

## **REQUEST FOR PROPOSAL**

**Principal Director of Submarine Operations. IHQ MoD (Navy), New Delhi**

**Invitation of Bids for Sea Transportation of Submarine from Severodvinsk (Russia) to Mumbai (India) on a Transport Dock Ship**

**Request for Proposal (RFP) SA / 3121 / TPT dated 20 Jun 18**

1. Bid in sealed cover is invited for Sea transportation of Submarine as listed in Part II of the RFP. The tender shall be submitted in single stage single bid system. Please super scribe the above mentioned Title, RFP number and date of opening of the Bid on the sealed cover to avoid the Bid being declared invalid.

2. The address and contact numbers for sending Bid or seeking clarifications regarding this RFP are given below -

(a) Bids/queries to be addressed to: **Principal Director of Submarine Operations**

(b) Postal address for sending:  
the Bids **Directorate of Submarine Operations,  
Integrated Headquarters  
Ministry of Defence (Navy)  
Room No. 74 'A' Block Hutments,  
Dara Shukoh Road,  
New Delhi-110011**

(c) Name/designation of the contact person: **Cdr Saurabh D Tyagi, JDSSMO**

(d) Telephone numbers of the contact person: **011 - 2301 0255**

(e) e-mail ids of contact person: [www.dsmo-navy@nic.in](mailto:www.dsmo-navy@nic.in)

(f) Fax number: **011 - 2301 0986**

3. This RFP is divided into five Parts as follows:-

(a) Part I - Contains General Information and Instructions for the Bidders about the RFP such as the time, place of submission and opening of tenders, Validity period of tenders, etc.

(b) Part II - Contains essential details of the items/services required, such as the Schedule of Requirements (SOR), Technical Specifications, Delivery Period, Mode of Delivery and Consignee details.

(c) Part III - Contains Standard Conditions of RFP, which will form part of the Contract with the successful Bidder.

(d) Part IV - Contains Special Conditions applicable to this RFP and which will also form part of the contract with the successful Bidder.

(e) Part V - Contains Evaluation Criteria and Format for Price Bids.

4. This RFP is being issued with no financial commitment and the BUYER reserves the right to change or vary any part thereof at any stage. BUYER also reserves the right to withdraw the RFP, should it become necessary at any stage.

**PART I - GENERAL INFORMATION**

1. **Last date and time for depositing the Bid:** **20 Jul 18** at **1600 hrs**

The sealed Bid should be deposited/reach by the due date and time. The responsibility to ensure this lies with the Bidder.

2. **Manner of depositing the Bid:** Sealed Bid should be either dropped in the Tender Box marked as **DSMO in RED** or sent by registered post at the address given above so as to reach by the due date and time. **Late tenders will not be considered.** No responsibility will be taken for postal delay or non-delivery/non-receipt of Bid documents. Bid sent by FAX or e-mail will not be considered.

3. **Time and date for opening of Bid:** **Firm date will be intimated later.**

(If due to any exigency, the due date for opening of the Bid is declared a closed holiday, the Bid will be opened on the next working day at the same time or on any other day/time, as intimated by the BUYER).

4. **Location of the Tender Box:** **'A' Block Hutment Reception, New Delhi - 110011.**

5. **Place of opening of the Bid:** **Dir (N-II) Office, Room No. 245, B-Wing, Sena Bhawan, New Delhi-110011.**

The Bidder may depute their representatives, duly authorized in writing, to attend the opening of Bid on the due date and time. This event will not be postponed due to non- presence of your representative.

6. **Forwarding of Bid:** Bid should be forwarded by Bidders under their original memo / letter pad inter alia furnishing details like TIN number, VAT/CST number, Bank address with EFT Account, if applicable, etc and complete postal & e-mail address of their office.

7. **Clarification regarding contents of the RFP:** A prospective bidder who requires clarification regarding the contents of the bidding documents shall be notified to the BUYER in writing about the clarifications sought not later than 14 (fourteen) days prior to the date of opening of the Bid. Copies of the query and clarification by the purchaser will be sent to all prospective bidders who have received the bidding documents.

8. **Modification and Withdrawal of Bid:** A bidder may modify or withdraw his bid after submission provided that the written notice of modification or withdrawal is received by the BUYER prior to deadline prescribed for submission of Bid. A withdrawal notice may be sent by fax but it should be followed by a signed confirmation copy to be sent by post and such signed confirmation should reach the purchaser not later than the deadline for submission of Bid. No bid shall be modified after the deadline for submission of Bid. No bid may be withdrawn in the interval between the deadline for submission of Bid and expiration of the period of bid validity specified. Withdrawal of a bid during this period will result in Bidder's forfeiture of bid security.

9. **Clarification regarding contents of the Bid:** During evaluation and comparison of Bid, the BUYER may, at its discretion, ask the bidder for clarification of his bid. The request for clarification will be given in writing and no change in prices or substance of the bid will be sought, offered or permitted. No post-bid clarification on the initiative of the bidder will be entertained.
10. **Rejection of Bid:** Canvassing by the Bidder in any form, unsolicited letter and post-tender correction may invoke summary rejection with forfeiture of EMD. Conditional tenders will be rejected. The BUYER reserves the right of accepting / rejecting any bid without assigning any reasons and also the right to change the dates without assigning reasons.
11. **Unwillingness to quote:** Bidder unwilling to quote should ensure that intimation to this effect reaches before the due date and time of opening of the Bid, failing which the defaulting Bidder may be delisted for the given range of items as mentioned in this RFP.
12. **Validity of Bid:** The Bid should remain valid till **180 Days** from the last date of submission of the Bid.
13. **Cost of Tender Document:** Tender set will be sold on payment of Rs. 1000.00(Rupees one thousand only) vide Demand Draft drawn in favour of "**PCDA (Navy) Mumbai**" payable at Mumbai.
14. **Earnest Money Deposit:** Bidders are required to submit Earnest Money Deposit (EMD) for amount of **Rs. 41,17,500 /-** [Rupees Forty one Lakhs seventeen thousand and five hundred only] along with their bid. The EMD may be submitted in the form of an Account Payee Demand Draft, Fixed Deposit Receipt, Banker's Cheque or Bank Guarantee from any of the public sector banks or a private sector bank authorized to conduct government business (in favour of "PCDA(Navy), Mumbai") as per Form DPM-16 (Available in MoD website, [www.mod.nic.in](http://www.mod.nic.in) and can be provided on request). EMD is to remain valid for a period of forty-five days beyond the final bid validity period. EMD of the unsuccessful bidders will be returned to them at the earliest after expiry of the final bid validity and latest on or before the 30<sup>th</sup> day after the award of the contract. The Bid Security of the successful bidder would be returned, without any interest whatsoever, after the receipt of Performance Security from them as called for in the contract. EMD is not required to be submitted by those Bidders who are registered with the Central Purchase Organization (e.g. DGS&D), National Small Industries Corporation (NSIC) or any Department of MoD or MoD itself. The EMD will be forfeited if the bidder withdraws or amends impairs or derogates from the tender in any respect within the validity period of their tender.

**PART II - ESSENTIAL DETAILS OF ITEMS/SERVICES REQUIRED**

1. **Schedule of Requirements:** Sea Transportation of a Kilo class Submarine from Severodvinsk (Russia) to Naval Dockyard, Mumbai (India) on a transport dock ship during the time period **Nov / Dec 18**.

2. **Technical Details:** The Submarine will comply in all respects with the description here under:

(a)	Length Overall	:	74.5 m
(b)	Breadth including stabilizers	:	12.8 m
(c)	Height keel to fintop	:	14.73 m
(d)	Draught maximum (excluding protrusion)	:	6.2 m
(e)	Protrusion	:	0.35 m
(f)	Displacement	:	2441 T

(g) **Plus cradles and supports and boarding and lodging for up to 14 (fourteen) riders.**

(h) Plus 04 (four) BUYER owned 40 feet containers.

3. **Delivery- Loading/Discharging-redelivery :**

(a) Delivery-loading and discharge-redelivery of the Submarine will take place in the manner and at ports or locations, as the Transportation Unit can safely reach and where the Submarine can be loaded respectively discharged safely, on account of depth of water, bridges, sluices, locks or any other potential obstruction or reason whatsoever and subject to the approval of the competent authorities.

(b) The appointed port or location for loading the Submarine will be at a safe and accessible location in Severodvinsk, Russia.

(c) The BIDDER will deliver the cradles/ supports and the BIDDER will arrange the final positioning of the cradles on deck of the Transportation Unit.

(d) The appointed port or location for discharge of the Submarine will be at a safe and accessible location within Mumbai, India.

(e) The BUYER will deliver the Submarine to BIDDER floating within 50m of the stern of the submerged deck of the Transportation Unit with the first tuggerline attached to the Submarine.

(f) The BIDDER will deliver the Submarine to the BUYER floating within 50m. of the stern of the submerged deck of the Transportation Unit with the last tuggerline released from the Submarine.

4. **Commencement of loading & Estimated transit time:** It is intended to commence loading of the submarine at Severodvinsk, Russia, between **01 Nov 18 to 15 Dec 18**. The transit is to be planned, via the Cape of Good Hope, and the

estimated transit time weather permitting, under normal weather and sea state conditions, should not exceed 45 days. The performing vessel must sail at min 14 knots at windforce 2-3 beaufort scale. The vessel must be minimum ICE Class Finnish 1B in order to transit ice conditions. The submarine will be coated with new rubber paint. The performing vessel must have water spray system to keep the exterior cool while transiting thru tropical latitudes. The BIDDER shall provide a rectifier 220V DC 450 A (100kW) and a frequency converter from 60Hz to 50Hz at 220V.

5. **Capability of the Firm:** The BIDDER should have past experience in transportation of the submarine on dock/transport ships capable of transporting the submarine. Requisite documents of proof of past transportation undertaken on dock/transport ship are to be provided along with the Bid as proof. Non submission of these documents will lead to rejection of the bid.

6. **Additional Expenses:** The following expenses are for account of the BIDDER:

- (a) Port charges and tugs against Transportation Unit in loaded/unloaded condition at both ends.
- (b) Cost for mobilization / demobilisation of the Transportation Unit.
- (c) Preparation of stowage plans and stability/ motion response calculations.
- (d) Ballasting/ de-ballasting operations
- (e) Design, supply and sea fastening of cradles and support arrangements. The BIDDER will arrange the final positioning of the cradles on deck of the Transportation Unit.
- (f) Time and cost for loading/ lashing/ unlashng/ discharging of the Cargo.
- (g) The *IN* will be assisting in loading / unloading operations hence compulsory stevedoring cost does not apply by the port.
- (h) Time and cost for unlashng of cradles and support arrangements.
- (j) Cost for Surveyor
- (k) Supply and installation of ladders to the Cargo
- (l) Boarding and lodging of up to (14) fourteen riders
- (m) Firefighting hose connected to the Cargo.
- (n) Portable pump to empty ballast tank subject availability manhole of approx. 50cm. diameter. Vessel has a 17 m<sup>3</sup> per hour pump on board
- (p) Superintendent at both ends.
- (q) **Wharfage Charges.** The submarine is planned to be loaded at Severodvinsk, Russia and is to be unloaded at Mumbai , India. The BIDDER is to pay the wharfage charges at the relevant ports of Severodvinsk and Mumbai at the time of loading and unloading respectively. Although nil wharfage charges have been levied in the past at loading port Severodvinsk, Russia as this is a Navy Port, however, in the event of any change of policy by the Russian side, payment of wharfage charges at Severodvinsk, Russia is to be paid by the BIDDER. The relevant charges of wharfage may be ascertained from the respective ports / company by the BIDDER at own cost. Wharfage Charges for the cargo at the port or location of loading / unloading will be based on a maximum value of the submarine of INR 1200 crores (being the replacement cost of the submarine).

(r) BIDDER will make available to BUYER any welding assistance, electrical power and high pressure air as available on board of the Transportation Unit.

(s) Free use of Transportation Unit's cranes. (see also under (u))

(t) **Transit Insurance.** The transit insurance of the submarine for the duration of the transportation of the submarine will be done by BIDDER under Institute Cargo Clause 'A' (Comprehensive Insurance). BIDDER shall take out in the name of the BUYER at BIDDER expense, throughout the duration of this Contract (i.e. first line fast between Transportation Unit and Cargo and last line loose between Transportation Unit and Cargo) a policy or policies of insurance in respect of all loss or damage to the Cargo up to the full value of the Cargo (i.e. INR 1200 Crores) including but not limited to All Risks cargo cover and coverage against liabilities to third parties for wreck removal of the Cargo. BIDDER shall arrange at their expense that BIDDER shall be named as co-insured under the said policy or policies of insurance and arrange that the underwriters waive the right of subrogation and/or recourse in favor of BIDDER and/or its servants/agents. BIDDER hereby agree to produce the original certificate of insurance maintained hereunder to the BUYER. Deductibles under said policy to be for account of the BUYER without recourse to BIDDER. Use of Transportation Unit's communication set by the Commanding Officer to keep in direct touch with Naval Headquarters for requirements of safety in case of emergencies.

(u) Loading, sea-fastening, transportation and unloading of 04 (four) 40 feet BUYER' owned containers with vessel's own crane operated by Vessel's crew, if permitted by local regulations and /or authorities. If not allowed, these expenses to be for BUYER's account. Stevedoring expenses, if any, at both ports to be for account of the BUYER. BUYER to arrange that the containers will be delivered alongside the Vessel within the reach of her cranes and that the containers will be discharged on to a pontoon or other arrangement alongside the Vessel within the reach of Vessel's crane. In case of shifting of the Vessel from the loading location of the cargo in Severodvinsk to a quay at the discharge location for the discharge of these containers to be for BUYER's account and at BUYER's time, risk and expense.

(v) Provide a rectifier 220V DC 450 A (100kW) and a frequency converter from 60Hz to 50Hz at 220V.

(w) **Taxes and Duties.** All taxes, duties, levies and charges which are to be paid at Russia under the present contract shall be paid by the BIDDER.

7. The following expenses are not included and are for account of the BUYER:

(a) Border, customs and other clearances related to arrival of dock vessel to waterfront of Severodvinsk.

(b) Preparation for towing, towing of the submarine to Transport unit. Support of docking operation at Shipyard's basin.

(c) Ice breaker, if any, is required at the time of departure from load port shall be arranged and paid for by the BUYER.

(d) All taxes which are to be paid in India under the present contract shall be paid by the BUYER.

### **PART III - STANDARD CONDITIONS OF RFP**

The Bidder is required to give confirmation of their acceptance of the Standard Conditions of the Request for Proposal mentioned below which will automatically be considered as part of the Contract concluded with the successful Bidder (i.e. BIDDER in the Contract) as selected by the BUYER. Failure to do so may result in rejection of the Bid submitted by the Bidder.

1. **Law:** The Contract shall be considered and made in accordance with the laws of the Republic of India. The contract shall be governed by and interpreted in accordance with the laws of the Republic of India.
2. **Effective Date of the Contract:** The contract shall come into effect on the date of signatures of both the parties on the contract (Effective Date) and shall remain valid until the completion of the obligations of the parties under the contract. The deliveries and supplies and performance of the services shall commence from the effective date of the contract.
3. **Arbitration:** All disputes or differences arising out of or in connection with the Contract shall be settled by bilateral discussions. Any dispute, disagreement or question arising out of or relating to the Contract or relating to construction or performance, which cannot be settled amicably, may be resolved through arbitration. The standard clause of arbitration is as per Forms DPM-7, DPM-8 and DPM-9 (Available in MoD website and can be provided on request).
4. **Penalty for use of Undue influence:** The BIDDER undertakes 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 BUYER or otherwise in procuring the Contracts or forbearing to do or for having done or forborne to do any act in relation to the obtaining or execution of the present Contract or any other Contract with the Government of India for showing or forbearing to show favour or disfavour to any person in relation to the present Contract or any other Contract with the Government of India. Any breach of the aforesaid undertaking by the BIDDER or any one employed by him or acting on his behalf (whether with or without the knowledge of the BIDDER) or the commission of any offence by the BIDDER or anyone employed by him or acting on his behalf, as defined in Chapter IX of the Indian Penal Code, 1860 or the Prevention of Corruption Act, 1986 or any other Act enacted for the prevention of corruption shall entitle the BUYER to cancel the contract and all or any other contracts with the BIDDER and recover from the BIDDER the amount of any loss arising from such cancellation. A decision of the BUYER or his nominee to the effect that a breach of the undertaking had been committed shall be final and binding on the BIDDER. Giving or offering of any gift, bribe or inducement or any attempt at any such act on behalf of the BIDDER towards any officer/employee of the BUYER or to any other person in a position to influence any officer/employee of the BUYER for showing any favour in relation to this or any other contract, shall render the BIDDER to such liability/penalty as the BUYER may deem proper, including but not limited to termination of the contract, imposition of penal damages, forfeiture of the Bank Guarantee and refund of the amounts paid by the BUYER.

5. **Agents / Agency Commission:** The BIDDER confirms and declares to the BUYER that the BIDDER is the original provider of the services referred to in this Contract and has not engaged any individual or 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 BIDDER; 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 BIDDER 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 BIDDER 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 BIDDER will be liable to refund that amount to the BUYER. The BIDDER 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 BIDDER who shall in such an event be liable to refund all payments made by the BUYER in terms of the Contract along with interest at the rate of 2% per annum above LIBOR rate. The BUYER will also have the right to recover any such amount from any contracts concluded earlier with the Government of India.

6. **Access to Books of Accounts:** In case it is found to the satisfaction of the BUYER that the BIDDER 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 penalty for use of undue influence, the BIDDER, on a specific request of the BUYER, shall provide necessary information/ inspection of the relevant financial documents/information.

7. **Non-disclosure of Contract documents:** Except with the written consent of the BUYER/ BIDDER, other party shall not disclose the contract or any provision, specification, plan, design, pattern, sample or information thereof to any third party.

8. **Liquidated Damages:** In the event of the BIDDER's failure to complete the delivery of the Submarine in accordance with the contract, within the time stipulated by the contract or any extension of such time as specified in the contract, the BUYER may at his discretion, withhold any payment until the completion of the contract. The BUYER may also deduct from the BIDDER as agreed, liquidated damages to the sum of 0.5% of the contract price of the delay of the services mentioned above for every week of delay or part of a week, subject to the maximum value of the Liquidated Damages being not higher than 10% of the contract value.

9. **Termination of Contract :** The BUYER shall have the right to terminate the Contract in part or in full in any of the following cases:-

(a) The delivery of the Submarine is delayed for causes not attributable to Force Majeure for more than **30 days**(or so much more or less as may be agreed upon) after the scheduled date of delivery.

(b) The BIDDER is declared bankrupt or becomes insolvent.

(c) The delivery of the Submarine is delayed due to causes of Force Majeure by more than **60 days**(or so much more or less as may be agreed upon) provided Force Majeure clause is included in contract.

(d) The BUYER has noticed that the BIDDER has utilised the services of any Indian/Foreign agent in getting this contract and paid any commission to such individual/company etc.

(e) As per decision of the Arbitration Tribunal.

10. **Notices:** Any notice required or permitted by the contract shall be written in the English language and may be delivered personally or may be sent by FAX or registered pre-paid mail/airmail, addressed to the last known address of the party to whom it is sent.

11. **Transfer and Sub-letting:** The BIDDER has no right to give, bargain, sell, assign or sublet or otherwise dispose of the Contract or any part thereof, as well as to give or to let a third party take benefit or advantage of the present Contract or any part thereof.

12. **Amendments:** No provision of present Contract shall be changed or modified in any way (including this provision) either in whole or in part except by an instrument in writing made after the date of this Contract and signed on behalf of both the parties and which expressly states to amend the present Contract.

## **PART IV - SPECIAL CONDITIONS OF RFP**

The Bidder is required to give confirmation of their acceptance of Special Conditions of the RFP mentioned below which will be included in the Contract to be signed. Bidders may indicate deviations, if any, to the special conditions of the contract and the same shall be discussed prior conclusions of the contract.

### 1. **Performance Guarantee:**

(a) **Indigenous cases:** The Bidder will be required to furnish a Performance Guarantee by way of Bank Guarantee through a public sector bank or a private sector bank authorized to conduct government business (ICICI Bank Ltd., Axis Bank Ltd or HDFC Bank Ltd.) for a sum equal to **10%** of the contract value within 30 days of receipt of the confirmed order. Performance Bank Guarantee should be valid up to 60 days beyond the date of delivery. The specimen of PBG is given in Form DPM-15 (Available in MoD website and can be provided on request).

(b) **In case of Foreign BIDDER:** The BIDDER will be required to furnish a performance guarantee by way of a Bank Guarantee from the BIDDER's Bank through a bank of international repute (as per advise received from SBI, Foreign Division Branch regarding acceptability of the bank guarantee) in favour of the Govt of India / Ministry of Defence. **In case the advice of SBI is that the guarantee is not from a bank of international repute with satisfactory country rating and/or a confirmation of a reputed Indian bank is required to be obtained, then the guarantee will be got confirmed\*** "by an Indian public sector bank or a private sector bank duly authorized by RBI to conduct government business (ICICI Bank Ltd., Axis Bank Ltd or HDFC Bank Ltd.)" **equal to ten percent** of the total value of this contract i.e for US \$         ".

\*[This would entail additional bank charges to be paid towards confirmation of the bank guarantee]. **Performance Bank Guarantee should be valid up to 60 days beyond the date of delivery.** The Performance Bank Guarantee shall be considered open upon receipt by the BUYER's Bank. In case any claims or any other contract obligations are outstanding, the BIDDER will extend the Performance Bank Guarantee as asked for by the BUYER till such time as the BIDDER settles all claims and completes all contract obligations. The Performance Bank Guarantee will be subject to encashment by the BUYER, in case the conditions regarding adherence to delivery schedule, settlement of claims and other provisions of the contract are not fulfilled by the BIDDER. The specimen of PBG is given in Form DPM-15 (Available in MoD website and can be provided on request).

### 2. **Payment terms:**

(a) **Payment Terms for Indigenous BIDDERS:** It will be mandatory for the Bidders to indicate their bank account numbers and other relevant e payment details so that payments could be made through ECS / EFT mechanism instead of payment through cheques, wherever feasible. A copy of the model mandate form prescribed by RBI to be submitted by Bidders for

receiving payments through ECS is at Form DPM-11 (Available in MoD website and can be given on request). The payment will be made as per the following terms, on production of the requisite documents:

(b) 40 (forty) % of the freight, plus freight / tax as applicable and as per actuals, due and payable within 11 working days after completion of loading or on the issue of the Certificate of Fitness that the Submarine is in every way properly loaded, stowed, lashed and fit for transportation, from the Surveyor.

(c) 60(sixty) % of the freight shall be paid by opening the irrevocable Letter of Credit due upon arrival at the discharge location and payable within 2 working days after discharge of the Submarine on submission of invoices along with a faxed copy of Certificate of Redelivery to the bank.

(b) **Payment terms for Foreign BIDDERS:** The payment will be arranged through Letter of Credit from Reserve Bank of India/State bank of India/any other Public Sector Bank, as decided by the BUYER, to the Bank of the Foreign BIDDER. Letter of Credit is to be opened latest within 11 working days after completion of loading of the Cargo at the loading location by the BUYER. The Letter of Credit will be valid for **90** days from the date of its opening, on extendable basis by mutual consent of both the BIDDER and BUYER. The payment will be made as per the following terms, on production of the requisite documents:

(i) 40 (forty) % of the freight, plus freight / tax as applicable and as per actuals, due and payable within 11 working days after completion of loading or on the issue of the Certificate of Fitness that the Submarine is in every way properly loaded, stowed, lashed and fit for transportation, from the Surveyor. The cost of Surveyor and the issue of such certificate will be borne by the BIDDER.

(ii) 60(sixty) % of the freight shall be paid by opening the irrevocable Letter of Credit due upon arrival at the discharge location and payable within 2 working days after discharge of the Submarine on submission of invoices along with a faxed copy of Certificate of Redelivery to the bank.

3. **Advance Payments:** No advance payment(s) will be made.

4. **Loading and Discharge:** Loading and discharge of the Submarine onto, respectively from the Transportation Unit shall be under direction and supervision of BIDDER. The laying of dunnage, dunnage supports, stowage, lashing and securing respectively unlashng of the Submarine on board the transportation Unit and removal of securings, dunnage and cleaning of deck shall be carried out by BIDDER.

5. **Certificate of Fitness:** BIDDER will take the necessary steps in due time to secure before sailing from the port or location of loading or any intermediate port (s) or location (s), if applicable and required, the issue of an unconditional (unless

otherwise agreed in advance) certificate of Fitness (of which a copy will be issue to the BUYER) that the Submarine is in every way properly loaded, stowed, lashed and fit for transportation, from The Surveyor. The costs of the Surveyor and the issue of such Certificate will be borne by BIDDER. Such Certificate shall constitute conclusive evidence that the loading, stowage, dunnage, dunnage supports, lashing and securing were in all respects properly carried out and fit for their purpose.

6. **Permits/License:** Permits and / or license for loading, lashing and securing within Severodvinsk or any other safe port or safe location for loading the Cargo as nominated by the BUYER and Permits and /or license required for unlashing and /or discharge operations are to be arranged for, obtained by and paid for by BIDDER.

The BUYER and /or BIDDER will use their due diligence to assist each other in arranging for and obtaining the necessary permits and /or licenses.

7. **Liability:**

(a) BIDDER shall be liable for all loss or damage of whatsoever nature to or sustained by the Transportation Unit any liability in respect of wreck removal and the expense of moving, lighting or buoing the Transportation Unit, and any liability in respect of death or injury of any of BIDDER's employees, servants, agents or subcontractors' personnel, and any liability in respect of other cargo on board, all of which shall be for the sole account of BIDDER without recourse to the BUYER, their servants or agents, and BIDDER shall indemnify, defend and hold the BUYER harmless from and against and all claims, losses, costs, damages and expenses of every kind and nature including legal expenses arising from the foregoing.

(b) The BUYER shall be liable for all loss or damage or delay of whatsoever nature and howsoever caused to or sustained by the Cargo, including any property operated, owned, hired and/or leased by the BUYER on board, and any liability in respect of wreck removal and the expense of moving, lighting or buoing the Cargo, and any liability in respect of death or injury of any of the BUYER' employees, servants, agents or sub-contractors' personnel, or the Marine Surveyor (s) personnel, and all liabilities consequent upon loss, damage or delay to the Cargo, all of which shall be for the sole account of the BUYER without recourse to BIDDER, their servants or agents or insurers and the BUYER shall indemnify, defend and hold all these harmless from and against any and all claims, losses, costs, damages and expenses of every kind and nature including legal expenses arising from the foregoing.

(c) The liabilities arising under any indemnity shall be construed or held to deprive BIDDER or the BUYER of any right to claim limitation of liability provided by any applicable law, statute or convention.

(d) The BUYER and/or Cargo shall remain fully responsible for any loss or damage (including consequential loss) to the Transportation Unit and/ or BIDDER caused or contributed to by any breach of the warranty as to the Cargo's description as found in Appendix 1 "Cargo" and/ or by any defect,

inherent vice, undisclosed feature or misdescription of or in the Cargo and the BUYER hereby agrees to indemnify the BIDDER for any loss and/or damage.

(e) BIDDER shall be liable for, and agree to indemnify, defend and hold harmless the BUYER against all claims, costs, expenses, actions, proceedings, suits, demands and liabilities whatsoever arising out of actual or threatened pollution damage and the cost of cleanup or control thereof originating from the Transportation Unit.

(f) The BUYER shall be liable for, and agree to indemnify, defend and hold harmless BIDDER against all claims, costs, expenses, actions, proceedings, suits, demands and liabilities whatsoever arising out of actual or threatened pollution damage and the cost of cleanup or control thereof originating from Cargo or other property of the BUYER.

8. **Force Majeure clause:**

(a) Neither party shall bear responsibility for the complete or partial nonperformance of any of its obligations (except for failure to pay any sum which has become due on account of receipt of Submarine under the provisions of the present contract), if the non-performance results from such Force Majeure circumstances as Flood, Fire, Earth Quake and other acts of God as well as War, Military operation, blockade, Acts or Actions of State Authorities or any other circumstances beyond the parties control that have arisen after the conclusion of the present contract.

(b) In such circumstances the time stipulated for the performance of an obligation under the present contract is extended correspondingly for the period of time of action of these circumstances and their consequences.

(c) The party for which it becomes impossible to meet obligations under this contract due to Force Majeure conditions, is to notify in written form the other party of the beginning and cessation of the above circumstances immediately, but in any case not later than 10 (Ten) days from the moment of their beginning(or so much more or less as may be agreed upon).

(d) Certificate of a Chamber of Commerce (Commerce and Industry) or other competent authority or organization of the respective country shall be a sufficient proof of commencement and cessation of the above circumstances.

(e) If the impossibility of complete or partial performance of an obligation lasts for more than **14 days** (or so much more or less as may be agreed upon), either party hereto reserves the right to terminate the contract totally or partially upon giving prior written notice of **30 days** to the other party of the intention to terminate without any liability other than reimbursement on the terms provided in the agreement for the Submarine received.

13. **Suspension/Termination**

(a) BIDDER have the right to suspend their performance under the

Contract whether before or during or after the loading, in the event (and during the time) of force majeure, such as Acts of God, perils or danger and accidents of the sea, damage to hull and/ or machinery and/ or appurtenances of the Transportation Unit, acts of war, warlike-operations, acts of public enemies, restraint of princes, rulers or people or seizure under legal process, quarantine restrictions, civil commotions, blockade, strikes, lockout, labour disturbances, trade disputes, or anything done in contemplation or furtherance thereof, closure of the Suez or Panama Canal, congestion of harbours or any other circumstances, provided such circumstances are not within the reasonable control of BIDDER, causing extraordinary periods of delay, abnormal increases in prices and wages, scarcity of fuel, and similar events, which reasonably may impede, prevent or delay the performance of the Contract and/or the return of the transportation Unit to the next port of call.

(b) In the event that BIDDER have the right to suspend their performance under the Contract under this clause then, provided such circumstances of force majeure has continued for 14 days( or so much more or less as may be agreed upon), BIDDER shall have the right to terminate their performance under the Contract. In the event that BIDDER have the right to terminate their performance under the contract under this clause and the voyage has begun, BIDDER shall tender redelivery of the Submarine at a convenient port or location, to be determined in consultation with the BUYER, and such redelivery shall constitute good redelivery under the terms of the contract. If BIDDER exercise their right under this clause, all payments due to BIDDER under the terms of the Contract will be deemed earned by BIDDER and the last instalment of the Freight as more specifically described will be reduced or increased pro rata to the distance actually sailed or to be sailed to such convenient port or location and the distance in the normal course of the voyage, i.e. between the port or location of delivery and the stated port or location of redelivery of the Submarine.

(c) In the event that prior to tendering Notice of Readiness the BUYER experiences Force Majeure, being an occurrence beyond the control of the BUYER, provided that the BUYER could not reasonably have foreseen such occurrence at the time of entering in to the Contract and could not reasonably have avoided or overcome its occurrences, BUYER will be entitled to suspend its obligations under the Contract. In the event of such suspension has continued for 14 days (or so much more or less as may be agreed upon) either party will be entitled to suspend its obligations under the contract upon which no compensation towards the other will be applicable.

14. **Demurrage / Deviation:**

(a) In the event of the following the rate of demurrage is agreed at USD 23,000/- (Twenty Three thousand United States Dollars) per day or pro rata for part thereof:-

(i) In case of delay in delivery of the Cargo in a fit state to be loaded and to be carried after the date and time mentioned in the

Notice of readiness, and after elapse of the laytime as more specifically described in the Contract, the BUYER shall pay to BIDDER demurrage at a rate as indicated above and all other additional cost(s) and expenses incurred by BIDDER at the port or location for loading as a result of such delay, such as but not limited to harbour-dues, agency fee, etc.

(ii) In the event during the voyage the Cargo and/or BUYER (and/or servants of the BUYER joining on board the transportation Unit) and/or the Cargo causing a delay in the execution of the voyage, the BUYER shall pay to BIDDER demurrage over the loss of time thereby occasioned at the rate as indicated above, together with all other additional cost (s) and expenses, such as but not limited to harbour dues, agency fees, etc., properly incurred by BIDDER as a result of such delay.

(iii) In case the Cargo cannot be discharged without (in the opinion of the master of the Transportation Unit) undue delay or unacceptable risk and/or cannot be redelivered to the BUYER at the port or location of discharge and/or on the agreed conditions of the Contract due to the non- performance by the BUYER of its obligations under the terms of this Contract and/or due to reasons beyond the control of BIDDER, the BUYER shall pay to BIDDER for each delay demurrage at a rate as indicated above and all other additional cost (s) and expenses incurred by BIDDER at the port or location of discharge as a result of such delay, such as but not limited to harbour dues, agency fees etc.

(iv) The Transportation Unit will not be bound to enter any icebound port or any location where lights, lightships, marks or buoys on arrival are or are likely to be withdrawn by reason of ice or where there is risk that the Transportation Unit will not be able, on account of ice, to enter, reach or leave the port or location. The Transportation Unit will not be obliged to force ice. If, on account of ice, the BIDDER consider it dangerous to enter or to remain at any loading- or discharge port or location for fear of being frozen in or damaged, they shall have the liberty to sail to another port or location which is free of ice and at which there are facilities for loading or discharging the Cargo and there await the BUYER's further instructions. The BUYER to give further instructions within a reasonable time but in any event within 5 (five) working days. The whole of time occupied from the time the Transportation Unit is diverted by reason of ice or other conditions resulting from ice until its arrival at an ice free port, as well as any detention by reason of ice or any of the above causes and the time waiting in such ice free port or location, shall be paid for by the BUYER at the deviation and/or demurrage rate as indicated above.

(v) Should the Transportation Unit be detained in the port or location of loading and/ or the port or location of discharge and/ or in a port or location of refuge and /or any other port scheduled as port of call during the voyage, because of quarantine, any detention so

caused shall be paid for by the BUYER at the demurrage rate and on conditions as indicated above provided quarantine is not caused by BIDDER's personnel.

(vi) BIDDER shall not be responsible for any loss or damage or delay directly or indirectly caused by or arising from strikes, lockouts, labour disturbances, trade disputes, blockades, or anything done in contemplation or furtherance thereof.

(b) In case deviation takes place due to the following, the BUYER will pay to BIDDER the sum of US\$ 23,000/- (Twenty Three thousand United States Dollars) plus actual bunkers consumed per day or pro rata for part thereof for the extra sailing time/ for the prolongation of the voyage:-

(i) In case the Cargo cannot be loaded at the port or location of loading without unacceptable risk (in the opinion of the Master of the transportation Unit) then BIDDER shall have the option to nominate in consultation with the BUYER another port or location of loading as near as possible to the contemplated port or location of loading. Such nomination and/or loading shall be without prejudice to BIDDER's rights.

The BUYER will further pay to BIDDER the deviation rate as indicated above, for each day or pro rata for part of a day lost as a result of sailing to such unscheduled port or location. The time lost is either (I) the actual time required for sailing from the contemplated port or location of loading to the unscheduled port or location of loading or (II) the additional mobilisation time required to reach such unscheduled port or location. The BUYER shall further pay to BIDDER all other additional cost(s) and expenses incurred by BIDDER as a result of loading or contemplated loading at such unscheduled port or location.

(ii) In case the Cargo cannot be discharged at the port or location of discharge without (in the opinion of the master of the Transportation Unit) undue delay or unacceptable risk then BIDDER in consultation with the BUYER shall have the option to discharge the Cargo at an unscheduled port or location as near as possible to the contemplated port or location of discharge.

In case the Cargo is so discharged in another location or port than contemplated hereunder, the BUYER will pay to BIDDER the deviation rate as indicated above, for each day or pro rata for part of a day lost as a result of discharging at an unscheduled port or location. The time lost will be established by comparing the actual time of redelivery of the Cargo to The BUYER (increased by additional demobilisation-time, if any) with the time, in which the Cargo could have reasonably been redelivered as originally intended. The BUYER will also pay to BIDDER all other additional cost (s) and expenses incurred by BIDDER as a result of discharging at an unscheduled port or location.

(iii) The Transportation Unit will not be bound to enter any icebound port or any location where lights, lightships, marks or buoys on arrival are or are likely to be withdrawn by reason of ice or where there is risk that the Transportation Unit will not be able, on account of ice, to enter, reach or leave the port or location. The Transportation Unit will not be obliged to force ice. If, on account of ice, the BIDDER consider it dangerous to enter or to remain at any loading- or discharge port or location for fear of being frozen in or damaged, they shall have the liberty to sail to another port or location which is free of ice and at which there are facilities for loading or discharging the Cargo and there await the BUYER's further instructions. The BUYER to give further instructions within a reasonable time but in any event within 5 (five) working days. The whole of time occupied from the time the Transportation Unit is diverted by reason of ice or other conditions resulting from ice until its arrival at an ice free port, as well as any detention by reason of ice or any of the above causes and the time waiting in such ice free port or location, shall be paid for by the BUYER at the deviation and/or demurrage rate as indicated above.

## **PART V - EVALUATION CRITERIA & PRICE BID ISSUES**

1. **Evaluation Criteria:** The broad guidelines for evaluation of Bid will be as follows:

(a) Only those Bid will be evaluated which are found to be fulfilling all the eligibility and qualifying requirements of the RFP, both technically and commercially.

(b) The Bid forwarded by the Bidders will be evaluated by the BUYER with reference to the technical characteristics of the Submarine as mentioned in the RFP. The compliance of Bid would be determined on the basis of the parameters specified in the RFP.

(c) In case cash flow involves more than one currency, the same will be brought to a common denomination in Indian Rupees by adopting exchange rate as BC selling rate of the State Bank of India on the date of opening of the price bids.

(d) The Lowest Bid will be decided upon the lowest price quoted by the particular Bidder. The lowest acceptable bid will be considered further for placement of contract after complete clarification and price negotiations as decided by the BUYER.

2. **Price Bid Format:** The Price Bid is to be all inclusive of the breakdown given below. Any miscellaneous charge foreseen and not listed below is to be included in the final price bid. The Price Bid Format is given below and Bidders are required to fill this up correctly with full details:

SI	Details	Included in Price Bid(Yes/No)	Remarks
(a)	Hiring of Vessel		
(b)	Port charges & tugs, Cost for mobilization/demobilization, Cost for loading/ lashing/ unlashing/ discharging of Cargo, Surveyor costs, Cost for unlashing of cradles and support arrangements, Superintendent cost at both ends, Boarding & lodging for 14(fourteen) riders, Wharfage cost at port of loading & unloading, Design , Supply & final positioning of cradles on Dockship		
(c)	Rectifier 220V DC 450 A (100kW)		
(d)	Frequency converter from 60Hz to 50Hz at 220V		
(e)	Transit Insurance cost for submarine		
(f)	Taxes, Duties ,levies & other charges		
(g)	Any other cost ,if any		
(h)	Total final cost		