

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

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

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PE-1 GENERAL

- PE-101 The word '**Purchaser**' refers to GARDEN REACH SHIPBUILDERS & ENGINEERS LTD (GRSEL), a Company registered under the Indian Companies Act, 1913 and it includes its successors or assigns.
- PE-102 The word '**Sub-contractor / Supplier / Vendor**' means the person / firm / Company who undertakes to manufacture and or supply and or undertake work of any nature assigned by the Purchaser from time to time and includes its successors or assigns.
- PE-103 The word '**Owner**' means the person or authority with whom Garden Reach Shipbuilders & Engineers Limited (Purchaser) has contracted to carry out work in relation to which orders are placed by the Purchaser on the Sub-contractor / Supplier / Vendor under this contract for supply or manufacture of certain items and would include Department of Defence Production & Supplies, Ministry of Defence, Government of India, the Indian Navy, the Coast Guard and any other specified authority.
- PE-104 The equipment / products / items to be supplied shall be strictly in accordance with the Drawings / Specifications / Requirements indicated in the Tender / Enquiry / Order with deviations, if any, as mutually accepted.
- PE-105 The Sub-contractor / Supplier / Vendor shall not either wholly or partly sell, transfer, assign or otherwise dispose of the rights, liabilities and obligations under the contract between him and the Purchaser without prior consent of the Purchaser in writing.
- PE-106 The Sub-contractor / Supplier / Vendor shall hold harmless and keep the Purchaser indemnified against all claims arising as a result of infringement of any patent / copy rights on account of manufacture, sale or use of articles covered by the order. A clear & quiet possession of goods should take place with the passing of the title on execution of order.
- PE-107 Any letter, facsimile message, e-mail intimation or notice sent to the Sub-contractor / Supplier / Vendor at the last known address mentioned in the offer / order shall be deemed to be valid communication for the purpose of the contract.
- PE-108 All contracts shall be deemed to have been wholly made in Kolkata and all claims thereunder are payable at Kolkata and it is the distinct condition of the order that no suit or action for the purpose of enforcing any claim in respect of the order shall be instituted in any Court other than that situated in Kolkata City, West Bengal State, India.
- PE-109 The Sub-contractor / Supplier / Vendor shall unconditionally and free of cost to the Purchaser transfer information on technological developments / innovations / modifications which the Sub-contractor / Supplier / Vendor would evolve in future (within 3 years) in relation to the supplied equipment. To enable this, the Purchaser's address shall be added to the Sub-contractor's / Supplier's / Vendor's mailing list or database or any other document maintained for dissemination of product information and the Purchaser shall be informed of the action taken in this regard. If such improvements / modifications are brought in by the Sub-contractor's / Supplier's / Vendor's Design Department in the course of manufacture of equipment ordered by the Purchaser, the Sub-contractor / Supplier / Vendor shall incorporate such improved versions in the equipment without any extra cost to the Purchaser.
- PE-110 If the Purchaser be desirous of getting incorporated all post supply modifications / improvements arising out of technological developments to the original equipment supplied by the Sub-contractor / Supplier / Vendor, the Sub-contractor / Supplier / Vendor, shall quote for and carry out all such modifications to the equipment.
- PE-110.1 Where the whole or a portion of the equipment has been specifically developed by the Sub-contractor / Supplier / Vendor for the Owner and the latter would through the Purchaser be bearing the entire or part of the development cost incurred by the Sub-contractor / Supplier / Vendor, the design rights for the whole or portion thereof, of the equipment as appropriate, shall vest in the Owners.
- PE-110.2 Prior approval of the Owner should be obtained before similar articles are sold / supplied to any other party other than the Owner. If such approval is given and sale is effected, the Sub-contractor / Supplier / Vendor shall pay to the Owner royalty at the rate mutually agreed to.
- PE-111 **SECRECY:**
All property (such as materials, drawings, documents etc) issued by the Purchaser or any other individual or firm on behalf of the Purchaser in connection with the contract shall remain confidential, being the property of the Purchaser and the Sub-contractor / Supplier / Vendor shall undertake to return all such property so issued and will be responsible for any or all loss thereof and damage thereto resulting from whatever causes and shall reimburse the Purchaser the full amount of loss and damage.
All information given to the supplier for the execution of the order is to be treated as **SECRET / CONFIDENTIAL**. The Technical

information, Drawings, Specification and other related Documents forming part of this Enquiry /Order are the property of the Purchaser and shall not be used for any other purpose except for the execution of order. Any information / drawing etc. shall not be copied, transcribed, traced or reproduced in any other form or otherwise in whole / part or duplicated, modified, divulged and / or disclosed to a third party, not misused, used in any other form whatsoever without Purchaser's prior consent in writing except to the extent required for the execution of this order. At the time of tendering, the tenderer has to give an undertaking in favour of GRSE that in the event of any breach of the above provisions, he would make good of any loss /cost/damage / any other claim whatsoever preferred by anybody to GRSE in this respect.

PE-112 PRESERVATION:

A detailed procedure for long and short term preservation of the equipment and periodicity of preservation alongwith special preservatives, if required, prior to installation of the equipment shall be furnished by the Sub-contractor / Supplier / Vendor. The detailed procedure for de-preservation prior to commissioning shall also be furnished.

Should any material require any additional preservation till its final installation / fitment on board the Ship, the materials should be supplied in preserved (sealed or in cocoons) condition for long duration of time as per order. Detailed procedures for subsequent de-preservation / re-preservation are to be stated by Sub-contractor / Supplier / Vendor.

The preserved sealed cases / cocoons will not be opened on receipt and same will be opened when the first preservation is due or if required on board earlier. The short fall, discrepancy or damage , if any, found during the inspection after opening these cases will have to be replaced / made good by the supplier free of cost within reasonable period.

PE-113 The Sub-contractor / Supplier / Vendor shall render free of cost guidance in case the Purchaser intends to set-up testing, repair / maintenance facility to overhaul the equipment supplied by the Sub-contractor / Supplier / Vendor.

PE-114 The Sub-contractor / Supplier / Vendor shall continue to support the equipment for a minimum period of 20 years from the date of supply by making available spare parts and assemblies of the equipment supplied. Should the Sub-contractor / Supplier / Vendor decides to discontinue the product, for any reason whatsoever, adequate notice shall be given to the Purchaser / Owner to enable procurement of the requisite lifetime spares.

PE-115 Purchase preference in respect of equipment / product and or services of Central Public Enterprises will be applicable for such / similar equipment / product / services on tender as per extant policy promulgated by Department of Public Enterprises, Government of India.

PE-116 The Purchaser reserves the right to accept and or reject any or all tenders and or to withdraw the tender in toto without assigning any reason whatsoever.

PE-117 Registration as Approved Vendor :

- (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.

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

PE-119 **Examination of price:** Where the contract price has not been fixed in effective competition and the contract is not for articles whose prices are controlled, the owner reserves the right to investigate reasonableness of the price paid and negotiate directly with the sub-contractor/supplier/vendor for reduction of price where appropriate. The Owner can also ask for declaration that less basic price is not charged to other customers including Govt. and PSU.

PE-120 **Individuality of contract:** In the event of the offer getting converted into an order, the said order shall be treated as an individual contract, shall not allow any general lien to the parties and shall not get prejudiced in execution due to situation arising out of some other contract that the supplier may have with GRSE.

PE-2. Quotations and Order Acceptance Terms:

PE-201	<p><i>Tenderer shall pay special attention to the following points. Failure to comply with these may disqualify the tenderer.</i></p> <p>(a) Tender number and due date to be superscribed on all the envelopes.</p> <p>(b) Tender to be submitted on or before the due date and time.</p> <p>(c) Offer to be as per specifications and complying with tender conditions.</p> <p>(d) The envelopes to be sealed properly.</p>		<p>(i) the date by which such communication must be received by him for deferring delivery without any financial implication to the Purchaser,</p> <p>and</p> <p>(ii) terms and conditions for effecting postponement of delivery beyond the price validity period.</p> <p>(b) Purchaser reserves the right to consider placement of Purchase Order in part or in full against the tendered quantity.</p>
PE-202	<p>Unless otherwise stated, the offers shall be in 'Two Bid System' only, in two separately sealed envelopes: -</p> <p>(a) PART-I - 'Techno-Commercial Bid' and marked thus. In addition, Part-I shall include-</p> <p>(i) Proforma Price Schedule blanking the prices and indicating 'Quoted / Not Quoted' (as applicable against each item on tender).</p> <p>(ii) Duties / Taxes, Octroi, freight charges, insurance and or any other Statutory levies payable, specifying incidence clearly / separately against each head.</p> <p>(iii) The cost incidence against each head clearly indicating for F. O. B. along with charges for packing and forwarding.</p> <p>(iv) Compliance Statement clearly highlighting deviations / exceptions, if any, to Technical Specifications, Standard Terms and Conditions of Supply, Specific Tender Conditions. Non-specifying of deviations against any or all clauses would be construed as compliance to any / all conditions of tender. Any deviations to STACS, having financial implications, would be considered suitably for loading the quoted price. (STACS Acceptance Format is placed at Annexure 1).</p> <p>(v) In case of press Tender Earnest Money Deposit @ 2% of the total bid value by way of a bank guarantee from a bank of international repute or value of Bid Bond as stipulated in the tender, to be provided by overseas bidder / supplier as per format provided by the Purchaser. (Format placed at Annexure 2).</p> <p>(vi) Copy of IS 9000: 2000 or equivalent Quality System Standards certificate valid as of date.</p> <p>(vii) A copy of the valid Export Licence.</p> <p>(viii) Delivery Schedule.</p> <p>(b) PART-II - 'Price Bid' - Quotes to be written in figures and words duly authenticated / signed by the authorised person and marked thus.</p>	PE-206	<p>The Sub-contractor / Supplier / Vendor shall inform the Purchaser in advance in case he is unable to participate in the tender for whatsoever reason. Failure to comply with this will be viewed seriously and consecutive three failure on the part of Sub-contractor / Supplier / Vendor to do so is liable for disqualification / debarring of the Sub-contractor / Supplier / Vendor from all future tender enquiries and or delisting from the list of 'Approved Registered Vendors.'</p>
		PE-207	<p>Spares:</p> <p>(a) Offers for Testing and tuning / commissioning spares shall be submitted, if not included / forming part of the main equipment, as specified in the Statement of Requirement / Tender enquiry. The Sub-contractor's / Supplier's / Vendor's offer shall include a list of manufacturer's recommended spares together with itemised prices for -</p> <ul style="list-style-type: none">• One year uninterrupted operation (On board Spares)- validity of offer shall be a minimum for 90 days.• Five-year operation Base & Depot Spares - validity of offer shall be a minimum for 180 days. Minimum order quantity against each item, if applicable, may also be indicated. <p>(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.</p> <p>In the event of inability to make an offer for these spares at the time of quoting for main equipment, the Sub-contractor / Supplier / Vendor shall commit a date by which such an offer can be made and adhere to it. Non-receipt of offer as committed will render the order for main equipment liable for cancellation without notice from and financial implication to the Purchaser.</p>
PE-203	<p>(a) Both these sealed envelopes-Part I and Part II, shall be put in a third envelope duly superscribing the Tender number and Due Date and sealed properly and deposited as specified in the enquiry at the following place/s: -</p> <p>Material Department. G.R.S.E. LTD. 43/46, Garden Reach Road, Kolkata-700 024 (*strike out whichever is not applicable)</p> <p>(b) Overseas Bidders / Tenderers shall forward their offers addressed to Deputy General Manager (Materials) OR Deputy General Manager (N & I) Garden Reach Shipbuilder & Engineers Limited, 43/46, Garden Reach Road Kolkata 100 024, as the case may be, either by courier service or by speed post so as to reach 48 hours in advance of the due date of tender or by hand delivery before due date and time of tender closing. Purchaser shall not be responsible for any postal / courier delay and it is attributable solely to the tenderer.</p> <p>(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.</p>	PE-208	<p>Tenders will be opened on the tender due date after 15.00 Hours in the Materials Dept. Only authorised representatives of tenderers are permitted to witness the Part I tender opening, in case of Press Tenders only. Tender opening shall neither be delayed nor withheld / postponed on account of absence of any one or more Tenderers. All the envelopes marked as 'PRICE BID' received at the time of Tender opening will be noted and held unopened separately.</p>
		PE-209	<p>In case of only Press Tenders authorised representatives of technically qualified tenderers, who have submitted EMD / Bid Bond, as applicable, and complied with tender terms, will only be permitted to be present and note the proceedings of the Price Bid - Part II opening in a manner as directed by the tender opening officers. Qualifying tenderers not present during price bid opening will not be parted with information on prices at a later date. EMD of unsuccessful tenderers will be refunded on submission of original copy of 'Money Receipt' / Bid Bond will be returned within 30 days of finalisation of order.</p>
PE-204	<p>(a) The Price per 'Ship set' shall be quoted and breakup price of individual items of main equipment and its accessories for supply to Purchaser's Yard for FOB, must be clearly stated.</p> <p>(b) The offer shall indicate the discounted price, if more than one ship-set is ordered.</p> <p>(c) The price shall be inclusive of all rights, if any, of patents, registered designs or trademarks and the Sub-contractor / Supplier / Vendor shall indemnify the Purchaser against all claims in respect of the same.</p> <p>(d) The purchaser reserves the right to investigate the reasonableness of the price and ask the vendor/supplier/sub-contractor for detail break up of their cost.</p>	PE-210	<p>With the acceptance of the successful bidder's offer by the Purchaser, which is as per the Terms and Conditions of the tender, by means of LOI / Purchase Order, the Contract is concluded.</p> <p>The Sub-contractor / Supplier / Vendor shall, on receipt of the Purchase Order, communicate his unconditional acceptance within two weeks of from the date of mailing / receipt of the same in its entirety by returning a copy of the Purchase Order duly signed by the authorised person and without any qualification. Communicating acceptance of the order subject to any other terms and conditions of the contract on the part of the Sub-contractor / Supplier / Vendor shall not bind the Purchaser in respect of these conditions which are less favourable to the Purchaser as compared with the conditions mutually agreed to and or stipulated in the Purchase Order. It shall be the responsibility of the Sub-contractor / Supplier / Vendor to enumerate specifically any error or discrepancy in the Purchase Order at the time of acceptance. Failure to do so shall make the Purchase Order binding on the Sub-contractor / Supplier / Vendor in all respects.</p> <p>Any delay in acknowledging the receipt of the Purchase Order within the specified time limit or any qualification or modification of the Purchase Order in the acknowledgement of the Purchase Order by the Sub-contractor / Supplier / Vendor shall be a breach of the contract on the part of Sub-contractor / Supplier / Vendor. Compensation for the loss caused by the breach will be recovered by the Purchaser by forfeiting the Earnest Money, invoking Bid Security / Bid Bond given by the Sub-contractor / Supplier / Vendor. If the Sub-contractor's / Supplier's /</p>
PE-205	<p>(a) The offer shall be valid for 90 days for acceptance and the prices shall remain firm and fixed until delivery of the full quantity of the goods. If not, the Sub-contractor / Supplier / Vendor shall indicate the period during which the quoted price shall remain valid for supply of the equipment / article/s contracted for. Should the Purchaser desire postponement of delivery of the equipment / article within or beyond validity date of the offer, the Sub-contractor / Supplier / Vendor shall indicate -</p>		

Vender's bid contains any conditions and any correspondence which are contrary to the Notice Inviting Tender (NIT) then they shall be considered as superseded and void on the acceptance of the bid by the Purchaser.

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

PE-211

Security Deposit

Security Deposit / Contract Performance Bank Guarantee for 5% of total order value (in GRSE format enclosed) is to be submitted within one month from the date of placement of order and this CPBG will remain valid till receipt and acceptance of all materials with a claim period of one month. The successful overseas Tenderer is required to submit Security Deposit in the form of Bank Guarantee by a bank of international repute, drawn in favour of Purchaser. The Bank Guarantee will be returned only after the successful execution of the order. In the event of failure to execute the order satisfactorily or default by the Sub-contractor / Supplier / Vendor, the Security Deposit will be forfeited.

PE-212

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

- (a) The binding drawings called for as per the 'Statement of Requirement' / 'Technical Specifications for Procurement' or the Purchase Order shall be supplied within 4 weeks from the date of Order or within stipulated time frame as indicated on the face of Order, free of cost. Failure to comply may lead to cancellation of Order without any financial implications to the Purchaser.
- (b) The drawings shall be submitted to Inspecting Authority and or DGQA / NSM / GRSEL / Classification Society, as appropriate, within 4 weeks from the date of Order.
- (c) Wherever applicable, pilot sample shall be submitted to the authorities specified in the Purchase Order within 4 weeks from the date of Order.
- (d) In case of patterned items the vendor/supplier/sub-contractor must confirm that the relevant drawings are held by them and no waiver of contractual terms of order shall be considered for non-performance on this account.
- (e) For repeat orders, unless otherwise some changes in design had taken place, fresh approval of drawings will not be required if the same has already been approved. Supplier/vendor/sub-contractor shall go ahead with manufacture of the items which are already developed for same / deferment ships for Navy based on earlier approved drawings. Immediately on receipt of order, Supplier/vendor/sub-contractor shall submit 6 copies of drawings for stamping and distribution.

PE-3.0

Packing, Shipping, Insurance & Freight details and Delivery:

PE-301

Packing

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

- a) All material shall be strongly and securely packed for shipment / transportation as applicable in minimum cubic space in such a manner as to prevent damage and pilferage in transit from point of shipment to final destination. Metal parts wherever necessary shall be well slushed with preservatives to prevent rusting in transit. Should it be proved that loss and damage has arisen from inadequate packing, the losses shall be borne by Sub-contractor / Supplier / Vendor. Each packing shall be plainly marked and numbered upon four sides and the top thereof as instructed in the Purchase Order. Letters and numbers shall be atleast 80 mms. high wherever possible. Packing should indicate Case No., Order No., Gross Weight in Kgs., Nett Weight in Kgs. and outside dimensions LxWxH (The information on outside dimensions and weight shall be furnished to Purchaser atleast one (1) month prior to shipment / despatch). No marking other than as directed shall be inscribed on the said packages.
- b) The main equipment, accessories and spares shall be separately packed and cases be clearly marked. (Shipping Instructions are placed at Annexure - 5).
- c) Every package shall contain a packing list in triplicate and the order number, package number, number of cases in the consignment, description and quantity of each item packed shall be clearly shown in the packing list. The description and quantity of each item shall tally with that specified in the order, wherever applicable.
- d) Codification of Deliverables: All deliverables should be supplied with GRSE item Code nos., which should be mentioned in the packing list and on tags attached to each item. Design Dept will give the Code nos. In advance of contractual delivery. The Supplier on receipt of

Purchase Order and by a date not later than 8 weeks from receipt of P.O., shall list out and confirm all deliverables including Main Equipment, Accessories, On Board Spares, Tools, Technical Documentations and other items. Each item shall have the firm's part no. and break up price. The same is required essentially for incorporating GRSE material code nos. into the Purchase Orders and computer systems. In the event of delay in submission of the required details penalty @ 1/2% per week or part thereof upto the maximum of 5% of total value of all deliverables, shall be levied on the Supplier.

GRSE shall issue amendment to Purchase

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

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

PE-302

Insurance

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

PE-303

Storage and Demurrage will be claimed from the Sub-contractor / Supplier / Vendor for all shipments that reach GRSEL without proper despatch documentations and not accompanied by packing lists, invoices etc. The Sub-contractor / Supplier / Vendor shall be responsible for fines due to errors or omissions in description, weight or measurements and for increased handling charges due to improper packing. Demurrage, if any, due to wrong/non-availability of shipping documents will borne by supplier/vendor.

PE-304

Where so stipulated in the order, the Sub-contractor / Supplier / Vendor shall render such reports from time to time as regards the progress of the contract and in such a form as may be called for by the Purchaser. The Purchaser reserves the right to cancel an order forthwith without any financial implications on either side, if on completion of 50% of the scheduled delivery period the progress of manufacture is not to the satisfaction of Purchaser / Owner and failure on the part of the Sub-contractor / Supplier / Vendor to comply with the delivery schedule is inevitable. In such an event the Sub-contractor / Supplier / Vendor shall repay all the advances together with interest at prevailing bank rates from the date of receipt of such advances till date of repayment. The title of any property delivered to Purchaser will be reverted to the Sub-contractor / Supplier / Vendor at his cost.

PE-305

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

PE-4.0

Guarantee / Warranty

PE-401

The equipment/materials are to be guaranteed/ warranted for satisfactory performance for the period of 12 months from the date of satisfactory commissioning of the vessel on which the equipment/materials/items are installed OR for the period of 36 months from the date of final dispatch, whichever expires earlier, against improper design, defective materials and faulty workmanship. During guarantee/warranty period any equipment or component thereof supplied by the vendor/sub-contractor, suffers due to defective material and or due to improper design and or due to defective drawing or due to faulty workmanship the vendor/sub contractor will assume full responsibility of rectification of such defective equipment or component thereof including direct expenses related to removal and re-positioning of the replacement/repaid equipment or component thereof and subsequent test & trial, incurred thereon without any financial implication to GRSE including direct expenses relating to removal and repositioning of the replacement / repaired equipment or components thereof and subsequent test & trial, incurred there to..

In the event Purchaser/Owner desires to have extension of Guarantee/Warranty period beyond the stipulated period, as above, the vendor/sub-Contractor/supplier shall quote for the same on monthly basis for the period of such extension.

PE-402	If the defects intimated during the Guarantee period are not remedied within a reasonable / stipulated time, the Purchaser may proceed to rectify the defects at the Sub-contractor's / Supplier's / Vendor's risk and cost, but without prejudice to any other rights which the Purchaser may have against the Sub-contractor / Supplier / Vendor in respect of the failure of the Sub-contractor / Supplier / Vendor to remedy such defects.	i) Certificate to the effect that six copies of 'as built' drawings alongwith three reproducible drawings or in Electronic medium have been directly forwarded to the openers of Letter of Credit by the beneficiary.
PE-403	Inspection and approval of the equipment or material by the Inspecting Authority/ies does not absolve the Sub-contractor / Supplier / Vendor of the responsibility of guarantee for the equipment / material. It will be the sole responsibility of the Sub-contractor / Supplier / Vendor to ensure that the equipment / material supplied is complete in all respects and performs to its / their designed parameters.	j) Certificate regarding Liquidated Damage / Penalty vis-a-vis delivery schedule.
PE-404	Should the articles, or any portion thereof of the equipment be found defective / rejected, the Contractor/ Supplier shall collect the same from the Purchaser's Stores, all incidental charges being borne by him (inclusive of Customs Duty, if payable), within 30 days from the date of intimation to the Contractor / Supplier of such rejection. The Purchaser reserves the right to dispose of the rejected items at the end of a total period of 90 days in any manner to the best advantage to the Purchaser and recover storage charges and any consequential damages, from sale proceeds of such disposal. The defective / rejected material noticed during receipt inspection stage or at manufacturing stage will be returned to Manufacturer / Supplier, if so desired by him, on FOB basis only and nominate shipping agent to facilitate replacement. In the event Manufacturer / Supplier is not desirous of taking away the rejected material for any reason whatsoever, the applicable customs duty that will become payable shall be paid by / recoverable from the Manufacturer / Supplier.	k) A performance Bank guarantee of 10% of the order value in the format issued with the Purchase Order (original + 2 Xerox copies). The bank guarantee is to be valid during the currency of the guarantee period for the equipment, with an invocation period of one month.
PE-405	In the event of Sub-contractor's / Supplier's / Vendor's failure to attend the Guarantee defects within a reasonable period of time, the Performance Bank Guarantee will be encashed by the Purchaser. The Purchaser's decision shall be final and binding on Sub-contractor / Supplier / Vendor in this regard.	All the documents clearly indicate the Purchaser's Order number, Import Licence Number, Airway Bill / Bill of Lading Number on Invoice and Packing Lists.
PE-406	Issues/Defects related to Guarantee/Warranty shall have to be liquidated at the location of vessel and as desired by the Purchaser / Owner.	The balance 10% payment shall be made by Telegraphic Transfer, after satisfactory installation and trials / commissioning and as certified by the Purchaser. The Contractor / Supplier shall have to submit the invoice through their bankers for payment on 'Collection Basis' from Purchaser's bankers. The invoice will have to indicate total amount payable as per the Purchase Order, amount received against Letter of Credit, balance amount due, less Liquidated Damages recoverable as per the Purchase Order yielding net payable. Certificate from Purchaser certifying satisfactory commissioning of equipment and a certificate regarding Liquidated Damages amount is to be submitted along with the invoice.
PE-5.0	<u>Quality Certification:</u>	PE-601.1 Advance Payment is not accepted by GRSE. However, if still insisted advance payment Upto a maximum of 10% against submission of equivalent Bank Guarantee (in GRSE Format) All advance payments should be interest bearing. Penal interest is to be charged on the Advance in case of delay in delivery of supplies beyond the agreed schedule. Where order is cancelled and advance payment already released to the contractor, the Contractor shall refund all such advance payments received, to GRSE with LIBOR Rate Interests and GRSE shall have the right to recover the amount from outstanding dues to the contractor against any purchase orders placed by GRSE.
PE-501	Purchase preference will be considered in case the Sub-contractor / Supplier / Vendor is accredited with ISO 9000: 2000 or equivalent International Quality System Standards in respect of equipment / Products and or items on tender.	PE-602 Liquidated Damages / Risk Purchase:
PE-502	The Sub-contractor / Supplier / Vendor shall submit as proof, in Part-I of the bid documents, a copy of ISO 9000: or equivalent international Quality System Standards certificate valid as of date.	PE-602.1 In the event that- a) Sub-contractor / Supplier / Vendor (Seller) fails to deliver the equipment / product or documentation meeting the requirement of the Purchase Order on or before dates specified, OR b) the equipment / product when tested in accordance with the performance requirement of the Purchase Order, fails to meet those performance parameters, the buyer (Purchaser) will suffer damages in an amount that is not susceptible to calculation with reasonable certainty. Therefore, any Liquidated Damages set forth in this Purchase Order represent a reasonable determination of the amount of damages that the Purchaser will suffer, and are not penalties. Seller hereby waives any defence to Purchaser's recovery of such Liquidated Damages on the plea that actual damages are ascertainable or that such Liquidated Damages do not represent a reasonable determination of damages suffered by Purchaser or are penalties.
PE-503	The Sub-contractor / Supplier / Vendor shall engage sub-contractors and avail supplies from suppliers with prior approval of Purchaser and such sub-contractors and suppliers shall also be accredited with ISO 9000: or equivalent international Quality System Standards.	PE-602.2 Sub-contractor / Supplier / Vendor will be liable to pay Liquidated Damages for late delivery of product / documentation as stated in the Purchase Order. Unless otherwise expressly specified, the rate of Liquidated Damages for late delivery of product shall be at the rate of 0.5% of the total price of undelivered product per week (or part thereof) of delay upto a maximum of 5% of the value of undelivered product. Such Liquidated Damages shall be deducted by the Purchaser from any monies due to Sub-contractor / Supplier / Vendor. Payments made by the Sub-contractor / Supplier / Vendor of Liquidated Damages shall be in addition to any other remedies (other than any other remedy for the recovery of damages) available to the Purchaser, including without limitation the remedy of cancellation of Order for default.
PE-504	In the event the Sub-contractor / Supplier / Vendor is not being ISO 9000: accredited firm, the fact shall clearly be stated and the Quality Assurance / Quality Control organisation of the company be described in detail. Pursuant to scrutiny of such statement / documentation, the Purchaser may decide to accept the offer with pre-conditions specified for acceptance or reject the bid submitted.	PE-602.3 Sub-contractor / Supplier / Vendor will be liable to pay Liquidated Damages for late delivery of Manuals, Drawings and Documentation as agreed to by Purchaser and Sub-contractor / Supplier / Vendor and as stated in the Purchase Order.
PE-6.0	<u>Terms of Payment:</u>	PE-602.4 If the equipment / article or any portion thereof be not delivered by the scheduled delivery date, the Purchaser shall be at liberty, without prejudice to the right of the Purchaser to recover Liquidated Damages / penalty as provided for in these conditions or to any other remedy for breach of contract, to terminate the contract either wholly or to the extent of such default. Amounts advanced or part thereof corresponding to the undelivered supply shall be recoverable from the Sub-contractor / Supplier / Vendor at the prevailing bank rate of interest.
PE-601	Unless or otherwise mutually agreed upon and stipulated in the Purchase Order, 90% payment of the Purchase Order value shall be made by irrevocable letter of credit to be opened four Months prior to delivery on presentation and receipt of the following documents by the Purchaser's Bankers:- a) Original and three copies of Clean Bill of Lading / Airway Bill. b) Six copies of invoice showing itemwise FOB prices alongwith packing lists. c) Certificate confirming that three copies of Invoice, Packing List, Certificate of Origin, Test Certificate and Non-negotiable copy of Bill of Lading / Airway Bill have been airmailed directly to Purchaser immediately on shipment. d) Certificate of country of origin, in triplicate, issued by the Chamber of Commerce. e) Warranty certificate, in triplicate. f) Six copies of Manufacturer's Works Test Certificate / Shop Test Certificate. g) Six copies of Certificate of Inspection and Approval from ABS / LRS / DNV/ SPS.MOD(N),U.K BV / DOT / NMD or any other nominated Inspection Authority, (whichever is applicable). h) Certificate to the effect that copies of Instruction / Operation / Maintenance Manuals have been directly forwarded to the openers of Letter of Credit by the beneficiary.	PE-602.5 The Purchaser shall be at liberty to purchase, manufacture or supply from stock as it deems fit, other articles of the same or similar description to make good such default and or in the event of the contract being terminated, the balance of the articles of the remaining to be

	delivered thereunder. Any excess over the purchase price, cost of manufacture or value of any articles supplied from the stock, as the case may be, over the contract price shall be recoverable from the Sub-contractor / Supplier / Vendor.		specifications / Standards shall be final, conclusive and binding on the Sub-contractor / Supplier / Vendor.
PE-602.6	In case of unsatisfactory progress of supply at any point of time after placement of order GRSE reserve the right to cancel the order without assigning any reason and to procure the ordered material from any alternative source at your complete risk and cost. GRSE also reserves the right to cancel the order forthwith without any financial implications on either side if upon lapse of 50% of the scheduled delivery time the progress of manufacture is not up to the satisfaction of GRSE/Owner and the failure on the part of the sub-contractor/supplier/vendor to conform to the delivery schedule is inevitable.	PE-710	The Sub-contractor / Supplier / Vendor shall provide the requisite training for the Purchaser's / Owner's Personnel at Sub-contractor's / Supplier's / Vendor's / GRSE's premises or on board the vessel where the equipment is installed, in respect of the equipment received from the Sub-contractor / Supplier / Vendor. The cost of travelling, lodging, boarding etc. shall be borne as mutually agreed to and detailed in the order.
PE-603	Taxes & Duties : All taxes, duties, levies etc. as applicable outside India will be borne by firm / vendor, whereas, All taxes, duties, levies etc. as applicable in India will be borne by GRSE.	PE-711	The services of the Sub-contractor's / Supplier's / Vendor's Engineers shall be provided free of cost till Guarantee period / extended Guarantee period as required by the Purchaser to assist / supervise the installation, setting to work, commissioning, harbour and sea trials of the equipment supplied by the Sub-contractor / Supplier / Vendor for the periods as mutually agreed upon and as per the terms and conditions of the order. Should the Purchaser / Owner desire to avail services beyond the free service periods available against the contract, the Sub-contractor / Supplier / Vendor shall quote for the same on hourly / daily rate basis along with other terms and conditions, if any.
PE-604	Bank Charges : All normal Bank Charges in India will be borne by GRSE and Bank charges outside India will be borne by the supplier. Letter of Credit shall be negotiable through any correspondent Bank of GRSE Bankers in the supplier's country. Bank Charges for extension of LOC required by the Supplier's default shall be borne by the supplier.	PE-712	Conditions of tests and inspection requirements, if not held by the Sub-contractor / Supplier / Vendor are to be obtained from the Inspection Authority. Any / all other technical clarifications may be obtained from Inspection Authority directly, under intimation to Purchaser.
PE-7.0	<u>Inspection, Testing and Commissioning Assistance:</u>	PE-713	The Sub-contractor / Supplier / Vendor shall accord all facilities to Purchaser's Inspectors / Nominated Agency to carry out Inspection / Testing during course of manufacture / final testing.
PE-701	The equipment / items will be inspected by one or more agencies indicated below and an inspection certificate(s) shall accompany the equipment. Statutory : D. O. T. or N. M. D. Regulatory: Classification Society – L. R. S., A B. S., D. N. V., B. V., etc. Specification: Survey, DQAN / CQAE, Classification Society. Others: Owners, W. P. S. (K), GRSEL	PE-714	<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.
PE-702	The articles to be supplied shall be strictly in accordance with the drawings/specification/statement of requisition (SOR) / samples indicated in the order.		
PE-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.		
PE-704	The articles shall be subject to Inspection and Quality Assurance by QA Authorities or their agents (Inspecting Officer) as specified in the order. The supplier/vendor/sub-contractor shall give 30 days' notice for inspection and will make necessary arrangements / provide necessary facilities to inspectors / nominated agency to carry out inspection / testing during course of manufacture/final inspection and testing as required. Formal Inspection Certificates will be issued by the relevant QA Authorities /Agents.		
PE-705	Immediately on receipt of order the supplier/vendor/sub-contractor shall get in touch with the Inspection Authority and submit Quality Assurance Plan. Exact scope, stages and parameters of inspection and test schedule shall be as per QA Plan duly approved by the QA Authority. All charges for inspection shall be borne by the suppliers/vendors/sub-contractor.	PE-715	The services of the Sub-contractor's / Supplier's / Vendor's Engineers shall be provided free of cost till Guarantee period / extended Guarantee period as required by the Purchaser to assist / supervise the installation, setting to work, commissioning of the equipment supplied by the Sub-contractor / Supplier / Vendor.
PE-706	Receipt Inspection shall be carried out by GRSE/Indian Navy/Owner's representative at GRSE yard as applicable. Receipt Inspection of on-board spares (OBS) will be carried out by Quality Assurance (QA) dept. of GRSE and thereafter, the same will be mustered & handed over to ship as & when required. Joint inspection along with supplier/vendor's representative shall be carried out for major items. For materials supplied with long term preservation in sealed cases / cocoons, receipt inspection will be followed as per PRESERVATION at Cl. PE-112 above.	PE-801	<u>Agent or Agency Commission.</u> The Seller confirms and declares to the Buyer that the Seller is the original manufacture of the stores referred to in this contract and has not engaged any individual on firm, whether Indian or foreign whatsoever, to intercede facilitate or in any way to recommend to the Government of India or any of its functionaries, whether officially or unofficially, to the award of the contract to the Seller nor has any amount been paid, promised or intended to be intercession, facilitation or recommendation. The Seller agrees that if it is established at any time to the satisfaction of the buyer that the present declaration is in any way incorrect or if at a later stage it is discovered by the Buyer that the Seller has engaged any such individual/firm, and paid or intended to pay any amount, gift, reward, fees, commission or consideration to such person ,party, firm or institution, whether before or after the signing of this contract, the Seller will be liable to refund that the amount to Buyer. The Seller will also be debarred from entering into any Supply contract with the Government of India for a minimum period of five years. The Buyer will also have a right to consider cancellation of the contract either wholly or in part without any entitlement or compensation to the Seller who shall in such event be liable to refund all payments made by the Buyer in terms of the contract along with the interest at the rate of 2% per annum above, the LIBOR rate, the buyer will also have the right to receiver any such amount from any contracts concluded earlier with the Govt. of India.
PE-707	The price should be inclusive of inspection/approval/certification cost to meet the relevant requirement of the technical specification. This should also include the cost of furnishing shock calculations and type test results wherever applicable.		
PE-708	The supplier/vendor/sub-contractor shall furnish all relevant Inspection Certificates and Test & Guarantee Certificates along with each consignment and copies of same in triplicate shall also be mailed / forwarded to GRSE immediately on despatch of articles. The supplier/vendor/sub-contractor shall also provide 3 copies of weighed Weight Certificate for items supplied.		
PE-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		

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

PE-802 Access to the Books of accounts.

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

PE-803 Arbitration

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

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

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

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

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

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

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

which shall be punishable under the Indian Penal Code 1980 or the Prevention of Corruption by Public Servants, shall entitle Purchaser to cancel the contract/s and all or any other contracts and then to recover from the Contractor / Supplier the amounts of any loss arising from such contracts' cancellation, including but not limited to imposition of penal damages, forfeiture of Security Deposit, encashment of the Bank Guarantee and refund of the amounts paid by the Purchaser.

- c) In case, it is found to the satisfaction of the Purchaser that the Contractor / Supplier has engaged an Agent or paid commission or influenced any person to obtain the contract as described in clauses relating to Agents / Agency Commission and use of undue Influence, the Contractor / Supplier, on a specific request of the Purchaser shall

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

PE-804

Indemnification

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

PE-805

Force Majeure

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

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

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

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

PE-806

Use of Undue Influence / Corrupt Practices:

- a) The Contractor / Supplier should give an undertaking that he has not given, offered or promised to give, directly or indirectly any gift, consideration, reward, commission, fees, brokerage or inducement to any person in service of the Purchaser or otherwise in procuring the contract or forbearing to do or for having done or forborne to do any act in relation to the obtaining or execution of the Contract with the Purchaser for showing or forbearing to show favour or disfavour to any person in relation to the Contract or any other Contract with the Purchaser. Any breach of the aforesaid undertaking by the Contractor / Supplier or any one employed by him or acting on his behalf (whether with or without the knowledge of the Contractor / Supplier) or the commission of any offence by the Contractor / Supplier or any one employed by him or acting on his behalf, as defined in Chapter IX of the Indian Penal Code, 1980 or the Prevention of Corruption Act, 1947 or any other Act enacted for the prevention of corruption shall entitle the Purchaser to cancel the contract and all or any other contracts with the Contractor / Supplier and recover from the Contractor / Supplier the amount of any loss arising from such cancellation. A decision of the Purchaser or his nominee to the effect that a breach of the undertaking has been committed shall be final and binding on the Contractor / Supplier.
- b) The Contractor / Supplier shall not offer or agree to give any person in the employment of Purchaser any gift or consideration of any kind as "Inducement" or "reward" for doing or forbearing to do or for having done or foreborne to do any act in relation to the obtaining or execution of the contract/s. Any breach of the aforesaid condition by the Contractor / Suppliers or any one employed by them or acting on their behalf (whether with or without the knowledge of the Contractor / Suppliers) or the commission of any offence by the Contractor / Suppliers or by any one employed by them or acting on their behalf provide necessary information / inspection of the relevant financial document / information.

PE-807

Immunity of Government of India Clause

It is expressly understood and agreed by and between M/s. (Contractor / Supplier) and M/S Garden Reach Shipbuilders & Engineers Ltd. 43/46, Garden Reach Road, Kolkata -700024 (the Indian PSU) is entering into this Agreement solely on its own behalf and not on the behalf of any person or entity. In particular, it is expressly understood and agreed that the Government of India is not a party to this Agreement and has no liabilities, obligations or rights hereunder. It is expressly understood and agreed that Garden Reach Shipbuilders & Engineers Ltd. 43/46, Garden Reach Road, Kolkata 700024 (the Indian PSU) is an independent legal

entity with power and authority to enter into contracts solely in its own behalf under the applicable of Laws of India and general principles of Contract Law. The (Contractor / Supplier) expressly agrees, acknowledges and understands that Garden Reach Shipbuilders & Engineers Ltd. 43/46,Garden Reach Road, Kolkata-700024 (the Indian PSU) is not an agent, representative or delegate of the Government of India. It is further understood and agreed that the Government of India is not and shall not be liable for any acts, omissions and commissions, breaches or other wrongs arising out of the contract. Accordingly, (Contractor / Supplier) hereby expressly waives, releases and foregoes any and all actions or claims, including cross claims, impleader claims or counter claims against the Government of India arising out of this contract and covenants not to sue Government of India in any manner, claim, cause of action or thing whatsoever arising of or under this Agreement.

PE-808 **Banned or de-listed Contractors:**

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

PE-809

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

PE-810

- a) As a general rule, price negotiation with L1 vendor(s) will not be entered into as far as possible, unless warranted by unreasonable price quoted in the opinion of GRSE.
- b) During Technical and / or commercial negotiation in case the participating vendors indicate the need of submission of revised price bid but the same is not acceptable by competent authority in due course, GRSE reserves the right to consider such bid(s) to be disqualified on this ground under intimation to the relevant vendor(s) before price bid opening.
- c) Delivery schedule as mentioned above is our essential requirement. GRSE reserves the right to cancel the bid if the delivery requirement is not met.
- d) Please forward your confirmation on all commercial points for acceptance of your offer in tender data sheet.
- e) In case your offer is not submitted in two separate given data sheet, the same is liable to be rejected.
