

REQUEST FOR PROPOSAL

COMMODORE SUBMARINE OPERATIONS. IHQ MoD (NAVY), NEW DELHI

INVITATION OF BIDS FOR TRANSPORTATION OF EKM SUBMARINE FROM SEVERODVINSK, RUSSIA / ALTERNATE PORT AT RUSSIA TO VISAKHAPATNAM, INDIA BY SEA LIFT VESSEL

REQUEST FOR PROPOSAL (RFP) SA/3116/TPT DATED 25 SEP 19

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 the Bid or seeking clarifications regarding this RFP are given below –
 - (a) Bid / queries to be addressed to: **Commodore Submarine Operations**
 - (b) Postal address for sending the Bid : **Commodore 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 SR Ballal, Cdr (SMO)**
 - (d) Telephone numbers of the contact person : **011 - 2301 0255**
 - (e) E-mail id of contact person : www.dsno-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 Bid.

4. This RFP is being issued with no financial commitment and **IN** reserves the right to change or vary any part thereof at any stage. **IN** 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: 1600h on 11 Oct 2019 

(Two (02) weeks from the date of uploading tender on website)

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: Within 04 weeks from tender submission date. 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 **IN**).

4. Location of the Tender Box: 'A' Block Hutments Reception,
Dara Shukoh Road,
New Delhi – 110011
5. Place of Opening of the Bid: Cmde (SMO) Office,
Room No. 75,
'A' Block Hutments,
Dara Shukoh Road,
New Delhi – 110011

The Bidder may depute their representatives, duly authorised 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 notify **IN** 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 **IN** 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 **IN** 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, **IN** 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. **IN** 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/-** (Rupees One Thousand only) vide Demand Draft drawn in favour of "**PCDA (Navy) New Delhi**" payable at New Delhi.
14. **Earnest Money Deposit:** Bidders are required to submit Earnest Money Deposit (EMD) for an amount of **Rs. 57,84,000/-** (Rupees Fifty Seven Lakhs Eighty Four Thousand 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 authorised to conduct government business {in favour of "PCDA (Navy), New Delhi"} as per Form DPM-16 (Available in MoD website, www.mod.nic.in and can be provided on request). EMD is to remain valid for a period of 45 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 30th 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 Organisation (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 / alternate port at Russia to Visakhapatnam, India on a transport dock ship during the time period **mid Dec 19 to mid Jan 20**.

2. **Technical Details:** Technical details of the submarine and associated equipment to be transported are as follows:-

- | | | |
|-----|--|-----------|
| (a) | Length Overall | : 74.50 m |
| (b) | Length (excluding propellers) | : 72.90 m |
| (c) | Breadth | : 9.90 m |
| (d) | Breadth including stabilisers | : 12.80 m |
| (e) | Height (hull) | : 9.70 m |
| (f) | Height Keel to Fin top | : 14.73 m |
| (g) | Draught maximum (excluding protrusion) | : 6.20 m |
| (h) | Protrusion | : 0.35 m |
| (j) | Displacement | : 2441 T |
| (k) | Distance of CG from midship (xg) | : 5.14 m |
| (l) | Distance of CG from baseline (zg) | : 4.28 m |
| (m) | Transverse CG from centre line (yg) | : 0.00 m |
| (p) | Cradles and supports for the submarine | |
| (q) | Boarding and lodging for 14 (Fourteen) riders  with appropriate accommodation for Officers and Sailors. | |
| (r) | 10 (Ten) IN owned 40 feet containers.  | |

3. **Loading (Delivery) / Discharging (Redelivery) :**

- (a) Loading (delivery) 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 / 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 of the submarine will be at a safe and accessible location in Severodvinsk, Russia / alternate port at Russia.

- (c) The appointed port or location for discharge of the submarine will be at Visakhapatnam Port Trust (VPT), Visakhapatnam, India.
- (d) The BIDDER will deliver the cradles / supports and the BIDDER will arrange the final positioning of the cradles on deck of the Transportation Unit.
- (e) **IN** will deliver the submarine to the BIDDER floating within 50 m of the stern of the submerged deck of the Transportation Unit with the first tugger-line attached to the submarine.
- (f) The BIDDER will deliver the submarine to **IN** floating within 50 m of the stern of the submerged deck of the Transportation Unit with the last tugger-line released from the submarine.

4. **Commencement of Loading and Estimated Transit Time:** It is intended to commence loading of the submarine at Severodvinsk / alternate port at Russia between **mid Dec 19 –mid Jan 20**. The transit is to be planned, via the Cape of Good Hope, and the estimated transit time (excluding the date of departure and date of arrival), under normal weather and sea state conditions, should not exceed **50 days**. The performing vessel should be able to sail at 14 knots at wind force 2-3 Beaufort scale. The vessel must be minimum ICE Class Finnish 1B in order to transit ice conditions.
5. **Capability of the Firm:** The BIDDER should have had a past experience in transportation of cargo of displacement 2000-3000 Tons, length 75 m, breadth 15 m and height 15 m and / or have own / chartered dock / transport ships capable of transporting such cargo. Requisite documents of proof of past transportation undertaken and ownership of the 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. **Wharfage Charges:** The submarine is planned to be loaded at Severodvinsk / alternate port at Russia and is to be unloaded at VPT, Visakhapatnam, India. The BIDDER is to pay the wharfage charges at the relevant ports of Severodvinsk / alternate port at Russia and Visakhapatnam at the time of loading and unloading respectively. Nil wharfage charges have been levied in the past at the port of 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 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.
7. **Transit Insurance:** The transit insurance of the submarine for the duration of the transportation of the submarine will be done by the BIDDER from an Indian Nationalised Insurance firm under Institute Cargo Clause 'A' (Comprehensive Insurance). The BIDDER shall take out in the name of **IN** at BIDDER's 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 1400 Crores**) including but not limited to All Risks cargo cover and coverage against liabilities to third parties for wreck removal of the Cargo. The BIDDER shall arrange at their expense that the BIDDER shall be named as co-insured under the

said policy or policies of insurance through Indian Nationalised Insurance firm and arrange that the underwriters waive the right of subrogation and / or recourse in favour of the BIDDER and / or its servants / agents. The BIDDER would be required to produce the original certificate of insurance maintained hereunder to **IN**. Deductibles under the said policy would be for account of IN without recourse to the BIDDER.

PART III – STANDARD CONDITIONS OF RFP

The BIDDERS are 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 **IN**. Failure to do so may result in rejection of the Bid submitted by the BIDDERS.

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 (BIDDER and **IN**) 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:**
 - (a) **In Case of Indian BIDDER:** 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).
 - (b) **In Case of Foreign BIDDER:** Any disputes regarding this contract which cannot be settled amicably by the parties within 60 days shall be settled under UNCITRAL arbitration guidelines, using the Arbitration Act under the Laws of India, with the seat of arbitration tribunal being London, United Kingdom.
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 **IN** 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 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 **IN** 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 **IN** or 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 **IN** or to any other person in a position to influence any officer / employee of **IN** for showing any favour in relation to this or any other contract, shall render the BIDDER to such liability / penalty as **IN** 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 **IN**.

5. Agents / Agency Commission: The BIDDER confirms and declares to **IN** 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 **IN** that the present declaration is in any way incorrect or if at a later stage it is discovered by **IN** 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 **IN**. The BIDDER will also be debarred from entering into any supply contract with the Government of India for a minimum period of five years. **IN** 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 **IN** in terms of the contract along with interest at the rate of 2% per annum above LIBOR rate. **IN** 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 **IN** 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 **IN**, shall provide necessary information / inspection of the relevant financial documents / information.

7. Non-Disclosure of Contract Documents: Except with the written consent of **IN** / 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 Cargo in accordance with the contract, within the time stipulated by the contract or any extension of such time as specified in the contract, **IN** may at their discretion, withhold any payment until the completion of the contract. **IN** 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: *IN* 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 **14 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 **14 days** (or so much more or less as may be agreed upon) provided Force Majeure clause is included in contract.
- (d) *IN* 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 (UNCITRAL).

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 BIDDERS are 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. The 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 BIDDERS will be required to furnish a Performance Guarantee by way of Bank Guarantee through a Public Sector Bank or a Private Sector Bank authorised to conduct government business (ICICI Bank Ltd, Axis Bank Ltd or HDFC Bank Ltd) in favour of Govt. of India / Ministry of Defence for a sum equal to **10%** of the total value of the contract within 30 days of receipt of the confirmed order. Performance Bank Guarantee (PBG) 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 Bidders.** The BIDDERS 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 Govt. of India / Ministry of Defence for a sum equal to **10%** of the total value of the contract within 30 days of receipt of the confirmed order. **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** (*this would entail additional bank charges to be paid by the Bidders towards confirmation of the Bank Guarantee*) by an Indian Public Sector Bank or a Private Sector Bank duly authorised by RBI to conduct government business (ICICI Bank Ltd., Axis Bank Ltd or HDFC Bank Ltd.). Performance Bank Guarantee (PBG) should be valid up to 60 days beyond the date of delivery. The PBG shall be considered open upon receipt by **IN**. In case any claims or any other contract obligations are outstanding, the BIDDERS will extend the PBG as asked for by **IN** till such time as the BIDDERS settles all claims and completes all contract obligations. The PBG will be subject to encashment by **IN**, in case the conditions regarding adherence to delivery schedule, settlement of claims and other provisions of the contract are not fulfilled by the BIDDERS. 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:-

(i) 40 (forty) % of the freight, plus taxes, 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) Balance 60 (sixty) % of the freight shall be paid upon arrival at the discharge location and payable within **7 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 **IN**, to the Bank of the Foreign BIDDERS. The BIDDERS will give a notification within a specified period about the readiness of transportation. Letter of Credit is to be opened by **IN** within **45 days** on receipt of notification of readiness from the firm. The Letter of Credit will be valid for **120 days** from the date of its opening, on extendable basis by mutual consent of both the BIDDER and **IN**. The payment will be made as per the following terms, on production of the requisite documents:-

(i) 40 (forty) % of the freight, plus taxes, 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) Balance 60 (sixty) % of the freight shall be paid upon arrival at the discharge location and payable within **7 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. Additional Expenses. The following expenses are for account of the BIDDERS:-

- (a) Port charges and tugs for entering and leaving the ports of loading and discharging against Transportation Unit in loaded / unloaded condition.
- (b) Cost for mobilisation / 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 and final positioning of cradles on deck of the Transportation Unit.
- (f) Time and cost for loading / lashing / unlashng / discharging of the Cargo (No **IN** assistance will be provided at VPT, Visakhapatnam).
- (g) Time and cost for unlashng of cradles and support arrangements (No **IN** assistance will be provided at VPT, Visakhapatnam).
- (h) Cost for Surveyor.
- (j) Superintendent at both ends.
- (k) Supply and installation of ladders to the Cargo.
- (l) Boarding and lodging for fourteen (14) riders with appropriate accommodation for Officers and Sailors.
- (m) Firefighting hose connected to the Cargo.
- (n) Positioning of 100 KW AC / DC rectifier and suitable cables to provide electricity to the submarine for entire duration from embarkation at Russia to disembarkation at Visakhapatnam.
- (p) Positioning of Frequency Converter 60 Hz to 50 Hz at 220 V for entire duration from embarkation at Russia to disembarkation at Visakhapatnam.
- (q) Positioning of Air cooling and ventilation Unit for the submarine.
- (r) Portable pump to empty ballast tanks of manhole of about 50 cm in diameter. Pump capacity should be minimum 17 m³ per hour.
- (s) Spraying of the cargo with seawater via the Transportation Unit's sprinkler system during the sea voyage.
- (t) Free use of any welding equipment / assistance, electrical power and high pressure air as available onboard of the Transportation Unit.
- (u) Free use of Transportation Unit's cranes.

- (v) Use of Transportation Unit's communication set by the Commanding Officer to keep in direct touch with IN for requirements of safety in case of emergencies.
- (w) **Cradles.** On behalf of **IN**, the BIDDER will design the cradle and support arrangements for the Submarine. The design of the cradles and support arrangements will be on the basis of Cargo details provided by **IN**. Upon receipt of the cradles and support arrangements design drawings, **IN** will provide a written statement to the BIDDER confirming that the design of the cradles and support arrangements for the Cargo is suitable for the intended purpose. Time and cost for fabrication, delivery and positioning of the cradles and support arrangements on deck of the Transportation Unit at the indicated positions within the port or location of loading, plus any additional steel and wood supports as required will be responsibility of the BIDDER.
- (x) **40 Feet Containers.** Loading, sea-fastening, transportation and unloading of ten (10) 40 feet **IN** containers with vessel's own crane operated by Vessel's crew, if permitted by local regulations and / or authorities. If not allowed, these expenses are to be for **IN** account. Stevedoring expenses, if any, at both ports are to be for account of **IN**. **IN** is 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 / discharge location of the Cargo at Severodvinsk / alternate port at Russia / Visakhapatnam to a quay or other location for the loading / discharge of these containers, then these are to be for **IN** account and at **IN** time, risk and expense.
- (y) Wharfage Charges at Severodvinsk / alternate port at Russia and VPT, Visakhapatnam as applicable.
- (z) Insurance cost on full value of the Cargo i.e. **INR 1400 Crores**.
- (aa) Border, customs and other clearances related to the arrival of Transportation Unit to the location of loading at Russia.
- 5.** The following expenses are not included and are for account of **IN**:-
- (a) Tugboat assistance for towage of the submarine to the Transportation Unit at loading port and towage to designated Naval berth within Visakhapatnam harbour post unloading from the Transportation Unit.
- (b) Preparation for towing, towing of the submarine to Transportation Unit and support of docking operation at shipyard's basin.
- (c) Ice breaker, if any, if required at the time of entry of loading port.
- (d) All taxes, duties, levies and charges to be paid at India.
- 6. Loading and Discharge.** Loading and discharge of the submarine from the Transportation Unit shall be under direction and supervision of BIDDER. The laying of

dunnage, dunnage supports, stowage, lashing and securing respectively unlashings of the submarine onboard the Transportation Unit and removal of securings, dunnage and cleaning of deck shall be carried out by BIDDER.

7. Certificate of Fitness / Such Other Equivalent Certificate. The 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 issued to IN) 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.

8. Permits / License. Permits and / or license for loading, lashing and securing at Severodvinsk / alternate port at Russia or any other safe port or safe location for loading the Cargo as nominated by **IN** and Permits and / or license required for unlashings and / or discharge operations at Visakhapatnam are to be arranged for, obtained by and paid for by BIDDER. IN and / or BIDDER will use their due diligence to assist each other in arranging for and obtaining the necessary permits and /or licenses.

9. Liability.

(a) The 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 buoying 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 onboard, all of which shall be for the sole account of BIDDER without recourse to **IN**, their servants or agents, and BIDDER shall indemnify, defend and hold **IN** 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) **IN** 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 **IN** onboard, and any liability in respect of wreck removal and the expense of moving, lighting or buoying the Cargo, and any liability in respect of death or injury of any of **IN** employees, servants, agents or sub-contractors' personnel and all liabilities consequent upon loss, damage or delay to the Cargo, all of which shall be for the sole account of **IN** without recourse to the BIDDER, their servants or agents or insurers and **IN** 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) No liabilities arising under any indemnity shall be construed or held to deprive the BIDDER or **IN** of any right to claim limitation of liability provided by any applicable law, statute or convention.

(d) **IN** 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 indicated at Para 2 above) and / or by any defect, inherent vice, undisclosed feature or mis-description of or in the Cargo and **IN** hereby agrees to indemnify the BIDDER for any loss and / or damage.

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

(f) **IN** 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 clean-up or control thereof originating from Cargo or other property of **IN**.

10. Force Majeure Clause.

(a) Neither party shall bear responsibility for the complete or partial non-performance 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 to 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 organisation 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 **07 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.

11. Suspension / Termination.

(a) The BIDDERS 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 BIDDERS exercise their right to suspend the 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), the BIDDERS shall have the right to terminate the performance under the contract. In the event that the BIDDERS exercise their right to terminate the performance under the contract under this clause and the voyage has begun, the BIDDERS shall tender redelivery of the submarine at a convenient port or location, to be determined in consultation with **IN**, and such redelivery shall constitute good redelivery under the terms of the contract. If the BIDDERS exercise their right under this clause, all payments due to BIDDERS under the terms of the contract will be deemed earned by BIDDERS 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 **IN** experiences Force Majeure, being an occurrence beyond the control of **IN**, provided that **IN** 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, **IN** will be entitled to suspend its obligations under the contract. In the event that 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.

12. Demurrage / Deviation.

(a) For the purpose of the following, the rate of **demurrage** is agreed at Euros 21,000/- (Twenty One Thousand Euros) 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, **IN** shall pay to the 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 **IN** (and / or servants of **IN** joining onboard the Transportation Unit) causes a delay in the execution of the voyage, **IN** shall pay to the 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 **IN** at the port or location of discharge and / or on the agreed conditions of the contract due to the non-performance by **IN** of its obligations under the terms of this contract and / or due to reasons beyond the control of the BIDDER, **IN** shall pay to the 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. If, on account of ice, the BIDDER considers it dangerous to enter or to remain at any loading or discharge port or location for fear of being frozen in or sustain damage, the BIDDER 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 **IN** further instructions. **IN** is 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 **IN** 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 **IN** at the demurrage rate and on conditions as indicated above provided quarantine is not caused by BIDDER's personnel.

(vi) The 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, **IN** will pay to BIDDER the sum of Euros 21,000/- (Twenty One Thousand Euro) 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 **IN** 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. **IN** 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 (aa) the actual time required for sailing from the contemplated port or location of loading to the unscheduled port or location of loading or (ab) the additional mobilisation time required to reach such unscheduled port or location. **IN** shall further pay to the BIDDER all other additional cost(s) and expenses incurred by the 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 the BIDDER in consultation with **IN** 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.
- (iii) In case the cargo is so discharged in another location or port than contemplated hereunder, **IN** will pay to the 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 **IN** (increased by additional demobilisation time, if any) with the time, in which the cargo could have reasonably been redelivered as originally intended. **IN** will also pay to the BIDDER all other additional cost(s) and expenses incurred by the BIDDER as a result of discharging at an unscheduled port or location.

PART V – EVALUATION CRITERIA & PRICE BID ISSUES

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

(a) Only those Bids 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 **IN** 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 **IN**.

2. **Price Bid Format:** The Price Bid is to include breakdown of costs given in the table below. BIDDERS are required to fill this up correctly with details separately for Severodvinsk and Murmansk / alternate port at Russia:-

| Sl | Details | Cost | Remarks |
|-----------|--|-------------|----------------|
| (a) | Vessel | | |
| (b) | Normal Port charges as per the contract | | |
| (c) | Operating Costs | | |
| (d) | Engineering design, Deck preparation, lashing etc. costs | | |
| (e) | Surveyor costs | | |
| (f) | Air conditioning and ventilation for submarine, Electric supply through 100 KW rectifier and 60 Hz to 50 Hz Frequency converter (including stowage arrangement). | | |
| (g) | Pump, Ventilation, Water, ladder, hose etc. costs | | |
| (h) | Boarding and lodging for 14 (Fourteen) riders | | |
| (j) | Fuel and Lubricant cost | | |
| (k) | Wharfage cost at both ports (loading and unloading) | | |
| (l) | Transit Insurance cost for submarine | | |
| | Total Cost | | |