

COMMERCIAL TERMS & CONDITIONS

1. Contractors may submit their Tenders as specified. The tenders should be in English Language only.
2. Tenders posted or submitted after the due date are considered as "LATE TENDERS" and are liable for rejection. Tenders posted before the due date but received after the due date are considered as "DELAYED TENDERS" and are liable for rejection.
3. Tenders shall be submitted in duplicate in accordance with the Technical Specifications and other instructions if any in the manner prescribed.
4. Each page of the Tender must be numbered consecutively and bear the Tender number and signature of the Contractors.
5. Unit rates shall be clearly given both in figures and words.
6. Corrections and alterations in the Tenders, if any shall be initiated by the Contractor.
7. Each item of the Technical Specification attached to this Tender Schedule is to be considered as a separate Tender. Shipyard has the right to accept in full or any portion or part of the Tenders at the unit price indicated in the Tenders.
8. Only the authorized representative (s) of the Contractors who have submitted their Tenders are eligible to be present at the time of opening of Tenders and they may if they so desire, note down the particulars of the other Tenders in the manner directed by the officer who presides over the said Tender opening.
9. Contractors or their representative (s) who failed to attend the Tender Opening on the specified date (s) are not entitled to have the particulars of the other Tenders at a later date (s).
10. Where the Contractors are not in position to submit their Tenders, they shall inform HSL before the due date, of their inability to quote.
11. Non-adherence to any of our conditions may render your quotation liable to be rejected.

12 CORRUPT PRACTICES:

The Contractors shall not offer or give or agree to give any person in the employment of the HSL or working under the orders of the HSL any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or for having done or forborne to do any act in relation to the obtaining or execution of the contract or any other contract with HSL or for showing any favour for forbearance to show disfavour to any person in relation to the contract or any other contract with HSL. Any breach of the aforesaid condition by the Contractors, or any one employed by them or acting on their behalf whether with or without the knowledge of the Contractors or the commission of any offence by the contractors or by anyone employed by them or acting on their behalf under Chapter-IX of the Indian Penal Code 1860 or the Prevention or Corruption Act 1947 or any other Act enacted for the prevention of corruption by Public Servants shall

entitle HSL to cancel the contract and all or any other contracts with the contractors and to recover from the Contractors the amount of any loss arising from such cancellation in accordance with the provision of clause.

13. APPROPRIATION:

Whenever under the contract any sum of money is recoverable from, and payable by the contractor, HSL shall be entitled to recover such sum by appropriating in part or whole by deducting any sum then due or which at any time thereafter may become due to the contractor in this or any other contract. Should this sum be not sufficient to cover the full amount recoverable the contractor shall pay to HSL on demand the remaining balance due. Not applicable to new contractors, who will be covered as per provision at sl no 11 of notice inviting tender.

14. ARBITRATION:

"All disputes between the parties shall be referred to the Sole Arbitration of the Chairman, Hindustan Shipyard Ltd., or a person to be appointed by the Chairman/Managing Director and if the Arbitrator so appointed resigns his appointment or vacates his office or is unable to and unwilling to act due to any reason whatsoever, the authority appointing him may appoint a new Arbitrator to act in his place. The Arbitrator so appointed may from time to time with the consent of the parties enlarge the period of time for making and publishing the award. The Arbitrator shall on all matters referred to him indicate his finding as along with the sums awarded separately on each individual item of dispute and the venue of Arbitration in all cases, subject the convenience of the Arbitrator be Visakhapatnam only. The award of the Arbitrator shall be final and binding subject to the provisions of the Indian Arbitration & Reconciliation Act, 1996."

15. JURISDICTION:

The enforcement of the term of the contract as well as all the transactions entered into by the Contractors, with the Purchasers shall be deemed to have taken place within the jurisdiction of Visakhapatnam where Hindustan Shipyard is situated and any cause of action arising in the due performance or breach of contract by either of the parties hereto shall be deemed to have arisen within the jurisdiction of Visakhapatnam notwithstanding the residence or place of the Purchasers or Contractor.

16. LAWS APPLICABLE:

Execution of work(s) covered by the Tender Schedule shall be governed by all the Laws of Government of India including the labour laws in force. You shall undertake to fulfill all claims that they may become payable under these provisions.

17. ESTOPEL:

In case any term (s) specified in this Tender Schedule are not acceptable, the Contractors shall make a positive statement to that effect in their Tender. And where no such mention is made, it shall be construed as the acquiescence on the part of the Contractors to execute the work (s) for which the Tenders are submitted in strict accordance with the terms and conditions specified in the Tender Schedule. Anywhere an order is placed on the basis of such Tenders, such order shall be deemed to be the concluded contract between HSL and Contractors and the Contractors are bound to or execute the work (s) covered by such contract. Failure on the part of the Contractors to execute the contract so concluded, without prejudice to the other rights available to the parties, shall make the Contractors liable under the terms and conditions of this Tender Schedule.

18. PARALLEL RATE CONTRACT:

HSL reserves the rights to conclude parallel contracts and also to get contracted work done outside, irrespective of the value of the work, when such course considered necessary.

19. PENALTY:

Penalty will be imposed on parties as appropriate based on costs incurred / consequent delays on the schedules/ delivery of the ship if the parties indulge in the following:

- 19.1. Strikes, Dharnas, Bundhs, intentional slowing down of the pace of the work.
- 19.2. Failure to mobilize the required work force in proportion to the required tempo in executing the work.
- 19.3. Deviating the work force to the other works, which are not connected to the contract.
- 19.4. Frequent adverse remarks by the quality control dept. on the quality of the works being executed.
- 19.5. Deploying sub- standard machinery and unqualified personnel in contrast to the commitments indicated in their offers for the contract.

20. FORCE MAJEURE:

Unforeseeable causes beyond the control and without any fault or negligence of either party which effect delay or failure to fulfill this arrangement partially or wholly shall be regarded as Force Majeure and shall include causes such as Acts of God. War, Fires, Floods, Epidemics, Quarantines, Govt. restrictions, Nationwide Strikes, Severe Storms, Typhoons etc. HSL will examine such claims and reserves the

right to accept them or reject them, depending upon the merits of each case.

21. Safety

- 21.1 The contractor has to ensure that the workmen engaged by the contractor report to the work spot with all relevant personal protective equipment like boiler suits, helmets, safety shoes, safety belts etc.,
- 21.2 The representative of principal employer i.e. HSL will be vested with the authority of sending the workmen out of the work spot if they do not wear the personal protective equipment.
- 21.3 Repeated violation of safety norms may lead to termination of contract.

22. SUBLETTING OF CONTRACT:

The sub-contractor to whom the contract is awarded shall not sublet, transfer, or assign the contract or any part thereof without the written permission from Shipyard. In the event of contravening this condition Shipyard shall be entitled to place contract elsewhere on contractor's account and at contractor's risk and the contractor shall be liable for any loss or damage, which the Shipyard may sustain in consequence of arising out of such replacing of the contract.

23. RESPONSIBILITY:

The contractor shall at all times during execution the contract take all reasonable precautions to prevent any unlawful, riotous or disorderly conduct by or amongst the executors and for the preservation of peace and protection of persons and property in working premises. The contractor shall also comply fully with all existing Act, regulations and bylaws including any statutory amendments and reenactment of the State or Central Governments and other local authorities besides the administrative procedures of HSL in vogue. In the event of any outbreak of illness of an epidemic nature the contractor shall comply with carryout such regulations, orders and requirements as may be made by the Government or local authority for the purpose of dealing with and overcoming the same.

24. CONFIDENTIALITY:

The contractor shall keep confidential all matters / data concerning this assignment and also comply with responsible security requirements. All documents and data supplied by HSL pertaining to this assignment shall be returned by the contractor after completion of the assignment.