Switch Socket. GRSE's Present requirement is for 4 Shipsets of ASW SWC , Yard No. 3033-3036, as per enclosed specification & scope as per SOTRs.
2. Nature of Tender : Open
3. Last date & Time of Receipt of Tender : 12.02.2022 (12:00 Hrs IST)
4. Date & Time of opening of Tender : 15.02.2022 (14:00 Hrs IST)
5. Technical Specification & Scope of Supply : As per Annexure - III enclosed.
6. Other Commercial Terms : As per Annexure – I ,II & VII enclosed.
7. Delivery/ Shipment : staggered as per Part-I (Technical bid).
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://www.grse.nic.in/etender/>" and Offers in filled-in formats are to be uploaded using Digital Signature Certificate (DSC).
10. GRSE reserve the right to cancel the tender at any stage, if any such situation arises in future.
11. Whether GRSE will open the tender as per schedule or extend the offer submission due date is completely under purview of GRSE.
12. GRSE reserve the right to negotiate the price with L-1 bidder, as per existing procedure of GRSE.
13. Tender Fees: Nil
14. Earnest Money Deposit:

Bidders are not required any amount as EMD / Bid Security in the form of any negotiable instrument against this tender. However in lieu to that, a Bid Security Declaration has to be submitted as per format enclosed as ANNEXURE-XII with the tender. In Case of withdrawal of the bid / fail or refuse to execute the contract / fail or refuse to furnish the security deposit, punitive action will be taken against the bidder by imposition of tender holiday for a period of 03 (three) years.

MSE registered firms having the tendered items listed in their MSE documents will be eligible for exemption from submitting Bid Security Declaration.

Non-submission of Bid Security Declaration or a valid MSE certified may lead to offer rejection.
15. Only manufacturer are eligible to participate in this tender. Offer of trader / service provider will not be considered.

16. GRSE reserve the right to change the quantity of any line item before finalization of the P.Os.

Note :- In case of withdrawn of offer by any participated firm at any stage of finalization of the order, GRSE may take the following actions:-

Issue of tender holiday to the firm (ii) Firm's will not be issued any tender for any items for a period/ project etc .(iii) In case the firm, participated in open tender, the offer may be rejected (iv) Firm will be restricted for vendor registration at GRSE/renewal of vendor registration at GRSE.

In addition with the above , GRSE will take necessary action against the firms as deemed fit.

B.Ghosal

Manager (NCM/L&W)

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

Enclosure List:

- | | | |
|--------------------|---|--|
| 1. Annexure – I | : | Mandatory terms |
| 2. Annexure-II | : | Special terms and Condition of NIT. |
| 3. Annexure – III | : | Scope of Supply, Technical Specifications & SOTR. |
| 4. Annexure – IV | : | GRSE Indigenisation Policy |
| 5. Annexure –V | : | Undertaking/ Declaration, To Be Furnished |
| 6. Annexure – VI | : | Bank Guarantee Formats |
| 7. Annexure – VII | : | Standard Terms & Conditions (INDIGENOUS vendors) |
| 8. Annexure – VIII | : | Format for INTEGRITY PACT (Not applicable for this tender) |
| 9. Annexure –IX | : | Standard Terms & Conditions (B&D Spares) |
| 10. Annexure-X | : | Acceptance matrix |
| 11. Annexure-XI | : | MSME Policy |

INSTRUCTIONS TO BIDDERS

ITEM : PATTERNIZED AND NON PATTERNIZED SWITCH SOCKET
 YARD : ASW-SWC PROJECT Yard Nos. 3033-36

1. Two Parts Bid Clause:

The Offers must be submitted in two parts:

- (a) **Part I (Techno Commercial Bid):** No price should be mentioned in this bid or offer will be liable for rejection. The bidder shall ensure following to include in the Part-I bid: GRSE registered vendors are exempted from submission of documents at sl. (i) to (v) and (x)
- 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/GSL/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. Undertaking for product support if applicable.
 - x. Bank details for payment by RTGS/NEFT in the format enclosed.
 - xi. Bidders / Suppliers should enclose the additional documents as applicable to this tender.
 - xii. Techno-Commercial bid indicating quoted/not quoted against each line item and Deviation, if any.
 - xiii. Bidder contact details with office address, contact person name, e mail, phone no. of 3 persons including head of organization.
 - xiv. Firm to submit the signed and stamped copy of the SOTR along with the bid and to be filled up properly.
 - xv. Prices are not to be mentioned/ indicated in Part-I bid. Indication of price/Deviation will be liable for rejection of bid.
 - xvi. Firm to submit the declaration enclosed at Annexure IV along with the bid.
 - xvii. It is mandatory to mention Firm's name, contact No., name of contact person, e-mail id, firm's address and offer reference in technical bid, SOTR compliance Matrix, Commercial bid, Special terms & condition matrix etc.
- (b) **Part-II (Price Bid):** Prices for each of the listed items have to be uploaded strictly in the prescribed format provided in the e-Procurement portal. Bids received other than this given format will be rejected.

2. Integrity Pact: Not applicable for this tender.

3. Acceptance:

The Acceptance matrix/formats enclosed at Annexure –X of the tender 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.

4. Bid Modification:

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

5. 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.

6. 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.

7. GRSE purchase preference policy enclosed. Firm has to provide declaration through fill up the same in ANNEX-X of the tender or in their letter head regarding the local content in their quote and submit the same along with techno-commercial bid . Rep. of Govt. Of India reserve the right to verify the same at time and take suitable action as deemed fit for them.

8. Policy for MSME is applicable for this tender. All updates in policies for MSME till price bid opening will prevail. To avail the MSME Purchase preference , firm has to submit the valid MSE certificate along with techno-commercial bid. The MSE certificate will be considered valid for the preference to MSE bidder in this tender only if the same issued before tender closing due date and validity should be at least tender closing due date plus six months. It is sole responsibility of the bidder to update them on policies issued by MSME ministry. Policies for MSME will prevail upon Purchase Preference Policy for Make in India. Wherever L- 1 determination will be on totality basis i.e the tender items are non divisible , MSE bidder will be provided Purchase Preference of 100% quantity , if the MSE bidder falling under Purchase Preference as per MSME policy.

9. Bids Evaluation Methodology & Criterion:

L1 bidder shall be determined based on FOR GRSE BASIS as detailed under:-

(a) On totality per ship basis for the following items :-

- (i) 15 A, SW. SKT 4 CONTACT, TRIPLE POLE
- (ii) FREE PLUG FOR 415V, 3PH, AC SUPPLY 3 PIN
- (iii) T.P. 415V SOCKET

(b) For balance items , item wise L-1 will be considered.

(c) Taxes & duties i.e GST shall be excluded for ranking the bids.

(d) Charges for Postponement of delivery on per annum basis on materials on simple basis. { e,g if quote for price materials is Rs. 100, and per annum quote for delivery postponement charges is @0.5% , then loading for ranking will be 0.5% of Rs. 100 = Rs. 0.50}

(e) Charges for warranty extension on per annum basis 02 years on item value on simple basis. { e,g if quoted price is Rs. 100.00 and per annum quote for warranty extension charges is @0.5% per annum , then loading for ranking will be 0.5% of Rs. 100 X 2 yr.= Rs. 1}

Material /item value + Freight & Insurance if any (If agreed by GRSE to pay separately)+ Delivery postponement charges for 1 year + Warranty extension charges for 02 year.

Online ranking visible to the bidder after opening of price bid is without loading parameters. However the L-1 bidder will be evaluated offline by applying all loading parameters as per tender.

The above is for ranking of bid only, actual basic price for finalization will be on total materials with provision of above charges in % as optional on requirement of GRSE.

Situation may arise that GRSE required to share the % of order as per MSME policy , in that case Since the items are non-divisible , GRSE reserve the right to place the full value of the order on the MSME firm meeting the requirement of match prices as per MSME policy .

10. Loading for Deviations in Tender Terms and Conditions.

As a matter of policy deviation to tender's Terms & Conditions shall not be allowed and GRSE reserve the right to disqualify the offer for the deviation. 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.

The loading for deviations to tender terms shall be carried out as per following guidelines:

- a) Payment Terms: It is desirable that the bidder accepts the Payment terms indicated in the tender. Varied payment terms quoted by bidders as compared to the terms stated in the Tender document shall be normalized by adopting the Base Rate/MCLR declared by RBI (Median value applicable for public sector Banks) plus 2% thereon on the amount(s) at variation and/or for the period (in no. of days) at variation and LIBOR plus 2% in case of Foreign bidders.
- b) Delivery of the Goods: As a matter of policy, delivery of the goods at GRSE premises should be responsibility of the Supplier. However, for unavoidable reasons, if bids are exclusive of transport and / or insurance, the same will be loaded at the cost to be incurred by GRSE. As freight amount is a matter of estimate based on mode of transport and destination, before opening of the price bids, a list of rates is prepared and approved by the concerned AGM/DGM containing the estimated amount of freight that would have to be incurred in respect of the supplies from each of the participant bidders. The estimated freight amount in the list may be based on contracts with the transporters / approved freight rates released by Association of transporters / cargo movers etc. In the case of overseas bidders, FOB as well as CIF basis prices must be obtained for this purpose. The amount of freight to be loaded is

to be intimated to the participant bidders (before opening of the price bids) so that evaluation of tenders is free from avoidable controversies.

- c) For the additional delivery period sought by the bidder over the stipulated date of delivery as per Tender, 0.50% per completed week will be loaded to the quoted price, provided the extended delivery period is acceptable to GRSE.
- d) Deviations sought in respect of rate per week and / or maximum ceiling in respect of liquidated damages shall be loaded to the quoted price. For example, the maximum ceiling towards liquidated damages stipulated in the Tender is 5% and the bidder seeks to limit it to, say 3.50% then the price quoted will be loaded by 1.5%. If the rate of LD per week is 0.50% per week or part thereof as per tender and the bidder seeks it as, say, 0.40% per week or part thereof, the maximum ceiling on LD as per tender will first be equated to weeks (10 weeks in this case) and the rate proposed by the bidder i.e. 0.40% will be multiplied by the so equated maximum period (which works out to 4%) and the quoted price will be loaded accordingly by 1%. Delivery being the essence of the contract, it is desirable if the bidder(s) adhere to the stipulated clause.
- e) Deviation in respect of the period of warranty/guarantee shall be loaded to the quoted price @warranty/guarantee extension charge quoted by bidder for 2 years from initial warranty period sought in tender documents, if bidder does not quote for warranty period extension charge then @0.25% per month for period of warranty in deviation.
- f) The above loading is only for bid ranking (L-1 determination).

11.Independent External Monitors (IEM): Not applicable

12. 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.:- Not applicable for this tender.
- (iii) Bidder is not complying with 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.: Not applicable for this tender.
- (v) EMD declaration & Tender fee not received for Open tender if applicable unless specific exemption is sought for the approval of Competent Authority. Not applicable for this tender
- (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. Bid submitted by Indian vendor other than INR.
- (vii) Bid submitted by the firm through other's DSC.

(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 (Subject to acceptance of GRSE) 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) Bidder not accepted the payment terms as per tender.

- (xii) Bid received without 'Certificate of conformity' duly filled in & signed, if applicable.
- (xiii) 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.
- (xiv) Quote received with Price Variation Clause.
- (xv) Bid received without pre-qualification documents where required as per the tender. Bids not meeting the pre-qualification parameters stipulated in the tender enquiry.
- (xvi) Delivery by High seas sales / Sales in transit.
- (xvii) 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 wherever applicable.
- (xviii) Bidder does not agree to provide warranty extension, delivery postponement etc.
- (xix) Bidder does not quote for all line items where it is mandatory to quote as such.
- (xx) Bidder not complying the GRSE's indigenization policy.
- (xxi) 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.
- (xxii) Any deviation is sought which are not acceptable to GRSE
- (xxiii) Bidder has submitted more than one offer.
- (xxiv) Bidder has submitted offer other than their offer.
- (xxv) Bidder nor responding to GRSE quarries, not attending TNC/CNC/PNC meeting within the stipulated date.
- (xxvi) Bidder requested for modification of bid post tender closing and the same is not acceptable to GRSE.
- (xxvii) 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).
- (xxviii) Indicating price in any document other than price bid.
- (xxix) Bidder not agreed to attend TNC/CNC/PNC , if called by GRSE.
- (xxx) For the new bidder , if not qualified for financial evaluation.

13. 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 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.

14. 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 for 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.

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

15. 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.

Contact details :

For technical queries :- Bidders may contact for Technical clarifications, if any, with Mr. Dilip Kumar Ghosh, DGM(D)(L&W) (Ghosh.DilipKumar@grse.co.in) .

For commercial queries :- Bidders may contact for Commercial clarifications, if any, with Mr. B.Ghosal , MGR(NCM)(L&W) (email: Ghosal.Budhaditya@grse.co.in) For e-proc related issue :- mtl.eproc@grse.co.in, Ph. No. 033 2489 3902

***** **End of ANNEXURE-I** *****

SPECIAL TERMS AND CONDITION OF NIT

E-TENDER NO. :
ITEM : **PATTERNIZED AND NON PATTERNIZED SWITCH SOCKET**
YARD : **ASW-SWC PROJECT Yard Nos. 3033-36(ASW SWC)**

1. **Scope of Supply:** Patternized switch socket for GRSE Yard No 3033-36 (ASW-SWC Project) as detailed vide SOTR Nos. GT31130001M-B and Non Patternized Switch Socket for Yard 3033-36 (ASW SWC) as per SOTR No. GT31130001M –A (enclosed vide Annexure-III(A) & (B) 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.

Note :-Offer to be submitted by the firm as per scope described in SOTRs .

2. **EMD & Tender Fee:** Earnest Money Deposit against declaration and Tender Fee nil for this tender.
3. **Term of Prices:** FOR basis including packing, forwarding, loading etc. charges. Freight & insurance charges for delivery of goods at GRSE, Kolkata is to included in quoted price. 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 all items as per SOTRs/ 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.**

4. Terms of Delivery:

- (i) Delivery date mentioned in tender shall be considered for all purposes.
(ii) Material is to be delivered at GRSE Store Kolkata on free Door Delivery
(iii) For delivery on FOR basis as indicated above: Packing, Forwarding, Freight and Insurance charge is to be borne by the supplier. Prior confirmation for delivery store location to be obtained from ordering department.

NOTE:

- (i) Delivery time line for each ships is to be complied by the firm. GRSE 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 location /destination 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.

5. 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 and boxes 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 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 , all in 05 sets):-

- (i) GST invoices
(ii) Delivery challan
(iii) Packing list
(iv) Copy of Pre-Despatch Inspection clearance certificate issued by relevant inspection agency
(v) Copy of Warranty certificate
(vi) Preservation certificate.

6. Delivery schedule:-

(A) Items :

| Yard No. | Delivery schedule |
|----------|---------------------------|
| 3033 | July'2023 |
| 3034 | Dec'2023 |
| 3035 | Within 05 Months from P.O |
| 3036 | 10 Months from P.O |

(C) QAP: . QAP to be submitted to GRSE (QA) with a copy to GRSE(NCM) for approval within 03 weeks from placement of P.Os.

7. Inspection Authority and Pre-despatch Inspection Criteria:

(a) Pre-despatch inspection will be carried out by TPI(M/s RINA) as per approved QAP by GRSE (QA). TPI inspection charges will be paid by GRSE directly to TPI agency. Any testing charges as per approved QAP to be borne by the supplier. The followings will be TPI charges which will be paid by GRSE to TPI agency:-

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) One extra visit to be carried out TPI agency , if required . 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 or the same to be paid by the supplier to TPI agency.

(b) Receipt Inspection: Receipt inspection cell of GRSE. Receipt inspection shall be carry out necessary inspection of the items on receipt of the items in the destination on the basis of appropriate. GRSE Inspection system requirements & the Inspection documents submitted by suppliers. Any objection raised by GRSE inspection team against quality of material or workmanship shall be satisfactorily corrected by the supplier at his expenses including replacement as may be required within shortest possible time within 30 days. Items damaged during transit shall also be rectified or replaced by the supplier within shortest possible time.

Note:- If required for smooth execution , after receipt of materials in designated place , supplier will depute its rep. for JRI. Boxes will be opened in front of supplier rep. only. Notice period of 07 days will be provided by GRSE. If there is any special type of preservation indicated by the firm, GRSE may not opened the boxes , in that case supplier has to provide undertaking of replacement of goods at free of cost , if found damage / short supplied during use on board. In case there is no special preservation use for item , the boxes will be opened in front of supplier rep. , post completion of the JRI, firm will repack the items, firm has to certify that preservation of the items hold good as per SOTR/MOM of TNC. In case of non deputation of supplier within the stipulated time, GRSE may open the boxes without supplier rep.

(c) REJECTION OF THE MATERIAL: Any portion of the equipment found defective/rejected, the supplier shall collect the same at his cost from the concern place, all incidental charges being born by supplier, (inclusive of custom duty, if payable), replace the same within 30 days from the date of intimation to the supplier of such rejection. The GRSE reserves the rights to dispose of the rejected item at the end of a total period of 40 days in any manner, to the best advantage to the GRSE & recover storage charges & any consequential damages, from sale proceeds of such disposal.

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.

8. Payment Terms:

A. For Supply:

- (a) 90% of supply value as reduced by any deductibles and / or the amount leviable towards liquidated damages, if any plus 100% taxes, duties etc as applicable will be paid through ECS/NEFT against receipt and acceptance of material at GRSE/destination place and submission of ink signed invoice duly accompanied with Pre-despatch Inspection clearance Certificate, Guarantee Certificate & Packing List and Receipted copy of challan/LR (Not mandatory, if ICGRN issued and if the same not submitted then GRSE reserve the right to take delivery date as GR issue date). (All in 03 copies).
- (b) In case SDBG applicable and not submitted by the supplier, GRSE reserve the right to hold the payment till receipt of SDBG of requisite amount or releasing of payment holding the SDBG amount till execution of the P.Os.
- (d) 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) of 3% 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.

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 .

9. 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.

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

11.Guarantee/ Warrantee Clause:

(a) The equipment/materials are to be guaranteed/warranted for satisfactory performance for the period of 12 months from commissioning of the vessel by GRSE to Indian Navy on which the equipment/materials/items are installed OR for the period of 24 months from the date of final dispatch of the lot whichever is earlier 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.

(b) The supplier cannot absolved their responsibility for warranty of materials even though it is inspected & approved by the inspection authorities. If the defects are not remedied within a reasonable /stipulated time, GRSE may proceed to rectify the defects at Supplier's risk & cost , but without prejudice to GRSE's rights under the contract.

(c) 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 basis for a period of two years from date of expiry of original warranty .

In case GRSE required to extend the warranty for few month the charges will be calculated as per prevailing rate as per P.O .

(d) In case any item supplied after delivery of the ship , warranty will be valid for 24 months from supply.

(e) In case , firm indicated warranty charges as '0' , GRSE reserve to place the P.Os including additional warranty period.

12 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) LD @ 0.25% per week delay or part there of subject to maximum of 1% of total order value will also be recovered in case of delay in submission of Binding data, Drawings & QAP (as applicable and any of that) to the concern authority for approval. In case the contractual submission of date Binding data , Drawing & QAP is in staggered manner / date , if any the date will fail , LD will be imposed.

13. CANCELLATION OF ORDER:

a) 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/Completion period the progress of manufacture/Supply is not to the satisfaction of Purchaser and failure on the part of the Bidder/Supplier/Contractor to comply with the delivery schedule is inevitable. In such an event the Supplier 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 Supplier at his cost.

b) In case of breach / non-compliance of any of the agreed terms & conditions of order / contract. GRSE reserves the right to recover consequential damages from the Supplier on account of such premature termination of contract.

c) In case of delay beyond agreed period for liquidated damages or 10 weeks from contractual delivery period or unsatisfactory progress before contractual delivery period, GRSE reserves the right to cancel the order and procure the order items / services from any available source at GRSE's option & discretion and entirely at your risk and cost. Extra expenditure incurred by GRSE in doing will be recoverable from Supplier.

14. 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.

15. 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.

16 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.

17. 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.

18. Indigenization:

OEM/Suppliers while participating in bid shall clearly indicate the indigenous content in % terms in their letter head along with techno-commercial bid. 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.

19. 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.

20. Exchange Rate Variation (ERV) Clause: All quoted price should be in INR only and Exchange rate is no applicable in this case. Exchange rate variation is not payable.

21. 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 21 (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
- (g) 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.
- (h) 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.

22. Goods and Service Tax(GST):

- i. Firm shall follow all the provisions/requirements/timelines promulgated by the Government of India

from time to time with reference to GST compliance. GST as per GST laws shall be payable extra as agreed.

- ii. Firm shall be responsible for the financial and non financial consequences in case of non compliance of GST provisions/requirements/timelines on their part.
- iii. The HSN code to informed by the firm and GST rate will be incorporated in P.Os.) The code must be in accordance with GST Laws. GRSE shall not be responsible for any error in HSN code for goods & /or services specified by supplier / contractor. Supplier / contractor shall pay penalty and / or interest imposed on GRSE or any loss due to delay in availing ITC by GRSE or any loss of Input Tax Credit (ITC) to GRSE due to errors by vendors at any stage. GRSE reserves right to recover any such interest, penalty or loss from any amount due to supplier / contractor or otherwise.
- iv. In case, GRSE is unable to avail ITC, supplier / contractor at their own cost shall rectify the shortcoming in the returns to be filed immediately thereafter. Further, if the ITC is delayed / denied to GRSE / reversed subsequently as per GST Laws due to non / delayed receipt of goods and / or services and / or tax invoice or expiry of timelines prescribed in GST Laws of availing ITC, non-payment of taxes or non-filing of returns or any other reason not attributable to GRSE, supplier / contractor shall pay any loss of amount along with interest and penalty on GRSE under GST Laws for the number of days the ITC was delayed. If the short coming is not rectified by supplier / contractor and GRSE ends up in reversal of credits and / or payments, supplier / contractor is fully liable for making good all the loss incurred by GRSE. GRSE reserves right to recover any interest, penalty or loss from any amount due to Supplier / contractor or otherwise.
- v. GRSE GSTIN is 19AAACG9371K1Z4 and vendor shall mention the same while invoicing and avoid any data entry error on GST portal.
- vi. 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 vendors invoice inter alia should contain GSTIN of vendor, GSTIN of GRSE (i.e 19AAACG9371K1Z4), 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 , Main Unit, and a copy of the invoice should be given to the goods receiving section (GRS).
- vii. 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 & complied by the supplier / contractor with the requirement of GST along with satisfactory evidence.
- viii. Supplier will not be entitled to any increase in rate of taxes & duties occurring during the period of extended delivery completion schedule if there is delay in supplies/completions attributed to him. However , if there is a decrease in in Taxes & Duties , the same must be passed on to GRSE.
- ix. Wherever all-inclusive prices are quoted by the supplier without bifurcation of tax element , no escalation can be considered in respect of any variation in statutory levies arising subsequently because of the absence of the required base figures in the purchase order.
- x. Income tax applicable on cost of services rendered in India in relation to the P.O , shall be payable by supplier.
- xi. TDS on GST or any other charges will be deducted as per Govt. guidelines.

23. **Security Deposit Bank Guarantee (SDBG):**

- (a) Single SDs (Per P.O separate SD) for 3% of total order value excluding taxes, duties for Supply component to be submitted.
- (b) SD for 3% of the Supply component of PO excluding taxes, duties shall be submitted by the successful bidder within 25 days from the date of transmission of PO payable in Indian Rupees. SD will be returned to successful bidder without interest within 4 weeks after satisfactory completion of delivery & acceptance of materials and completion services & training . Hence, SD should be kept valid till such time.
- (c) SDBG shall be submitted in GRSE Format.
- (d) SD can be remitted directly to GRSE Bank Account. You shall specifically mention the details of company name as well as nature of remittance, tender number/order number etc. in the text/narration fields of Bank's NEFT remittance in order to identify the same.
- (e) Security Deposit can also be in the form of Bank Guarantee in favor of GRSE and shall be submitted within 25 days from the date of transmission of this order.
- (f) The Bank Guarantee shall be from Nationalised / Scheduled Banks or Banks of International repute excluding Co-operative banks.
- (g) In case of failure to submit the Security Deposit within 25 days of transmission of the order, GRSE reserves the right to cancel the order invoking the risk purchase clause.

- (h) In case delivery / completion of services and training are likely to be delayed, the validity of the SDBG shall be extended suitably till the completion of delivery and completion services & training on instruction from GRSE.
- (i) In the event of failure to submit the Security Deposit within 25 days of transmission of the order, but commenced the work, interest will be levied for the delayed period of submission @ SLR plus 2%. Also the same shall be applicable for delayed period of extension of validity.
- (j) SD will be returned without interest on completion of delivery & acceptance of items for the respective orders and on written request from the supplier.
- (k) In the event of failure to execute the order satisfactorily, the Security Deposit will be encashed by GRSE.
- (l) In case of non-extension / non-renewal as requested, GRSE shall encash the BGs before expiry of its validity period.
- (m) GRSE's Bank Details:

| | | |
|--------------|---|---------------------------------|
| BANK NAME | : | STATE BANK OF INDIA |
| BRANCH NAME | : | COMMERCIAL BRANCH |
| ADDRESS | : | 24, PARK STREET, KOLKATA-700016 |
| ACCOUNT TYPE | : | CASH CREDIT ACCOUNT |
| ACCOUNT NO | : | 10945133828 |
| MICR CODE | : | 700002120 |
| IFSC CODE | : | SBIN0007502 |
- (n) Micro & Small units registered under single point vendor registration scheme with NSIC will be exempted from the Security deposit subject to the monetary limit to which they are registered. Registration for a product line will only qualify for exemption against similar product / group of product for which bid is submitted and relevant certificate to be submitted along with the techno-commercial bid valid as on tender opening date and P.O placement date. GRSE permanent registered vendor are also exempted from submission of SDBG, to avail the same, firm has to submit the valid registration certificate of GRSE along with techno-commercial bid, or GRSE will take the same from available data base. Registration in process or revalidation will not be considered for exemption on submission of SDBG.

24. Performance Bank Guarantee (PBG):

- (a) Separate PBGs for item value for 3% of supply 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) of 3% 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.

25. 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.

26. 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.

27. **Arbitration:**

a) 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.

b) 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.

c) 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.

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

e) 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.

f) 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.

g) 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.

h) The language of the proceeding shall be in English.”

28. **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.

29. **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.

30. **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.
31. **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 the firm.
32. Warranty Extension charges on items have to be quoted in price bid in percentage (%) per annum basis applicable for maximum 2 years. Firm to ensure the same.. In case firm did not indicate any % against this line item in the price basis, the same will be considered as '0'. No argument will be entertained in this regard. The charges will be applicable total main equipment value will be invoke by GRSE post placement of P.Os accordingly, if desire by GRSE with written intimation.
33. Delivery postponement charges on items have to be quoted in price bid in percentage (%) per annum basis applicable for maximum 1 year. Firm to ensure the same.. In case firm did not indicate any % against this line item in the price basis, the same will be considered as '0'. No argument will be entertained in this regard. The charges will be applicable total main equipment value will be invoke by GRSE post placement of P.Os accordingly, if desire by GRSE with written intimation.
34. **Validity of offer:**
Offer must be valid for 180 days from the date of tender opening.
35. **STACS:**
All other terms and conditions will be applicable are as per GRSE's latest STACS Ref. No. GRSE STACS -PE-INDG (August – 2006).

GRSE Indigenization Policy

This policy is applicable for this tender.

1. **Public Procurement (Preference to Make in India ,GOI Notification No P-45021/2/2017-PP(BE-II Dated 04.06.2020) Policy:**

To encourage 'Make in India' and promote manufacturing and production of goods and services in India with a view to enhancing income and employment, and Whereas procurement by the Government is substantial in amount and can contribute towards this policy objective, and Whereas local content can be increased through partnerships, cooperation with local companies, establishing production units in India or Joint Ventures (JV) with Indian suppliers, increasing the participation of local employees in services and training them. The details about the policy is described below.

2. **Definitions :** For the purposes of this Order:

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

'Class-I local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content equal to or more than 50%, as defined under this Order.

'Class-II local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content more than 20% but less than 50%, as defined under this Order.

'Non - Local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content less than or equal to 20%, as defined under this Order.

'L 1' means the lowest tender or lowest bid or the lowest quotation received in a tender, bidding process or other procurement solicitation as adjudged in the evaluation process as per the tender or other procurement solicitation.

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

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

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

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

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

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

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

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

3A. Purchase Preference

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

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

i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is 'Class-I local supplier', the contract for full quantity will be awarded to L1.

ii. If L1 bid is not a 'Class-I local supplier', 50% of the order quantity shall be awarded to L1. Thereafter, the lowest bidder among the 'Class-I local supplier' will be invited to match the L1 price for the remaining 50% quantity subject to the

Class-I local supplier's quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such 'Class-I local supplier' subject to matching the L1 price. In case such lowest eligible 'Class-I local supplier' fails to match the L1 price or accepts less than the offered quantity, the next higher 'Class-I local supplier' within the margin of purchase preference shall be invited to match the L1 price for remaining quantity and so on, and contract shall be awarded accordingly. In case some quantity is still left uncovered on Class-I local suppliers, then such balance quantity may also be ordered on the L1 bidder.

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

i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is 'Class-I local supplier', the contract will be awarded to L1.

ii. If L1 is not 'Class-I local supplier', the lowest bidder among the 'Class-I local supplier', will be invited to match the L1 price subject to Class-I local supplier's quoted price falling within the margin of purchase preference, and the contract shall be awarded to such 'Class-I local supplier' subject to matching the L1 price.

iii. In case such lowest eligible 'Class-I local supplier' fails to match the L1 price, the 'Class-I local supplier' with the next higher bid within the margin of purchase preference shall be invited to match the L1 price and so on and contract shall be awarded accordingly. In case none of the 'Class-I local supplier' within the margin of purchase preference matches the L1 price, the contract may be awarded to the L1 bidder.

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

4. Exemption of small purchases: Notwithstanding anything contained in paragraph 3, procurements where the estimated value to be procured is less than Rs. 5 lakhs shall be exempt from this Order. However, it shall be ensured by procuring entities that procurement is not split for the purpose of avoiding the provisions of this Order.
5. Minimum local content: The local content requirement to categorize a supplier as 'Class-I local supplier'/'Class-II local supplier'/'Non-local supplier' shall be as defined in the Para "2" of the Order. No change is permissible on this account. However, if any nodal Ministry/Department finds that for any particular item, pertaining to their nodal ministry/department, the definition of Local Content, as defined in the Order, is not workable/ has limitations, it may notify alternate suitable mechanism for calculation of local content for that particular item.
6. Margin of Purchase Preference: The margin of purchase preference shall be 20%.
8. Government E-marketplace: In respect of procurement through the Government E- marketplace (GeM) shall, as far as possible, specifically mark the items which meet the minimum local content while registering the item for display, and shall, wherever feasible, make provision for automated comparison with purchase preference and without purchase preference and for obtaining consent of the local supplier in those cases where purchase preference is to be exercised.
9. Verification of local content:
 - a. The 'Class-I local supplier'/'Class-II local supplier' at the time of tender, bidding or solicitation shall be required to indicate percentage of local content and provide self-certification that the item offered meets the local content requirement for 'Class-I local supplier'/'Class-II local supplier', as the case may be. They shall also give details of the location(s) at which the local value addition is made.
 - b. In cases of procurement for a value in excess of Rs. 10 crores, the 'Class-I local supplier'/'Class-II local supplier' shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.
 - c. False declarations will be in breach of the Code of Integrity under Rule 175(1)(i)(h) of the General Financial Rules for which a bidder or its successors can be debarred for up to two years as per Rule 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.
 - d. A supplier who has been debarred by any procuring entity for violation of this Order shall not be eligible for preference under this Order for procurement by any other procuring entity for the duration of the debarment.

TO BE SUBMITTED IN BIDRR'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 OfficAt 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.....

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

STANDARD TERMS AND CONDITIONS OF SUPPLY

(INDIGENOUS EQUIPMENT / MACHINERY)

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

INDEX

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

ANNEXURE:

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

| | | |
|--------|--|--|
| IN-1 | <u>GENERAL</u> | |
| IN-101 | 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-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. |
| 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. | (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. |
| 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. | (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-111 <u>Secrecy :</u> |
| 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. | All property (such as materials, drawings, documents etc) issued by the Purchaser or any other individual or firm on behalf of the Purchaser in connection with the contract shall remain confidential, being the property of the Purchaser and the Sub-contractor / Supplier / Vendor shall undertake to return all such property so issued and will be responsible for any or all loss thereof and damage thereto resulting from whatever causes and shall reimburse the Purchaser the full amount of loss and damage. |
| IN-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. | 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 | <u>Governing Jurisdiction and Compliance with Laws</u> | IN-112 <u>Preservation :</u> |
| (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. | 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. |
| (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. | 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. |
| (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. | 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. |
| (d) | The existing Laws on employment of Child Labor shall be binding for the contract. | IN-113 The Sub-contractor / Supplier / Vendor shall render free of cost guidance in case the Purchaser intends to set-up testing, repair / maintenance facility to overhaul the equipment supplied by the Sub-contractor / Supplier / Vendor. |
| (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. | IN-114 The Sub-contractor / Supplier / Vendor shall continue to support the equipment for a minimum period of 20 years from the date of supply by making available spare parts and assemblies of the equipment supplied. Should the Sub-contractor / Supplier / Vendor decides to discontinue the product, for any reason whatsoever, adequate notice shall be given to the Purchaser / Owner to enable procurement of the requisite lifetime spares. |
| (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. | IN-115 Purchase preference in respect of equipment / product and or services of Central Public Enterprises will be applicable for such / similar |
| (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-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 | |

- 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.
- IN-203 (ix) Standard format for data to be provided by OEM as per ILMS requirement (Integrated Logistic Management System):- As required by Indian Navy for operation of ILMS successfully at their end, detail information regarding ILMS compatibility as per format provided in SOR is to be filled in by OEMs and submitted to GRSE as part of their contractual obligations and to be included as deliverables.
 (b) PART-II - 'Price Bid' - Quotes to be written in figures and words duly authenticated / signed by the authorised person and marked thus.
- IN-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 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 | 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. |
| | <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-3.0 | <u>Packing, Shipping, Insurance & Freight details and Delivery:</u> |
| | (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-301 | <u>Identification of Deliverables And Penalty For Non-Compliance:</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. | | (a) The Supplier on receipt of Purchase Order and by a date not later than 8 weeks from receipt of P.O., shall list out and confirm all deliverables including Main Equipment, Accessories, On Board Spares, Tools, Technical Documentations and other items. Each item shall have the firm's part no. and break up price. The same is required essentially for incorporating GRSE material code nos. into the Purchase Orders and computer systems. In the event of delay in submission of the required details penalty @ ½% per week or part thereof upto the maximum of 5% of total value of all deliverables, shall be levied on the Supplier. GRSE shall issue amendment to Purchase Orders incorporating the details receipt from the Supplier with GRSE Code numbers , individual prices etc. in advance of contractual delivery. While despatching the Supplier shall identify each item with GRSE code no. and the firm's part number. Packing list should indicate all deliverable items specially mentioning/ mounted on main equipment or loose items. Each item should be identified with metallic or plastic tag indicating both GRSE code no. and firm's part no. In case of any deviation, GRSE shall not be in any way responsible for delay in issue of receipt inspection report and payment. All OBS are to be PIP packed. OBS and tools are to be supplied in separate boxes with clear identification and part numbers in metallic or plastic tag. Supplier's rep. is required during receipt inspection of loose items, accessories, spares and tools for easy identification and detection of shortfall. |
| IN-208 | Tenders will be opened on the specified date and time in the concerned department. Only authorised representatives of tenderers are permitted to witness the Part I tender opening for Press tenders only. Tender opening shall neither be delayed nor withheld / postponed on account of absence of any one or more Tenderers. All the envelopes marked as 'PRICE BID' received at the time of Tender opening will be noted and held unopened separately. | | |
| IN-209 | Authorised representatives of only technically qualified tenderers, in case of Press Tenders only, who have submitted EMD as applicable, and complied with tender terms, will only be permitted to be present and note the proceedings of the Price Bid - Part II opening in a manner as directed by the tender opening officers. Qualifying tenderers not present during price bid opening will not be furnished with information on prices at a later date. EMD of unsuccessful tenderers will be refunded / returned within 30 days of finalisation of order on surrendering the Original copy of Money Receipt and upon instruction of Purchaser. EMD, if not claimed within one year from the date of notification to the tenderer for refund, will be forfeited. | | (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. |
| 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. | | (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-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-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 | | |

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| 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-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-404 In the event of Sub-contractor's / Supplier's / Vendor's failure to attend the Guarantee defects within a reasonable period of time, the Performance Bank Guarantee will be encashed by the Purchaser. The Purchaser's decision shall be final and binding on Sub-contractor / Supplier / Vendor in this regard.</p> <p>IN-405 Issues/Defects related to Guarantee/Warranty shall have to be liquidated at the location of vessel and as desired by the Purchaser / Owner.</p> |
| 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>IN-5.0 Quality Certification:</p> <p>IN-501 Purchase preference will be considered in case the Sub-contractor / Supplier / Vendor is accredited with ISO 9000: 2000 or equivalent International Quality System Standards in respect of equipment / Products and or items on tender.</p> <p>IN-502 The Sub-contractor / Supplier / Vendor shall submit as proof, in Part-I of the bid documents, a copy of ISO 9000: 2000 or equivalent International Quality System Standards certificate valid as of date.</p> <p>IN-503 The Sub-contractor / Supplier / Vendor shall preferably engage sub-contractors and avail supplies from suppliers with prior approval of Purchaser and such sub-contractors and suppliers shall also be accredited with ISO 9000: 2000 or equivalent International Quality System Standards.</p> <p>IN-504 In the event the Sub-contractor / Supplier / Vendor is not being ISO 9000: 2000 accredited firm, the fact shall clearly be stated and the Quality Assurance / Quality Control organisation of the company be described in detail. Pursuant to scrutiny of such statement / documentation, the Purchaser may decide to accept the offer with pre-conditions specified for acceptance or reject the bid submitted.</p> |
| IN-4.0 | <u>Guarantee / Warranty</u> | <u>Terms of Payment:</u> |
| 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> <p>In the event Purchaser/Owner desires to have extension of Guarantee/Warranty period beyond the stipulated period, as above, the vendor/sub-Contractor/supplier shall quote for the same on monthly basis for the period of such extension.</p> | <p>IN-601 (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). All the documents shall clearly indicate the GRSE's Purchase Order No. and date.</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> | <p>(b) Balance 10% will be released after G.P. or against submission of PBG for equivalent amount (as per GRSE format & guidelines at Annex-3) valid till G.P. Issue of GRN : For materials received at GRSE without Inspection report of 3rd party, GRN will be issued to Local supplier for their submission of bill with GRN. But for materials received at GRSE with 3rd party Inspection report</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 /

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| | 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. For materials supplied with long term preservation in sealed cases / cocoons, receipt inspection will be followed as per PRESERVATION at Cl. IN-112 above. |
| IN-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 | <u>Submission of Bills to SLP Section (Corporate Finance/GRSE)</u> The bills presently submitted to SLP Section by vendors for purchase orders placed by NCM / Purchase Department in respect of "SHIP DIVISION ONLY" will now be deposited in the Box kept at the entrance of the Corporate Finance Department (in front of Pantry). All suppliers are requested to drop their bills in sealed cover in the Box earmarked for, effective from 01 st April, 2002. Computer generated acknowledgement for the bills dropped during the previous day may be collected in the next working day from the Central Despatch Section, except Saturday. Corporate Finance (SLP Section) will forward the computer generated receipts to Central Despatch Department by 11-00 hrs. everyday. The supplier should ensure that all the bills are kept in a separate envelope orderwise and also mention their vendor code number for easy identification and registration. All enclosures are also be firmly fixed with the bills and no responsibility will be taken by the SLP Section for alleged missing of documents. Bank Guarantee must be submitted separately in sealed closed cover of the Bank to the SLP Section AND NOT TO BE ENCLOSED WITH BILL. For payment through ECS, bills will be deposited in the Box kept at the entrance of Corporate Finance Dept. as elaborated above. ECS Format of Bank particulars and Payment Procedure are enclosed at Annexure – 6 reference Clause IN 601(c) above. | IN-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 | <u>REPLACEMENT FOR REJECTION:</u> (a) Should the articles, or any portion thereof be rejected, the contractor shall collect the same from the purchaser's yard within 15 days from the date of intimation of such rejection to the supplier/vendor/sub-contractor and replace/rectify the same on top priority basis. Before collection of rejected items the supplier/vendor/sub-contractor shall furnish Bank Guarantee/Bank Draft of equivalent amount or accept GRSE holding back payment of their qualifying bills of equivalent amount till deficiencies are made good. The purchaser reserve the right to dispose off the rejected items at the end of a total period of 90 days in a manner to the best advantage to the purchaser and recover storage charges and any consequential damages, from sale proceeds of such disposal. Rejection of materials and also the late delivery will affect further business with GRSE. (b) The guarantee period of replaced parts /items shall however be reckoned from the date of replacement. (c) If the defects are not remedied within a reasonable/stipulated time, the purchaser may proceed to rectify the defects at the supplier/vendor/sub-contractor's risk & cost but without prejudice to any other rights which the purchaser may have against the supplier/vendor/sub-contractor in respect of their failure to remedy such defects. |
| IN-7.0 | <u>Quality Assurance, Inspection ,Testing and Commissioning Assistance:</u> | | |
| IN-701 | The equipment will be inspected by one or more agencies indicated below and an inspection certificate(s) shall accompany the equipment. Statutory : M. M. D. or N. M. D. Regulatory : Classification Society-L.R.S./A.B.S/D.N.V/I.R.S. etc. Specification: Survey, DQA(WP)/DQAN/CQAE, Classification Society. Others: Owners, W. P. S. (KOLKATA), GRSE | IN-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-702 | The articles to be supplied shall be strictly in accordance with the drawings/specification/statement of requisition (SOR) / samples indicated in the order. | IN-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-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-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-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-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-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-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-706 | Receipt Inspection shall be carried out by GRSE/Indian Navy/Owner's representative at GRSE yard as applicable. Receipt Inspection of on- | | |

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 fulfillment 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.

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

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

INTEGRITY PACT

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

..... hereinafter referred to as “ the Bidder / Contractor”

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

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

Section 1 - Commitments of the Principal

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

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

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

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

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

- a. The Bidder(s) / Contractor(s) will not, directly or through any other person or firm, offer, promise or give to any of the Principal’s employees involved in the tender process or the execution of the contract or to any third person any material or other benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.
- b. The Bidder(s)/Contractor(s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.
- c. The Bidder(s)/Contractor(s) will not commit any offence under the relevant IPC/PC Act; further the Bidder(s)/Contractor(s) will not use improperly, for purpose of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
- d. The Bidder(s)/Contractor(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any. Similarly the Bidder(s) /Contractor(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. Further details as mentioned in the “Guidelines on Indian Agents of Foreign Suppliers” shall be disclosed by the Bidder(s) /Contractor(s). Further as mentioned in the Guidelines all the payments made to the Indian agent/representative have to be in Indian Rupees only, copy of the “Guidelines on Indian agent of foreign Supplier” is annexed and marked as annex.

Contd....2

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

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

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

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

Section 4 – Compensation for Damages.

- (1) If the *Principal* has disqualified the Bidder(s) from the tender process prior to the award according to section 3, the Principal is entitled to demand and recover the damages equivalent to earnest Money Deposit /Bid Security.
- (2) If the principal has terminated the contract according to section 3, or if the Principal is entitled to terminate the contract according to section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages of the Contract value or the amount equivalent to Performance Bank Guarantee.

Section 5, - Previous Transgression

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

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

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

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

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

Section 8 – Independent External Monitor /Monitors

- (1) The Principal appoints competent and credible Independent External Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
- (2) The Monitor is not subject to instructions by the representative of the parties and perform his functions neutrally and independently. He reports to the Chairman GRSE.
- (3) The Bidder(s) /Contractor(s) accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the Contractor. The Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Subcontractors. The monitor is under contractual obligation to treat the information and documents of the Bidder(s) /Contractor(s) /Subcontractor(s) with confidentiality.
- (4) The Principal will *provide* to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor, The parties offer to the Monitor the option to participate in such meetings.
- (5) As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of the Principal and request the Management to discontinue or take corrective action, or to take other relevant action. The monitor can in this regard submit non-binding recommendations.

Contd....3

Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.

- (6) The Monitor will submit a written report to the Chairman, GRSE within 8 to 10 weeks from the date of reference or intimation to him by the Principal and, should the occasion arise, submit proposals for correcting problematic situations.
- (7) Monitor shall be entitled to compensation on the same terms as being extended to / provided to Independent Directors on the GRSE Board.
- (8) If the Monitor has reported to the Chairman GRSE a substantiated suspicion of an offence under relevant IPC/PC Act, and the Chairman GRSE has not, within the reasonable time taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, the Monitor may also transmit this information directly to the Central Vigilance Commissioner.
- (9) The word 'Monitor' would include both singular and plural.

Section 9 – Pact Duration:

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

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

Section 10 – Other provisions:

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

(For & On behalf of the Principal)
(Office Seal)

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

Place.....

Date.....

Witness 1:
(Name & Address)

.....

Witness 2:
(Name & Address)

.....

.....

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 submission of offer in ILMS format.
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 3% 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*****