



VISAKHAPATNAM PORT TRUST
Materials Management Division

ISO 9001 PORT

Visakhapatnam 530 035 (AP) India
Tel: (91)+0891 2874700 Fax: (91)+0891 2563837 Website :
www.vizagport.com E-mail: materialsmanager_vpt@yahoo.com

NOTICE INVITING TENDER

Reputed Oil Containment Boom manufacturers with proven experience or their Authorised Dealers Agents only need to participate in the Tender..

Tender No. II/R-68/2013-14/OT Dt. 18.12.2014

SUPPLY OF 500 METERS PRESSURE INFLATABLE OIL CONTAINMENT BOOM WITH ITS ACCESSORIES Description of stores	SUPPLY OF 500 METERS PRESSURE INFLATABLE OIL CONTAINMENT BOOM WITH ITS ACCESSORIES <u>Quantity:</u> 01 No. (Detailed description is contained in the tender document)
Estimated cost Rs.	Indian Rupees 3,18,77,000-00
Earnest Money Deposit	Indian Rupees 6,38,000 -00
Tender Fee	Rs.1,500/-. Cost of tender Fee should be paid by way of Demand Draft Drawn in favour of FA&CAO/VPT, Payable at Visakhapatnam, India . Tenders submitted without the tender fee will be rejected.
Date of Pre-bid meeting	30-12-2014 Time: 15.00 Hours(ST)
Due date for tender opening:	30-01-2015 Time: 15.00 Hours(IST)
Contact person:	Chief Mechanical Engineer Fax: 0091- 891- 2564787 / 2563837 Phone: 0091- 891- 2874700
	For further details visit our web site: www.vizagport.com

CHIEF MECHANICAL ENGINEER



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NOT TRANSFERABLE
FORM OF TENDER

NOTE: The appendix forms part of the tender. Tenderers are required to fill up all the blank spaces in the tender form and Appendix and return duly signed along with their quotation in token of acceptance of all the tender conditions

BY RPAD / AIRMAIL

To

The Chief Mechanical Engineer
Materials Management Division,
Visakhapatnam Port Trust,
Visakhapatnam-530035
India.

Sir,

- a) Having examined the instructions to tenderer, General conditions, Technical Specifications, Special terms and conditions of the tender and Schedules for the "SUPPLY OF 500 METERS PRESSURE INFLATABLE OIL CONTAINMENT BOOM WITH ITS ACCESSORIES", we, the undersigned, offer to manufacture, supply and guarantee the whole of the said in conformity with the "Instructions To Tenderer", General Conditions, Special terms and conditions of the tender, Technical specifications and schedules for the sum of Rs./US \$ _____ (To be furnished only in the Price Bid) or such other sum as may be ascertained in accordance with the said conditions.
 - b) We undertake, if our tender is accepted, to deliver the entire quantity comprised in the contract within delivery period as stated in the quotation failing which are agreeable to pay penalty @ 1/2% per week for the undelivered portion of the order subject to maximum 10% of the value of the order.
 - c) If our tender is accepted, we will furnish a Bank Guarantee in the proforma enclosed for a sum not exceeding 10% of the value of the order for the due performance of the contract within a month of receipt of the purchase order. The Bank Guarantee will be given by any recognised Bank as acceptable to State Bank of India and the Bank Guarantee will be endorsed by the State Bank of India.
 - d) We agree to keep our offer valid for a period of six months from the date of Tender opening and the Earnest Money Deposit will be forfeited if the offer is withdrawn within the validity period of the offer /quotation. The Rates may be quoted in the currency prevailing in the country of the tenderer. However the
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- e) equivalent of the same shall be taken in Indian rupees as per the conversion rates specified by Reserve Bank of India as applicable as on date of price bid opening.
 - f) In case the offer is submitted by foreign firm, the rate to be quoted on CIF Basis and the Goods to be shipped to CHENNAI Port(India).
 - g) Until Purchase order is prepared and executed, this tender together with our written acceptance thereof, shall constitute a binding contract between us.
 - h) A certificate of country of origin of the Goods, to be given from an Independent agency like chamber of commerce.
 - i) We understand that, the Purchaser is not bound to accept the lowest or any tender and the purchaser will reserve the right to accept or reject any tender or part thereof without assigning any reason. The purchaser will not entertain any correspondence with the unsuccessful bidders.
 - j) Guarantee of material to be given for 24 months. In this regard a certificate to be given confirming that the Seller will repair /replace the goods if found sub-standard/un-serviceable/defective/Malfunctioning/not as per the tender specification and within period of 12 months from the date of commencement of use or 18 months from the date of shipment. All Repairing / Replacement to be done based on "Free of cost" basis at VISAKHAPATNAM (i.e all charges including overseas and Inland freight, insurance , port charges, customs duty, etc., upto Visakhapatnam to be borne by the supplier)
 - k) All Bank charges payable outside India in connection with payment will be borne by the seller, in case of offers from overseas/foreign firms
 - l) In the event of an order, five copies of Technical documents and/ or Drawings about Erection / Installation / Commissioning, operation & maintenance and spare parts manual (if any) are to be given on Free of cost basis before shipment.
 - m) The offer to be given along with Technical literature / Drawings, etc. so that the offer becomes very clear and understandable technically.
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- n) The material is subject to third party inspection and shall be done by Lloyds Register of Shipping/ Indian Register of shipping or by any other classification society approved by D.G. Shipping of India agency in prior to shipment. The cost of the third party inspection charges will be paid by the purchaser at actuals as per the invoices of the Testing Agency. In case of payment of the testing charges in foreign currency, the inspection charges rate equivalent in Indian rupee as on date of inspection will be considered for payment. .
- o) Part shipment and Transhipment is prohibited.

SIGNATURE:

Place: NAME & ADDRESS OF |
TENDERER |
Date:

(Technical Specification As Enclosed in Annexure –I)



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www.vizagport.com E-mail: materialsmanager_vpt@yahoo.com**TENDER SCHEDULE TO TENDER NO. II/R- /2014-15/OT****DUE ON : -07-2014****Name Of The Work:** . SUPPLY OF 500 METERS PRESSURE INFLATABLE OIL CONTAINMENT BOOM WITH ITS ACCESSORIES

Description of material	Unit	Unit price	Amount
500 Meters Boom, Boom Reel, Hydraulic Power pack along with tools and tackles and accessories i.e VPT Specification enclosed at Annexure-I	01	To be furnished in the Price Bid ie. Cover-II	To be furnished in the Price Bid i.e. Cover-II

1. GENERAL:

- a) The material "SUPPLY OF 500 METERS PRESSURE INFLATABLE OIL CONTAINMENT BOOM WITH ITS ACCESSORIES" is required for operations at our Visakhapatnam Port Trust.
- b) The material covered by this schedule specification (herein-after referred to as the specification) is subject to the conditions of annexure attached. The contractor shall be responsible for and governed by all requirements therein.
- c) All the material to be supplied against this tender should be brand new and manufactured out of virgin raw materials and with proper workmanship and latest technology. The material supplied should comply to the relevant international standards. ASTM

2. BID PROCEDURE:- Two cover system

a)The tender has to be submitted in two separately sealed covers, namely Techno-Commercial bid in one cover (i.e. Cover –I) and Price bid in another cover (i.e. Cover – II). Both the covers (cover I and Cover II) should be kept in third cover, which should be sealed and super scribed as "SUPPLY OF 500 METERS PRESSURE INFLATABLE OIL CONTAINMENT BOOM WITH ITS ACCESSORIES Tender ref:**II/R- 68 /14-15/OT DUE FOR OPENING ON: - 01-2015**".



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B)Techno-Commercial bid of the tender should be enclosed in a sealed cover super scribing with the words “**Cover-I**, Techno-Commercial Bid”. Please note that cover-I shall contain only Earnest money deposit, technical and commercial matters, proof of experience, testimonials etc and all other matters which are generally required for pre-qualification purposes. Prices should not be indicated in the technical bid. In short, the Cover -I, i.e. Techno-Commercial bid shall contain **everything other than price**.

C)Cover – II, i.e. Price bid of the tender should be enclosed in a separate sealed cover super scribing with the words “**Price Bid**”. The Price bid should only indicate prices (item-wise) and not any commercial conditions. If any commercial conditions exist in the price bid, such commercial conditions stand cancelled deeming as if it did not exist at any time. Both the techno-commercial bid cover i.e. **cover-I** and the price bid cover i.e. **cover-II** prepared as mentioned above should be kept in a single sealed cover superscribed with tender number, due date, description of item, contractor’s address. The cover thus prepared should also indicate clearly the name and address of the Tenderer for easy identification. The price bids of two-bid tender system will be opened after evaluation of the Techno-commercial bids.

D) The two bid system as specified above shall be followed ,strictly,failing which offerswill be liable for rejection.

E)The bids / tenders shall be submitted to the following officer by post / courier etc so as to reach before 12.00 noon of the due date of the tender as mentioned in the tender schedule.

The Materials Manager
Materials Management Division,,
4th Floor DLB Building,
Visakhapatnam Port Trust,
Visakhapatnam – 530 035
Andhra Pradesh, India.

3. The Tenderers shall complete the annexed tender and schedules and furnish /enclose all the information called for therein and sign and date them. **The schedules duly filled in and signed should be returned as indicated below:**

a) The completed tender together with two certified true copies of the tender schedules and bill of quantities along with other conditions if any shall be submitted in COVER I.



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- b) Tender should be submitted in the prescribed form in English only.
NOTE: For purpose of this tender "RUPEES" means the "RUPEES" of Indian Currency.
- c) Any corrections to the rates and terms/ conditions/ offer/ quotation shall be attested by the Tenderer. Corrections in quoted rates shall not be allowed after opening of the tender.
- d) All the tender papers including specification, Quality Assurance Plan, Instructions to the tenderer, tender schedule etc., should invariably be returned signing in all the pages in token of acceptance to tender terms without any deviation. All the documents , detailed Quality Assurance plan etc., should be submitted in English only, failing which offer will be liable for rejection.

4. Opening of tenders:

Techno Commercial Bid (COVER 1) will be opened on specified date and time as given in the document, in presence of the attending tenderers or their authorised representatives.

Price Bid (COVER 2) WILL BE OPENED ONLY OF THOSE TENDERERS WHOSE COVER 1 is found to be techno-commercially eligible as per the eligibility criteria mentioned in this tender. Such tenderers will be intimated to attend the price bid opening.

5. METHOD OF SUBMISSION OF TENDER:

a) If the tender is submitted by an individual, it shall be signed by him duly indicating full name and address therein. If it is made by a firm, it shall be attested by another member of the same firm who shall also sign his own name, and write the name and address of each of the members of the firm. If the tender is made by a Corporation / Company it shall be Signed by a duly authorised Officer who will produce satisfactory evidence of his authorisation and copy of the proof of Registration under relevant act along with the quotation.

b) For bids submitted by a group of firms, it is necessary that every member should submit separate and complete information about his status in the group of firms. It should be clearly mentioned in the tender as to who will be the sponsor of the firms and what will be the expected participation of each member of the group and who will be responsible for the overall execution of the work and warranty / After sales service. Offers of Manufacturers will be preferred.



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c) In case, as a matter of policy, any manufacturer(s) of India or foreign origin does not market their products directly, the following should be complied.

i) In case of Indian firms such manufacturer(s) may submit their offer enclosing documents for their being manufacturer and registered with NSIC/SSI/DIC/DGS&D/Registrar of companies etc., The offer may be submitted through their authorised dealers. In such case an authorisation certificate valid on due date of tender opening should be submitted by the tenderer along with the offer, failing which the offer will stand rejected.

ii) In case of goods of imported origin the manufacturer or their authorised Indian Agent are also authorised to quote along with the valid authenticated authority letter (in original specifying the tender reference) in the name of tenderer from foreign manufacturer for the tendered items.

iii) A copy of the agency agreement with the foreign principal indicating the precious relationship between them and their mutual interest in the business, to be submitted.

iv) Documentary evidence to be submitted regarding enlistment of the Indian agent with Director General (Supplies and Disposal) under compulsory registration scheme of Ministry Of Finance Government of India. The Indian Agent should comply all the latest rules as prescribed by the Govt. of India, for import of Goods.

v) The details of services rendered by the Indian agent should clearly be specified and the complete and detailed profile of the Indian Agent including infra Structure facility, financial Status, Technical expertise in handling of Pressure inflatable oil containment Boom, Man Power etc., to be submitted along with their offer.

vi) The firm shall ensure after sales services facility within the Country in order to provide after sales service and technical advise, during the life period of the Pressure inflatable oil containment Boom with its accessories. The address of the Service Provider/Authorised Dealer for rendering after sales service, contact person details including contact number to be submitted along with the offer.

NOTE:- Non submission of above-mentioned documents by the agents shall result in rejection of offers.



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6. EMD & SECURITY DEPOSIT CUM PERFORMANCE GUARANTEE:

- a) Tenders shall be accompanied by the Demand Draft payable to 'Financial Adviser & Chief Accounts Officer, Visakhapatnam Port Trust, Visakhapatnam-530035 for a sum of **Rs.6,38,000/-** (Rupees Six lakhs Thirty eight thousand only) or equivalent amount in the quoted currency as earnest money and the relevant receipt for the remittance should be submitted along with the tender failing which the tender is liable to be rejected. The EMD may also be submitted in the form of a Bank Guarantee Valid for a minimum period of 6 months.
 - b) The Earnest money shall not carry any interest. The Earnest Money will be refunded to the unsuccessful tenderers within one month of the finalisation of the tenders.
 - c) The Earnest money of successful bidder will be retained as part of security deposit cum performance guarantee till the date of completion of all the obligation as per the purchase order i.e performance guarantee period.
 - d) Indian firms who are Registered as SSI / NSIC Units in India irrespective of the state where registered are exempted from payment of EMD for the monetary limit as specified in the SSI/NSIC certificates. Firms registered with DGS&D in India are also exempted from payment of EMD without monetary limit subject to production of relevant valid DGS&D registration certificate. However exemption of S.D. as above will not be applicable and the successful Tenderer must accept for submission of the security deposit. .
 - e) Offers received with out Earnest Money Deposit shall be summarily rejected. Please note that EMD cannot be adjusted against payment receivable against other purchase orders / EMD paid against other tenders.
 - f) The offers submitted should be accompanied by a Demand Draft towards cost of tender documents Indian currency (By hand : Rs.1500/- By speed post Rs.1600/- Overseas Suppliers Rs.3000/- by down loading from website Rs.1500/- Or equivalent amount in the quoted currency, if down loaded from website) and to be paid in favour of FA & CAO / VPT, payable at Visakhapatnam.
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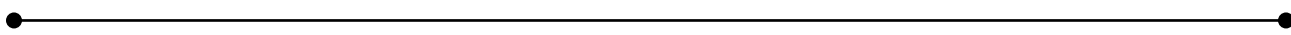
- g) The successful bidder shall furnish a Security deposit cum performance guarantee by way of bank guarantee in the form enclosed, equivalent to 10 percent of the Value of the order within One month of issue of letter of intent / Purchase order .The Bank guarantee shall remain valid for 24 (twenty four) months from the date of commencement of use. The Bank Guarantee shall be endorsed by the State Bank of India. The Bank Guarantee will be invoked if the contract performance is not satisfactory. The Bank Guarantee will be released after successful completion of the Guarantee/Warranty period.
- h) If the successful bidder fails to furnish the Bank Guarantee towards security deposit satisfactorily to the Board within a period of one month after the issue of letter of intent / purchase order it will be treated that the Bidder has abandoned the proposal and the Earnest Money Deposit will be forfeited.

7. OFFER VALIDITY:

- a) Tenders shall remain **valid for 6 (six) months** from the date of opening of the tender.
- b) The rates quoted shall remain firm till completion of supplies. Any kind of price variation clause shall not be acceptable and exist in the offer. In the event of a tenderer withdrawing his tender/ offer/ quotation within 6 (six) months from the date of opening of the tenders, the earnest money shall be forfeited without any prior notice and his tender in future shall not be considered.

8. ELIGIBILITY CRITERIA:

- a. Bids will be considered only from reputed Oil containment Boom manufacturers including those in India and abroad with ISO 9001:2005 QMS accreditation for manufacture and supply of pressure inflatable oil containment boom of minimum 500 meters length or more. The P.O. Copies for supply to Govt Ports, Govt. Organizations, PSUs reputed firms overseas/Indian Ports etc to be submitted along with tender .
- b. The tenderer's shall submit the following documents to qualify in the tender.





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- i. Details of orders received during last two years for supply of Oil Containment Boom for minimum 500 meters length and above in a single order to assess capacity to manufacture pressure inflatable Oil containment boom with required specification.
- ii. Details of manufacturing facilities, equipment details, technical personnel, testing facilities etc.,
- iii. Copies of balance sheets, and profit and loss accounts of last three years.
- iv The copies of Purchase Orders performance/completion certificate submitted should be attested by a Notary
- v) The tenderer shall furnish the details of customer's full address, Phone number, Fax numbers, e-mail, contact person whose purchase order copies are submitted for pre-qualification.

8 c)The Foreign bidders should have facilities within India to look after the after sales service of the supplied Pressure inflatable oil container boom . The Postal address of the local office and contact details has to be mentioned in the tender.

8 d)The firms are requested to submit a copy of their Quality Assurance Plan in English for Manufacturing of the pressure inflatable boom The QAP will be scrutinized and approved by VPT for supply in case of the Successful tender. The successful tenderer should arrange for Third Party Inspection by M/s.LLOYDS / IRS/ or any classified society approved by D.G. Shipping of India as per approved QAP, and at the manufacturers work spot. The Third Party Inspection Certificate should be submitted along with material supply and an Advance copy to be sent to the office of Chief Mechanical Engineer/ MM Division VPT..

9. Evaluation Criteria:

- a) The evaluation of the bids shall be done as per the following laid down procedure. Hence the bidders are advised to indicate all elements of cost payable for objective evaluation.

b)For Indigenous Supplier:

- i) Bidders need to specify the applicable Taxes and Duties, Entry tax and any other statutory levy etc., as legally applicable. The actual rate of Taxes, duties and other charges either on percentage basis or on
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lumpsum basis shall be indicated clearly with out fail. Visakhapatnam Port Trust will not issue any concessional forms(C or D). Hence please quote accordingly. .

- ii) VPT will avail CENVAT credit. Hence the Bidders are advised to submit the relevant documents for availing CENVAT Credit.
- iii) Bidders need to quote “ FOR free delivery at VPT Stores / site, Visakhapatnam.
- iv) In case of the quoted price on Ex-works price basis and if the firm does not specify the packing and forwarding charges, 2% of the Ex-works price will be loaded to arrive at FOR despatching station price.
- v) Insurance charges shall be considered as per VPT insurance policy rate (including service tax) as prevailing on the date of opening of price bid.
- vi) In case of FOR despatching station offer, the following percentage shall be added to arrive at the FOR destination price, as element of estimated freight up to destination.

Approximate distance of despatching station VPT, Visakhapatnam	% of FOR despatching station price
Above 2001 Kms.	5%
1501 to 2000 Kms.	4%
1001 to 1501 Kms.	3%
501 to 1000 Kms.	2%
500 Kms. And below	1%

NOTE: However, in case the bidder specifies the exact amount of freight and insurance, then the same will be added to the quoted price in place of the above loading factors

b For Foreign Suppliers:

In case of imports, tenderer will be required to quote **on CIF delivery “CHENNAI” Port basis** . However in case the offer is submitted on FOB basis, the total price will be estimated in the following manner to arrive at **CIF** price and the landed price of import offers.





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- i) The loading for freight and insurance shall be as per details given below.

Port of delivery at	Freight (%)
USA, Canada and Japan sectors	12% of FOB value
All other sectors	10% of FOB value

- ii) Insurance charges shall be considered as per Insurance rate of Govt. companies (including service tax) on the date of opening of price Bid.
- iii) The **CIF** price in foreign currency will be multiplied with the exchange rate equivalent to Indian Rupees prevailing on the date of opening of the price bid. The applicable exchange rate will be as per the conversion rate intimated by Reserve Bank of India / available from national newspapers.
- iv) Customs duty and countervailing duty as applicable on assessable value as applicable as on the date of price bid opening (CIF + Landing charges etc.,) will be then be loaded on the CIF price, thus converted into Indian Currency.
- v) On this net price, 2% of FOB shall be added as port clearance and forwarding charges
- vi) Estimated average inland freight up to destination will be considered as 3% of FOB value.
- vii) On the above rates, agency commission if any payable to Indian Agent of the foreign supplier will be added to arrive at total price (Landed price)
Note:- In case the foreign firms through their Indian agent intend to quote clearly indicating the applicable duties of custom duty counter related duties etc.,, the same only will be considered evaluating cost arriving at the landed cost.
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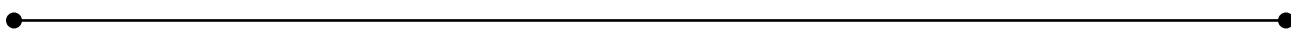
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- viii) For comparison of import offer with the indigenous offer, landed price of indigenous offer (i.e. FOR destination price plus Excise duty plus sales tax + Statutory levy etc) would be compared with the landed price of import offer (i.e. CIF price plus customs duty plus countervailing duty plus port clearance charges plus inland freight etc., plus agency commission as mentioned above)

Note: While evaluation of the offer, the selling rate prevailing on the date of opening of price bid and as announced by State Bank of India will only be considered.

10. Payment terms:

- a. Payment against indigenous supplies: 100% payment shall be released after successful performance in the demo and against submission of bills in triplicate along with all required documents viz inspection reports, Insurance certificate etc. The payment will be made within 30 days of receipt demonstration and required documents required and acceptance of material at site by the consignee/I.O
- b. Payment against foreign supplies :- The payment shall be released after successful performance of the pressure inflatable boom in the demonstration /trail at VPT site and acceptance of material. The payment will be made through SBI to the overseas account of the foreign supplier as per the bank account details furnished. and on submission of the following documents.
- 1) Signed invoice bill details of CIF Value etc.,
 - 2) Bill of lading.
 - 3) Manufactures test certificate, guarantee certificate.
 - 4) Country of origin certificate.
 - 5) Third party inspection certificate/ bill
- c. Payment for agency commission, if any, involved may be considered in case of necessity, subject to compliance of the Government of India guidelines issued from time to time. The name of the Indian Agent with their full address and the quantum of agency commission if any, payable shall have to be mentioned in the offer. Agency commission, if any, shall be paid in equivalent Indian Rupees within 30 days of submission of Bills along with the following documents:





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- i) Copy of foreign principal's invoice
- ii) Copy of Bill of lading
- iii) Certificate from state Bank of India regarding Bank Charges
- iv) Exchange rate ruling on the date of price bid opening.
- v) A letter signed by the Principal & Indian Agent addressed to VPT indicating their roles and responsibilities.

Note: The payment will be made in equivalent Indian Rupees on the date of such payment at the exchange rate being the selling rate of State Bank of India prevailing on such date so that the accepted foreign value of the bid remains unchanged during the contract period. However in the case of delay in completion of the contract, the payments are to be made at the exchange rate prevailing on the date of payment or on the last day of the schedule period, whichever is lesser shall be taken into consideration for calculation of INR.

11. THIRD PARTY INSPECTION:

The firms are requested to submit a copy of their Quality Assurance Plan for Manufacturing of the Oil containment boom. The QAP will be scrutinised and approved by VPT for supply in case of the Successful tender. The successful tenderer should arrange for Third Party Inspection by M/s. LLOYDS/IRS or any classified society approved by D.G. Shipping of India as per approved QAP and at the manufacturers work spot . The Third Party Inspection Certificate should be submitted along with material supply and an Advance copy to be sent to the office of Chief Mechanical Engineer / VPT.

12. LIQUIDATED DAMAGES

If the Contractor fails to supply within the scheduled delivery time mentioned in the Purchase order, he will pay penalty @ 1/2% of order value for each week of delay or part thereof, subject to a maximum of 10% of the ordered value. Delays in excess of 10 weeks will cause termination of contract and forfeiture of performance guarantee.

13. INTEGRITY PACT DECLARATION;

a) The bidders shall give an undertaking that they have not made any payments or illegal gratification to any person/ authority connected with the bid process so as to influence the bid process and have not committed any offence under the Act in



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connection with the Bid. The bidders shall disclose any payments made or proposed to be made to any intermediaries (agents etc.,) in connection with the bid.

14. The Tenderer must indicate details of manufacturing capacity for the manufacturer of item offered against this tender enquiry with committed delivery schedule. Indigenous Tenderers must be registered with commercial tax departments and furnish their CST / APGST registration and PAN and TIN registration number in their Quotation.

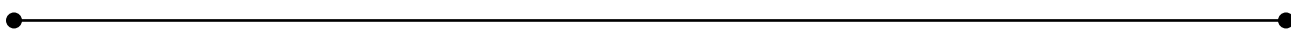
15. Please attach product catalogue containing features and specifications of the offered product.

16. Tenders which do not fulfil all or any of the above conditions or incomplete in any respect shall be liable for rejection.

17. Offers received through Fax, email shall not be considered.

18. The decision for acceptance of tender will rest with Visakhapatnam Port Trust which does not bind itself to accept the lowest tender, and reserves to itself the authority to reject any or all of the tenders received or part thereof without assigning any reason.

Signature & Seal
Designation:-
Name of the Firm:-
Address:-



**Annexure to tender No. II/R-68/14-15/OT****Annexure - I****Technical specifications of Pressure inflatable oil containment boom with accessories**

A. BOOM	
Manufacture	Shall be manufactured using highest quality components
	Shall be abrasion, puncture and hydrostatic resistant as per latest ASTM standards.
	Shall provide a safe, quick and efficient means of oil containment.
Performance standards	Shall conform to the minimum performance standards required by ASTM
Performance Data	All performance data shall be provided to user including information such as safe towing speed in J/U configuration, safe speed for in-line towing, effectiveness with respect to wave height, effectiveness with respect to currents etc. and operations and maintenance manual
Deployment	Shall be inflatable from a single point source without the need to stop and open and shut each air chamber manually.
	200m PI boom shall be deployable in 10 min.
Buoyancy Chambers	Shall have individual and isolate buoyancy chambers not exceeding 4m in length.
Section length FABRIC	25 m
	Strong and durable and with standard wear and tear.
	Base – Polyamide / Polyester
	Coating – Neoprene
	Tensile strength – minimum 180kN
	Weight – minimum 950 g/m ²
Boom Weight	Minimum 6kg / m ²
Height when inflated	Minimum 1000mm
Freeboard	Minimum 400mm
Draft	Minimum 600mm
Safety	Safe low pressure air source not > 0.03 bar
Buoyancy to Weight ratio	Minimum reserve of 12-1
Ballast member	Tensile strength – minimum 70kN
Safe towing speed	Minimum 0.5kt without entrainment of oil in J/U configuration
	Minimum 5 kt for in-line towing
Effectiveness	Currents – up to 3kt
	Wave height – up to 1.5m
Accessories for each 200m length	Air pack inflator – electric start c/w spark arrestor and auto shutdown valve
	ASTM connectors
	Complete anchoring system
	Pair of ASTM towing bridles

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	Towing strop
	Towing line
	Emergency repair kit, hot and cold repair kit
	Nav lights
	Shall be supplied in Aluminum stowage boxes

B. BOOM REEL	
Manufacture	Shall be heavy duty, hydraulic operated and designed to store, deploy and retrieve oil boom
Stowage Capacity	250m boom length of overall height 1200mm
Reel frame	Box section of 'A' grade steel with minimum thickness 5 mm
Spool	Heavy duty marine grade aluminum or 'A' grade steel
Painting System	Zinc coated or two coats of epoxy primer with PU top coat
Lifiting points	Fork lift pockets and 4-point lifting eyes and slings
Hydraulic power pack	Diesel engine and hydraulic pump shall be integral to the boom reel or independently mounted on a tough steel frame fitted with inflated wheels
	Shall be provided with hydraulic hoses with quick release couplings to reel and power pack, if power pack not integral to boom reel
	Engine shall be low noise, diesel with electric and hand start
	Shall be provided with automatic over speed shutdown valve and exhaust spark arrestor
Accessories	Spares kit
	Heavy duty PVC cover
C. COMPANY	
Certification	The sales, design, development, installation and commissioning of the oil pollution control systems for containment and hydraulic power packs and all accessories shall be under an ISO 9001:2008 certified quality management system



GENERAL CONDITIONS OF THE CONTRACT

1. Definition:

- 1.1 The term "CONTRACT" shall mean the invitation to tender instructions and schedule to tender, the acceptance of tender and those general and special conditions that may be added.
- 1.2 The term "CONTRACTOR" shall mean the firm or company with whom the order for supply is placed and is deemed to include the contractor's successors (approved by purchaser) representatives, heirs, executors and administrators of contract unless excluded by the contract.
- 1.3 The term "BIDDER" and the term "TENDERER"/"SELLER" shall mean contractor as defined above.

SUPPLY OF 500 METERS PRESSURE INFLATABLE OIL CONTAINMENT BOOM WITH ITS ACESSORIES
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- 1.4 "CONTRACT PRICE" shall mean the sum, unless excluded by the contract, accepted or the sum calculated in accordance with the prices accepted by the purchaser.
 - 1.5 The term "DELIVERY" shall mean delivery by the dates stipulated in the acceptance of the tender or in its amendments including erection, Demo, and trial if applicable as per the purchaser.
 - 1.6 The "CHAIRMAN" shall mean, The Chairman, Visakhapatnam Port Trust.
 - 1.7 The term "BOARD" shall mean the Board of Trustees of Visakhapatnam Port Trust.
 - 1.8 The term "CHIEF MECHANICAL ENGINEER" shall mean the representing Officer of the Chairman /VISAKHAPATNAM PORT TRUST.
-



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- 1.9 The term “PURCHASER” shall mean the Board of Trustees of the port of Visakhapatnam represented by its Chairman or any other Officer duly authorised by him to execute contracts relating to purchase and supply of stores on their behalf.
- 1.10 The term “MATERIAL”/ “Goods” shall mean anything used in the name of the Stores.
- 1.11 The term ‘Stores’ shall mean what the Contractor agrees to supply under the contract as specified in the Purchase Order including the erection of plants and machinery and subsequent testing, should such a condition be included in the Purchase Order.
- 1.12 The term ‘Purchase Order’ shall mean the communication signed on behalf of the Purchaser by an Officer duly authorized intimating the acceptance on behalf of the purchaser which will be treated as concluded contract on the terms and conditions mentioned or referred to in the said communication accepting the Tender or offer of the Contractor for supply of stores or plant, machinery or equipment or part thereof.
- 1.13 “Consignee” means the person specified in the contract to whom the stores are delivered at destination in the manner specified therein.
- 1.14 The term “PARTICULARS” shall mean the following:
- a) Specifications, drawings, sample, proprietary mark.
 - b) Any other details governing the construction, manufacture or supply of stores as may be prescribed in the contract.
- 1.15 The term “TEST” shall mean all such test or tests as are mentioned in the relevant specification/standards including those specified by the third party inspection agency like Lloyds Register of Shipping/IRS or any classification society approved by D.G. Shipping of India for accepting the stores.
- 1.16 “Schedule” means the schedules annexed to the contract.
-



- 1.17 "Signed" includes stamped, acceptance in the case of a contract or any amendment thereof.
- 1.18 "Site" means the place or places named in the schedule or such other place or places as may be approved by the purchaser at which any work has to be carried out.
- 1.19 "Writing" includes the matter either in whole or in part in manuscript, type written, lithographed, cyclostyled, photographed, or printed under or over signature or seal, as the case may be.
- 1.20 Terms and expressions not herein defined shall have the meanings assigned to them in the (Indian) Sale of Goods Act 1930(as amended) or the (Indian) contract Act 1872(as amended) or the General clauses Act 1897(as amended) as the case may be.

2. **EARNEST MONEY DEPOSIT**

The tender/quotation must be accompanied with an Earnest Money Deposit as prescribed in the tender document. Tenders received without Earnest Money Deposit or with Earnest Money less than the requisite amount will be summarily rejected. No interest will be payable on the Earnest Money Deposit. The Earnest Money Deposit of the successful Tenderers/Bidders shall be retained as part of security deposit. The Earnest Money deposit of the unsuccessful Tenderer/Bidder shall be released within one month of finalisation of the tender. If the Tenderer/Bidder withdraws or modify or amend or rescind the tender / quotation, the Earnest Money shall stand automatically forfeited. Earnest Money Deposit shall be paid in the form of a Demand Draft drawn in favour of Financial Adviser & Chief Accounts Officer, Visakhapatnam Port Trust, Visakhapatnam – 530035. Bank guarantees will also be accepted towards Earnest Money Deposit. The tenderers desiring to submit Bank Guarantee in lieu of Earnest Money Deposit shall note down the following to avoid rejection of offers submitted at the time of tender opening.

- 2.1 It shall be given on a Non-judicial stamp paper of minimum value as per the provision of the Indian Stamp Act and strictly as per the format enclosed herewith.
- 2.2 The Non-judicial stamp paper shall be purchased in the name of the issuing Bank.
-



- 2.3 It is issued by a Nationalised /Scheduled Indian Bank or by a well-recognised first class foreign bank and endorsed by the State Bank of India.
- 2.4 The bank guarantee should be kept valid for 6(six) months from the date of opening of the tender.
- 2.5 The bank guarantee is liable for encashment in case the contractor/Bidder/Tenderer/Seller fails to proceed with the contract or on breach of the conditions of the contract.

Earnest Money in any other form shall be liable for rejection.

3. **Procedure for Submission of Bids**

3.1 Two-Cover System

If in the tender schedule it is desired to follow two-cover system/two bid system, then the tender has to be submitted in two separately sealed covers, namely Techno-Commercial bid in one cover (i.e. Cover –I) and Price bid in another cover (i.e. Cover –II).

3.1.1 The Techno-Commercial bid of the tender should be enclosed in a sealed cover super scribing with the words “ Cover –I, Techno-Commercial Bid”. Please note that cover – I shall contain only Earnest money deposit, technical and commercial matters, proof of experience, testimonials etc which are generally required for pre-qualification purposes. Prices should not be indicated in the technical bid. In short, the Cover –I, i.e.Techno-Commercial bid shall contain everything other than price.

3.1.2 Cover – II, i.e. Price bid of the tender should be enclosed in a separate sealed cover superscribing with the words “Price Bid”. The Price bid should only indicate prices (item-wise) and not any commercial conditions. If any commercial conditions exist in the price bid, such commercial conditions stand cancelled deeming as if it did not exist at any time.

3.1.3 Both the techno-commercial bid cover i.e. cover-I and the price bid cover i.e. cover-II prepared as above should be kept in a single sealed cover superscribed with tender number, due date, description of item, contractor's address. The cover thus prepared



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should also indicate clearly the name and address of the Tenderer for easy identification. The price bids of two-bid tender system will be opened after evaluation of the Techno-commercial bids.

The bids/tenders shall be submitted to the following officer by post/courier etc so as to reach within 13.00 hours of the due date of the tender as mentioned in the tender schedule.

The Chief Mechanical Engineer,
Materials Management Division, Visakhapatnam Port Trust, 4th
Floor, DLB Building, Port Area, Visakhapatnam –
530 035 Andhra Pradesh, India

- 3.2.2 The tenderers at their option may drop the tenders in the appropriate tender box kept at the office of the Materials Manager, Visakhapatnam Port Trust before 12.00 noon of the due date of the tender as mentioned in the tender schedule. The tender box will be closed & sealed at 2.00 noon on the due date of the tender. Any offers/quotation/tender will not be accepted after the closing hours i.e. after 12.00 noon of the due date of the tender.
- 3.2.3 Tenders/Quotations through fax, telex, telegram, E-mail etc. will not be accepted. It is the responsibility of the tenderer to ensure that their tenders are deposited in the appropriate tender boxes on or before the closing date and time. The Purchaser will not accept any reasons including postal delay, transportation problems, communication problems etc. for delay in submission of tender. Tenders not received within the prescribed time limit shall be summarily rejected. Late and delayed tenders shall not be accepted under any circumstances. Incomplete offers/ tenders/ Quotations including those not complying with the conditions of the tender will be liable for rejection.
- 3.2.4 In the event of the specified date for the receipt of Bids/tender being declared a holiday for the Purchaser, the Bids will be received upto the appointed time on the next working day.
- 3.2.5 The Purchaser may, at their discretion, may extend the last date for receipt of bids/tenders. In such case, the validity of the quotation/ bid /tender shall automatically stand extended accordingly. The tenderer shall extend the Bank Guarantee towards earnest money deposit, if any, accordingly. The details of such extension/corrigendum will be posted in the VPT Website [www.vizag port.com](http://www.vizagport.com).
-



4.Attendance of the Representatives for Tender Opening

The tender will be opened in presence of representatives of the bidders who will be present during the tender opening. Tenderers' representatives desirous of attending tender opening should submit their authorisation letter to the concerned officer in advance failing which they may not be allowed to attend the tender opening.

5.AUTHORITY OF PERSON SIGNING TENDER/CONTRACT DOCUMENTS

A person signing the tender or any other document in respect of the contract on behalf of the contractor without disclosing his authority to do so shall be deemed to warrant that he has the authority to bind the contractor. If it is discovered at any time that the person so signing had no authority to do so, the Purchaser may, without prejudice to any other right or remedy of the purchaser, cancel the contract and make or authorise the making of the purchase of the stores at the risk and cost of such person and hold such person liable to the Purchaser for all costs and damages arising from the cancellation of the contract have including any loss, which the Purchaser may sustain on account of such purchase.

6. Words in the singular include the plural and vice-versa. The headings of conditions hereto shall not affect the construction thereof. Printed terms and conditions of the Tenderers will not be considered as forming part of their tenders. Conditional offer is liable to be ignored. Conditional discounts like discounts for early payments, discounts for ordering more quantity etc. shall be ignored.

7.Contacting the Purchaser

No Tenderer shall contact the purchaser on any matters relating to its bid, either directly or indirectly from the time of the bid opening to the time the Contract is awarded unless explicitly asked to do so in writing by the Purchaser. Any efforts by a Tenderer to influence the Purchaser's bid evaluation, bid comparison or contract award decisions, either directly or indirectly may result in the rejection of the Tenderer's bid.

8.PARTIES TO THE CONTRACT

The parties to the contract are the Contractor and the purchaser, named in the tender document/schedules.

9. MISTAKE IN DRAWINGS AND SPECIFICATIONS

The Contractor shall be responsible for studying the enclosed specification, drawings, Quality Assurance Plan etc and quote accordingly duly satisfying



th; oemselfes about its correctness, completeness, clarity etc. If any discrepancies, errors, omission etc are observed by the contractor in respect of the specification, drawings, Quality Assurance Plan etc., the same shall be informed to the Purchaser within 7 days (of receipt of tender by the tenderer) to examine the necessity for any alterations in the specification, drawings, Quality Assurance Plan, commercial conditions etc. Any sorts of concessions like extension of delivery, acceptance escalation in cost, increase in taxes & duties etc. on the ground of defects in the tender specification, drawings, Quality Assurance Plan, commercial conditions etc. will not be entertained by the Purchaser.

10. **PATENT RIGHTS**

In the event of any claim or demand being made or action being brought against the Purchaser for infringement or alleged infringement of letters-patent in respect of any machine plant, work or thing used or supplied by the Contractor under this Contract or in respect of any method of using or working by the Purchaser of such machine plant, work or thing the Contractor will indemnify the Purchaser against such claim or demand and all costs and expenses arising from or incurred by reasons of such claims or demand.

11. **RESPONSIBILITY OF CONTRACTOR**

11.1 The contractor will be entirely responsible for the execution of the contract duly complying with all the legal and statutory requirements in all respects including patent right requirements.

11.2 The contractor shall execute the order in accordance with to the specifications and terms & conditions as specified in the tender conditions and technical specifications, quality assurance plans etc.as annexed hereto.

11.3 The contractor shall not ask for any assistance from the purchaser in procurement of raw materials or in proving other assistances etc, which are required for fulfilment of the contract or for transport facilities etc.

11.4 The tenderer may visit the site at Visakhapatnam Port Trust and get fully acquainted with the site conditions, equipment condition, the place of use of the subject stores, environment conditions so as to quote accordingly duly meeting the conditions of the site.

The contractor shall be responsible for proper new packing so as to withstand the usual hazards during transportation/shipment and to ensure safe arrival of the goods at the destination. Any loss or damage resulting from insufficient or defective packages or packing is to be made good by the contractor.



12. COMMENCEMENT OF CONTRACT

The Contract shall come into effect from the date of communication of acceptance of the offer by the Purchaser, which shall include letter of intent.

13. FIRM & FIXED PRICE

The price mentioned in Purchase Order remains firm and cannot change till the order gets fully executed.

14. DELIVERY

14.1 Time of delivery as mentioned in the Purchase Order shall be the essence of the contract and no variation shall be permitted except with prior authorization in writing from the Purchaser.

14.2 The contractor shall deliver the stores based on F.O.R, Visakhapatnam (applicable for indigenous bidders) or based on CIF Chennai Port Basis (Incoterms 2000) .

14.3 The rates quoted by the indigenous bidders shall be construed to be based on F.O.R, Visakhapatnam by road exclusive of all taxes & duties and third party inspection charges. The purchaser is registered neither with state Government sale tax authority nor with central Government sale tax authority. Hence the purchaser shall not issue any kind of sale tax form or road permits/Way bills etc. for transportation of goods in India. The contractor shall charge full rate of sale tax as legally applicable.

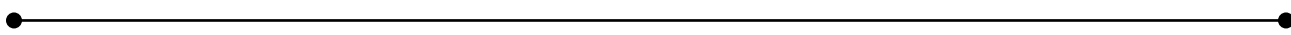
14.4 The purchaser shall not render any assistance to the contractor in securing or to arrange for or provide transport to the contractor.

14.5 Notwithstanding any inspection and approval by the purchaser or his representative on the contractor's premises/works prior to despatch, property in the stores shall not pass on to the purchaser until the stores have been received, inspected and accepted by the purchaser.

14.6 No stores shall be delivered to the consignee on Sundays and Public holidays without obtaining prior approval of the purchaser in writing.

14.7 Where no delivery period is expressly stated, it shall be construed as seven days from the date of placing the order.

14.8 The Purchaser reserves the right to defer the period of delivery in writing without any financial repercussion on either side and without giving any information or notice to the contractor.





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14.9 Clause for imported stores on CIF delivery basis: In the event of the contractor/seller failing to ship the stores duly inspected and passed within the stipulated delivery period the purchaser is entitled to cancel the contract in respect of the same at the risk and cost of the contractor or invoke the clauses providing other remedies such as liquidated damages as provided in the contract. However, if the contractor chooses, the purchaser may at his option grant an extension of the delivery period subject to levy of liquidated damages as mentioned in clause-20 below.

15. DELAYED DELIVERY

Time and date of delivery of material as stipulated in the Purchase order shall be deemed to be the essence of the contract. In case of delay in execution of the order beyond the date of delivery as stipulated in the order or any extensions sanctioned, the Purchaser may at his option can accept the delayed supply subject to levy of liquidated damages as per clause-20 below or cancel the order and resort to risk purchase as per clause-19 below or cancel the order without resorting to risk purchase without prejudice to any of his other rights. The increase in Taxes and duties beyond the date of delivery as stipulated in the Purchase order shall not be payable by the Purchaser under any circumstances, even if extension of delivery with or without liquidated damages is sanctioned. Besides this, the purchaser shall reserve the right to recover any extra expenditure which might have been incurred by the purchaser on account of the increase in custom duty, extra bank charges for extending validity of Letter of Credit etc and freight charges directly related to the delay in despatch/shipping of the stores.

16.PACKING AND MARKING OF STORES

The contractor shall pack the materials with new and virgin packing materials securely & adequately at his own cost taking all precautions for ensuring full protection to the stores and for safe transit of the cargo by rail/road/air/sea.

16.1 All containers including packages, boxes, tins, drums and wrappings in the stores supplied by the contractor shall be considered as non-returnable and the cost have been included in the contract price.

16.2 The contractor at his expense shall mark bale/package delivered under the contract. Such marks shall be distinct and shall clearly indicate the purchase order number, date, description of stores, name and address of the consignee and gross weight & net weight of the package and the name of the contractor/seller for the purpose of clear identification of the cargo. Each bale or package shall contain a packing list specifying the name and address of the contractor, number and date of the purchase order, consignee and quantity contained in such bale or package. Any other



marking, which are considered suitable by the seller towards avoidance of hazards (if any), safe handling procedure etc. may be given by the seller.

17. PROGRESS REPORT

Contractor shall from time to time submit reports concerning the progress of the work vis-à-vis the likely date of delivery. Submission of such reports by the seller and its receipt & acceptance by the purchaser shall always be without prejudice to the rights of the purchaser under the contract. Such progress reports shall not used by the seller to operate against the purchaser merely by reasoning of the fact that the purchaser has not taken notice or subject to the test of any information contained in such report.

18. NOTIFICATION OF DELIVERY

As soon as the goods are despatched/shipped, intimation must be sent to the purchaser within 48 hours of shipment giving the following information for the purpose of insurance and planning for clearance from customs.

18.1 Bill of lading number, date, name of the vessel, number of packing case, its dimensions and weight, value of the consignment etc.

18.2 The indigenous suppliers shall intimate Lorry Way bill number, date, name of transporters, number of packing case, its dimensions and weight, value of the consignment etc.

19 LIQUIDATED DAMAGES:

It is clearly understood among the parties to the contract that the delivery of the goods specified in the purchase order should be made within the time limit prescribed. Where the seller supplies or dispatches the goods beyond the delivery period specified, the purchaser will have no obligation to accept the goods. If accepted liquidated damages at the rate of ½% (half percent) of the value of goods in arrears per week or prorata at the discretion of the purchaser, subject to a maximum of 10% (ten percent), will be levied without prejudice to any other relief or compensation due to the purchaser under any other condition to the contract.

20. INSPECTION & ACCEPTANCE

The Purchaser will inspect the material on receipt and rejections, if any, will be notified.

Purchaser reserves right to reject material due to latent defects even if at the first instance, the same has been accepted by Purchaser and /or paid for. The supplier shall replace the rejected material within 15 days time from the date of receipt of Rejection Note, otherwise equivalent material will be procured from open market and the amount shall be deducted from bills by debiting Supplier's account or Supplier will give Demand Draft towards differential cost.



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GURANTEE/WARRANTY

All items of Plant, Machinery, spares, components and such other items of stores where defects came to notice only after it has been put to actual use are subject to the following guarantee/warranty clause.

21.1 The Contractor shall warrant that everything to be furnished hereunder shall be free from all defects and faults in material, workmanship and manufacture and shall be of the highest grade and consistent with the established and generally accepted standards for materials of the type ordered and in full conformity with the contract specifications, drawings or samples, if any and shall if operable operate properly.

21.2 This warranty shall survive in-spite of payment for acceptance of goods, but shall expire after 02 years in respect of complaints defects and/or claims notified to the contractor within 24 months of such date. Any approval of acceptance by the Purchaser of the stores of the materials incorporated herein shall not in any way limit the contractor's liability.

21.3 The Contractor's liability in this respect of any complaints defects and or claims shall be limited to the furnishing and installation of replacement parts free of any charge or the repairs of defective parts only to the extent that such replacements or repairs are attributed to or arise from faulty workmanship or material or design in the manufacture of the stores provided defects are brought to the notice of the contractor within 3 months of their being first discovered during the guarantee period and 3 months from the date of expiry of warranty period or at the option of the purchaser to the payment of the value, expenditure and damages as hereafter mentioned.

21.4 The contractor shall, if required, replace or repair the goods or such portion thereof as rejected by the purchaser free of cost at the ultimate destination or at the option of the Purchaser the contractor shall pay to the purchaser value thereof at the contract price and such other expenditure and damages as may arise by reason of the breach of the condition herein specified.

21.5 All replacements and repairs that the Purchaser shall call upon the contractor to deliver or perform under this warranty shall be delivered and performed by the Contractor within one month (promptly and satisfactorily). If the contractor so desires, the replaced parts can be taken over by him or his representative in India for disposal as he deems fit within a period of three months from the date of replacement of goods/parts. At the expiry of this period, no claim, whatsoever, shall lie on the Purchaser. Moreover the purchaser may in his discretion recover the ground rent at the prevalent rate from the contractor for the stores which has been rejected during the warranty period for the specified period of 3 months if the rejected material is not taken

~~over within the period of 3 months by the contractor or his representative.~~



21.6 The warranty herein contained shall not apply to any materials which shall have been repaired or altered by the Purchaser on his behalf in any way without the consent of contractor so as to effect its strength performance or reliability or to any defect to any part due to misuse, negligence or accident.

21.7 The decision of the purchaser on any matter relating to the contract including the contractor's liability and the amount, if any, payable under this warranty shall be final and conclusive and can not be questioned in any arbitration.

21.8 If at any time during the guarantee period any deficiency is found or the stores do not conform Purchaser's requirements/specifications and/ or do not meet the desired performance, the Supplier agrees to revise, modify, rectify and replace the design, engineering, equipment, material or stores as the case may be in a manner calculated by the PURCHASER to correct the deficiency or the unsatisfactory

22 performance at the Supplier's own expenses within a minimum time to be specified by PURCHASER. In the event of the Supplier failing to do so, the PURCHASER may at its option get the job done by third party and all costs incurred by PURCHASER shall forthwith be reimbursed by the Supplier without prejudice to PURCHASER's any other rights and/or remedies provided in the contract or by the relevant provision of Law.

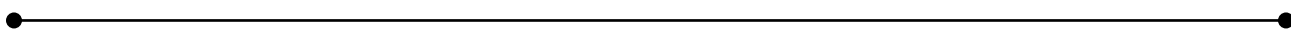
23. INCIDENTAL SERVICES

The supplier may be required to provide any or all of the following services:

23.1 Performance or supervision of on-site assembly and/or start-up of the supplied goods.

23.2 Commissioning tools, spares etc as may be required for the purpose of commissioning, trial run, performance testing etc. of the stores supplied free of any cost.

23.3 Performance of supervision or maintenance and/or repair of the supplied goods free of charge, for a period of time agreed by the parties provided that this service shall not relieve the Supplier of any Warranty obligations under this Contract.





24. BREACH OF STATUTES

The contractor shall indemnify the Purchaser and shall keep the Purchaser harmless against all penalties and liabilities of every kind of breach of any Statutes, Ordinances, Rules and regulations or by laws as may be applicable for and in the execution of the contract.

25. INDEMNITY

25.1 The Contractor shall warrant and be deemed to have warranted that all stores supplied against this contract are free and clean of infringement of any patent copy right or trade mark and shall at all times indemnify the Purchaser against all claims which may be made in respect of the stores for infringement of any right protected by Patent, Registration of design or Trade Mark and shall take all risk of accidents of damage which may cause a failure of the supply from whatever cause arising and the entire responsibility for the sufficiency of all the means used by him for the fulfilment of the contract.

25.2 The contractor shall at all times indemnify and keep the purchaser harmless against all claims which may arise in respect of stores for infringement of any patent right or any right protected by competent registration authority on design or trade mark etc. The contractor agrees that he will defend, indemnify, save and hold the purchaser harmless from any and all demands, liabilities, losses, costs and claims, including reasonable attorney's fees asserted against the purchaser that may arise or result from any product sold by the contractor, it's agents, employees or assigns. The contractor agrees to defend, indemnify and hold harmless the purchaser against liabilities arising out of (1) any injury to person or property caused by any products sold or otherwise distributed (2) any material supplied by the contractor infringing or allegedly infringing on the proprietary rights of a third party; (3) copyright infringement and (4) any defective products sold to the purchaser.

25.3 The indemnity shall continue to operate even if the contract is cancelled or executed long ago.

26. RISK PURCHASE

Alternatively, the purchaser at his option, will be entitled to terminate the contract and to purchase elsewhere at the risk and cost of the seller either the whole of the goods or any part which the supplier has failed to deliver or despatch within the time stipulated as aforesaid or if the same were not available, the best and the nearest available substitute therefore. The seller shall be liable to pay for



any loss which the purchaser may sustain by reason of such risk purchase plus departmental charge @ 18% in addition of liquidated damages at the rate mentioned in clause 20 above.

27. FAILURES AND TERMINATION:

27.1 Notwithstanding anything hereinabove contained, the Purchaser reserves the right to cancel the Purchase Order/or, any parts thereof and shall be entitled to rescind their contract wholly or in part of the Purchase order in the event of the following: -

27.1.1 the contractor's failure to proceed with supply after receipt of Purchase order.

27.1.2 the contractor fails to comply with the terms & conditions of the Purchase order.

27.1.3 the contractor fails to deliver the goods on time and/or replace the rejected goods promptly.

27.1.4 the contractor becomes bankrupt or goes into liquidation.

27.1.5 the contractor, in the judgment of the Purchaser has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

27.2 In the event of cancellation of Purchase order on the aforesaid grounds, the contractor shall not be entitled to any claim for loss, compensation or damage arising out of any such early termination. But, the Purchaser will be entitled to procure the requirement in the open market and recover the excess payment over the Contractor's agreed price, if any, from the Contractor reserving to itself the right to forfeit the security deposit, if any, made by the Contractor against the contract. The provision of this clause shall not prejudice the right of the Purchaser from invoking the provisions of other clauses incorporated herein.

For any reason whatsoever, "PURCHASER" shall be at liberty to terminate this order forthwith and without prejudice to all other rights and claims of "PURCHASER" under this order or otherwise in law against the contract/order and the "PURCHASER" herein shall be at liberty to terminate this order/contract by giving 30 days notice in advance of the intention to do so without assigning any reason whatsoever. The PURCHASER shall reserve the right to amend, alter or cancel this order and/or the delivery schedules without assigning any reason and/or without in any manner incurring any liability on PURCHASER.



28. CONSIGNEE'S RIGHT OF REJECTION

Notwithstanding any pre-despatch inspection done by the purchaser or by any other inspection agency, the consignee shall reserve the right to reject/restore whole or part of a consignment within a reasonable time after actual delivery at the place of destination, if such stores or part/ portion of consignment is not in all respects in conformity with the terms and conditions of the contract whether on account of any loss, deterioration or damage before despatch or delivery or during transit or otherwise whatsoever.

29. The Purchaser's weights / measurements shall govern.

30. Failure by the Purchaser to enforce any of these Conditions shall not be construed as a waiver of any of the Purchaser's rights hereunder.

31. These Conditions shall be read in conjunction with all other authorised written instructions and terms given or specifically agreed to by the Purchaser in respect of the goods and services the subject matter of the order and which together with the order shall constitute the whole of terms of the contract.

32. REMOVAL OF REJECTED GOODS

Rejected stores under all circumstances shall be lying at the site/stores at the risk of the contractor from the moment of rejection and if such stores are not removed by the contractor within 21 days from the date of intimation from the purchaser, the purchaser may either return it to the contractor at the risk and cost of the contractor by such mode of transport as the purchaser may select or dispose off such stores at the contractor's risk on his purchaser's account and retain such portion of the sale proceeds as may be necessary to recover any expenses incurred in such disposals.

33. RECOVERY OF SUMS DUE

Whenever any claim against the contractor for payment of a sum of money arises out of or under the contract, the Purchaser shall be entitled to recover such sums from any sum then due or which at any time thereafter any become due from the contractor under this or any other contract with the Purchaser and should this sum be not sufficient to cover the recoverable amount the contractor shall pay to the Purchaser on demand the balance remaining due.

34. GIFTS AND REWARD

Any commission, gift, reward or advantage given promised or offered by or on behalf of the seller in relation to the obtaining of this contract or its administration by purchaser, shall, in addition to the criminal liabilities which may arise, subject to cancellation of this by the seller and all other contracts with the seller (at the option of the purchaser) and further subject to, the seller making payment of (1) any loss or damage suffered by the purchaser in



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connection with the re-purchase of the cancelled materials elsewhere and (2) all other loss and damage suffered by the seller generally and arising out of the cancellation of this and other contracts.

35. PAYMENT TERMS

The purchaser will make 100% payment within 30 days of receipt and acceptance/testing of material.

36. MANUFACTURING STAGE-WISE INSPECTION BY THIRD PARTY

The stores will be manufactured under the supervision of Lloyds Register of Shipping or by any other equivalent reputed third party inspection agency. The scope of inspection shall cover right from the initial stage of procurement of raw materials, fabrication /manufacture of the components till the stage of assembly of finished product. The tenderer shall agree to arrange for inspection by the third party inspection agency as per the Quality Assurance Plan (herein after abbreviated as QAP) enclosed with the tender, if any. If there is no QAP along-with the tender, the same will be submitted by the tenderer together-with the quotation for approval of the Purchaser. The third party inspection agency shall be nominated by the contractor and approved by the purchaser. The contractor shall indicate the name, address and the credentials of the proposed third party inspection agency for assessing their capability to carry out the job. The third party inspection agency i.e. Lloyds Register of shipping, Indian Register of Shipping or any other classification society approved by D.G.Shipping of India will carry out inspection based on the QAP attached with the tender /approved by the Purchaser. The rate should be exclusive of the inspection charge of the third party inspection agency. But their charges for inspection may be indicated in the techno-commercial bid. The purchaser may at his option either pay the inspection charges to the third party inspection agency directly or request the contractor to pay it and ask for reimbursement of same from the purchaser producing the relevant documentary evidences. All inspection certificates issued by the third party inspection agency shall be sent along-with the shipping/despatch documents.

37.NO ASSIGNMENT/ NO SUB LETTING

The contractor shall not assign the Purchase Order to any other agency without obtaining prior written consent of the Purchaser.

38. ARBITRATION

38.1 In the event of any question, dispute or difference whatsoever relating to existence, meaning and interpretation of this contract or any alleged breach thereof, the same shall be referred to the Sole Arbitrator of the



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Chairman or to a person appointed by him for the purpose. The arbitration shall be conducted in accordance with the provisions of the Indian Arbitration and conciliation Act 1996.

It will be no objection that the Arbitrator is an interested person and/or that he had to deal with the matters for which the contract relates and /or in the course of his duties he has expressed any view on many matter in dispute or difference. The award of the arbitrator shall be final and binding.

- 38.3 In the event of Arbitrator dying, neglecting, resigning or being unable to act for any reason or his award being set aside by the court for any reason, it will be lawful for the Chairman to appoint another Arbitrator in the place of the outgoing Arbitrator.
- 38.4 It is agreed that no person other than a person appointed by Chairman of the Visakhapatnam Port Trust shall act as an arbitrator and that if for any reason that is not possible, the matter should not be referred to arbitration at all.
- 38.5 The costs of the arbitration as per the provisions of the Act 1996 shall be at the discretion of the Arbitrator. The arbitration shall be conducted at Visakhapatnam.
- 38.6 Notwithstanding any dispute between the parties contractor shall not be entitled to withhold, delay or defer his obligations under the contract and the same shall be carried out strictly in accordance with terms and conditions of the contract.
- 38.7 The sole arbitrator shall give an item-wise speaking and/or reasoned award in respect of each item of claim. Further, the sole arbitrator is prohibited from making an order in the award relating to the payment of interest on any amount payable to the contractor.

39. LAWS GOVERNING THE CONTRACT

39.1 This contract shall be governed by the laws of India for the time being in force.

39.2 In case of any ambiguity in the interpretation of any of the clauses in Tender Document or the Contract Document, interpretation of the



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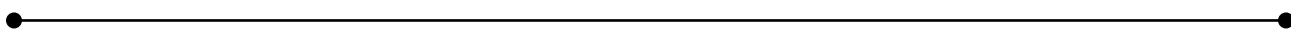
clauses by the Purchaser shall be final and binding on all parties.

40. Jurisdiction

The courts at Visakhapatnam shall have exclusive jurisdiction and try all matters arising out of this contract.

Signature of CONTRACTOR :
Name :
Designation: :
Postal Address :

Fax :
Phone No :
E-Mail :
Website :





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FORMAT

**Bankers Guarantee for Earnest money
(To be used by Scheduled Commercial Banks)**

In consideration of the Board of Trustees of the Port of
Visakhapatnam a body corporate duly constituted under the Major Port Act, 1963
(Hereinafter called “ The Visakhapatnam Port Trust Board”,) having agreed to exempt
M/s. -----(firm’s name & address) -----

(Herein after called ‘ the said Contractor(s) ‘) from the demand, under the terms and
conditions of the agreement dated.made between the
Chairman, Visakhapatnam Port Trust Board and .M/s. (firm’s name &
address)

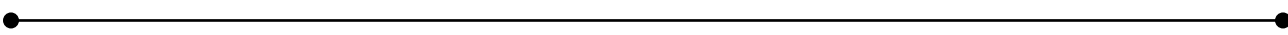
(Hereinafter called “ the said agreement”) of Security Deposit /Earnest money deposit
by said Contractor (s) of the terms and conditions contained in the said agreement, on
production of a Bank Guarantee for Rs. (Rupees
..... only).

We. . . (Name of the Bank & address). do hereby
undertake to indemnify and keep indemnified the Board to the extent of Rs.
.(figures & words) . . .

We. (Name of the Bank & address).,further agree that if a demand is
made by the port for honouring the Bank Guarantee. We (Name of the Bank & address).

..... have no right to decline to cash the same for any reason whatsoever. The
fact that there is a dispute between the said Contractor(s) and the Port is no ground for

US (Name of the Bank & address).
.....





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to decline to honour the Bank Guarantee. The vary fact that we (Name of the Bank & address)

.....

Decline to honour the Bank Guarantee is a sufficient reason for the Port Trust Board to enforce the Bank Guarantee unconditionally without any reference to the said Contractor(s).

2. We (Name of the Bank & address). ,further agree that a mere demand by the Port Trust Board is sufficient for us. (Name of the Bank & address)

.....

to pay the amount covered by the Bank Guarantee without reference to the said contractor(s) and any protest by the said contractor(s) cannot be a valid ground for us. (Name of the Bank & address)to decline payment to the Port Trust Board.

3. We (Name of the Bank & address). , further agree that the guarantee herein contained shall remain in full force and effect during the period shall continue to be enforceable till all the dues of the Visakhapatnam Port Trust Board under or by virtue of the said agreement have been fully paid and its claim satisfied or discharged, or till the Visakhapatnam Port Trust Board certifies that the terms and conditions of the said agreement have fully and properly carried out by the said Contractor(s) and accordingly, discharges the guarantee subject however, that the Visakhapatnam Port Trust Board shall have no rights under this bond after the expiry ofmonths from the date of its execution. If a notice of demand is served on the Bank by the Port Trust Board before the expiry of the guarantee, then, notwithstanding anything to the contrary herein contained the liability of the Bank Under this guarantee will continue until terminated by operation of law.

4. We (Name of the Bank & address) ,further agree that the Port Trust Board shall have the fullest liberty, without our consent and without affecting in any manner our obligations hereunder, to vary any of the



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terms and conditions of the said agreement or extend time of performance by the said Contractor(s) from time to time or to postpone for any time or from time to time, any of the powers exercisable by the Port Trust Board against the said Contractor(s) and to forbear or enforce any of the terms and conditions relating to the said agreement and we shall not be relieved from our liability by reasons of any such variation or extension being granted to the said Contractor(s) or for any forbearance act or omission on the part of the Port Trust Board or any indulgence by the Port Trust Board to the said contractor(s) or any such matter or thing whatsoever which under the law relating to sureties would but for this provision have effect of so relieving us. (Name of the Bank & address).

.....

5. We (Name of the Bank & address).lastly undertake not to revoke this guarantee during its currency except with the previous consent of the Visakhapatnam Port Trust Board in writing.

Dated the day of

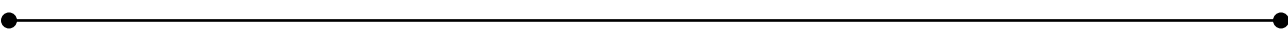
.....

.. Two thousand and for

.....

.....(Name of the Bank & address).

.....





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