Special Conditions of Contract

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

1. Performance Security / Security Deposit:
   a. Successful tenderer irrespective of their registration status with DGS&D or KVIC or OFB will be required to submit performance security within 30 days of contract for due performance of contract. The amount of performance security will be 5% of contract value in Indian Rupees or Foreign Currency stipulated in contract. Performance Security will be forfeited and encashed by the Buyer in the event of breach of contract by the Seller.

   b. Failure to submit performance security may entail cancellation of contract and EMD will be forfeited for unregistered firms, whereas in case of others the concerned registering agency will be informed for appropriate action. SSI Units registered under NSIC will be exempted from submission of PS/SD up to the monetary limit for which the unit is registered as per Development Commissioner, SSI, Min. of Small Scale Industries, Govt. of India letter vide F. No. 22(1)/2003/EP&M dt. 29/7/2003.

   c. Indigenous suppliers: The performance security will be in the form of demand draft or fixed deposit receipt or bank guarantee on non-judicial stamp paper in the specified format. The Performance Bank Guarantee (also called Performance Bond) shall be submitted from a public sector bank and should be valid up to 60 days beyond the contract period.

   d. Foreign suppliers: The Seller will be required to furnish a Performance Security by way of a Bank Guarantee from Seller’s Bank through an internationally recognized first class Bank in favour of the General Manager, Ordnance Factory Itarsi, M.P. – 461122, INDIA to be confirmed by an Indian public sector bank. Performance Bank Guarantee should be valid up to 60 days beyond the contract period. The Performance Bank Guarantee shall be considered open upon receipt by the Buyer’s Bank.

   e. In case any claims or any other contract obligations are outstanding, the Seller will extend the Performance Bank Guarantee as asked for by the Buyer till such time as the Seller settles all claims and completes all contract obligations. The Performance Bank Guarantee will be subject to encashment by the Buyer, in case the conditions regarding adherence to delivery schedule, settlement of claims and other provisions of the contract are not fulfilled by the Seller. The format of PBG is enclosed.

2. Payment Terms for Indigenous Sellers: 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/NEFT mechanism. The payment will be made as per the following terms, on production of the requisite documents:

   a. 90% value of material plus 100% Taxes, Duties if any, will be paid after acceptance in Presafe condition by consignee against submission of PBG / Warranty Bond amounting to 5% of contract value in the stipulated format. Freight charges will be
payable on actual against documentary evidence but not exceeding as quoted by the firm and accepted by purchaser.

b. Balance 10% value of material plus 100% Erection & Commissioning (E&C) charges after commissioning of machine.

3. Payment terms for Foreign Sellers:
   (a) For machines for which functional PDI at Firm’s premises is possible:
      (i) Payment will be made through irrevocable Letter of Credit only for 100% value of the order established on a public sector bank in India. In case of payment through confirmed LC, the charges of confirmation will be borne by the contractor. Purchaser will establish LC only three months prior to the actual date of delivery/shipment. In case contractor insists on establishment of LC immediately after conclusion of contract/placement of order irrespective of delivery/shipment schedule, LC will be established by the purchaser immediately after conclusion of contract for a period of three months with a provision in LC that cost of further extension of validity of LC will be borne by the beneficiary and the issuing bank will be advised accordingly while amending the LC.
      (ii) If any extension of the Letter of Credit (LC) is required due to the fault of the supplier, the supplier will have to pay for such extension.
      (iii)90% payment for supply & services including training charges at firm’s premises, if any, will be paid after acceptance in Pre Despatch Inspection (PDI) of machine at Firm’s works against dispatch documents i.e. bill of lading / airway bill, acceptance certificate by PDI team, etc. against submission of PBG / Warrantee Bond amounting to 5% of contract value in stipulated format.
      (iv) Balance 10% value of supply and including training charges at firm’s premises, if any, plus 100% Erection & Commissioning (E&C) supervision charges after commissioning and final acceptance of machine at purchaser’s end.

OR

(b) For machines like furnaces, heavy duty presses and plants, for which functional PDI at Firm’s premises is not possible:
   The payment terms at sl (a) above will be modified to the extent that 80% payment shall be made against firm’s Guarantee Certificate and self inspection certificate for equipments, systems, subassemblies, etc instead of PDI certificate and balance 20% after commissioning and final acceptance.

OR

(c) For contracts involving Turnkey projects where stage payments are contemplated:
   …………………………………………………...(To be defined as per complexity of case, by the Fy TPC or as per OFB’s guidelines).

4. Advance Payments: Advance payments may be made up to 15% against appropriate Bank guarantee for 110% of advance amount. In lieu of bank guarantee, Indemnity bond for equivalent amount is acceptable for Autonomous Bodies under administrative control of Government of India.

5. Documents for releasing Payment:
a. **Indian Sellers:** The payment of bills will be made on submission of the following documents by the Seller to the Purchaser along with the bill:

i. Ink-signed copy of Commercial invoice / Seller’s bill.

ii. Acceptance certificate in Pre-Despatch Inspection.

iii. Claim for statutory and other levies to be supported with requisite documents / proof of payment such as Excise duty challan, Octroi receipt, proof of payment for EPF/ESIC contribution with nominal roll of beneficiaries, etc as applicable.

iv. Exemption certificate for Excise duty, if applicable.

v. Warranty Bond (Bank guarantee).

vi. Details for electronic payment viz Account holder’s name, Bank name, Branch name and address, Account type, Account number, IFSC code, MICR code (if these details are not incorporated in supply order/contract).

vii. Any other document / certificate that may be provided for in the Supply Order / Contract.

viii. Provisional certificate of receipt by Purchaser.

(Note From the above list, the documents that may be required depending upon the peculiarities of the procurement being undertaken, may be included in TE.)

b. **Foreign Sellers:** Paid shipping documents are to be provided to the Bank by the Seller as proof of despatch of goods as per contractual terms so that the Seller gets payment from LC. The Bank will forward these documents to the Buyer for getting the goods/stores released from the Port/Airport. Documents will include:

i. Clean on Board Airway Bill/Bill of Lading

ii. Original Invoice

iii. Packing List

iv. Certificate of Origin from Seller or Seller’s Chamber of Commerce.

v. Certificate of Quality and current manufacture from OEM.

vi. Insurance policy of 110% if CIF / CIP contract

vii. Certificate of Conformity & Acceptance at PDI, if any.

viii. Any other document / certificate that may be provided for in the Supply Order / Contract.

6. Risk Purchase clause:

a. Should the stores or any installment thereof not be delivered within the time or times specified in the contract documents, or if defective delivery is made in respect of the stores or any installment thereof, the Buyer shall after granting the Seller 45 days to cure the breach, be at liberty, without prejudice to the right to recover liquidated damages as a remedy for breach of contract, to declare the contract as cancelled either wholly or to the extent of such default.

b. Should the stores or any installment thereof not perform in accordance with the specifications / parameters provided by the SELLER during the check proof tests to be done in the BUYER’s country, the BUYER shall be at liberty, without prejudice to any other remedies for breach of contract, to cancel the contract wholly or to the extent of such default.

c. In case of a material breach that was not remedied within 45 days, the BUYER shall, having given the right of first refusal to the SELLER be at liberty to purchase, manufacture, or procure from any other source as he thinks fit, other stores of the same or similar description to make good:-
i. Such default.
ii. In the event of the contract being wholly determined the balance of the stores remaining to be delivered there under.

c. Any excess of the purchase price, cost of manufacturer, or value of any stores procured from any other supplier as the case may be, over the contract price appropriate to such default or balance shall be recoverable from the SELLER. Such recoveries shall not exceed ____% of the value of the contract.

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

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

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

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

   e. If the impossibility of complete or partial performance of an obligation lasts for more than 6 (six) months, either party hereto reserves the right to terminate the contract totally or partially upon giving prior written notice of 30 (thirty) days to the other party of the intention to terminate without any liability other than reimbursement on the terms provided in the agreement for the goods received.

8. Export License: The Bidders are to confirm that they have requisite export license from their Government to export the specified goods to India or shall be able to obtain the same within reasonable time (say three months).

9. Delivery Period:
   a. Time is the essence of the contract. The tenderer shall quote his best and earliest delivery so that machine is available at site at the earliest. The time schedule for the delivery of the plant and equipment, civil works, engineering erection and putting into commission as specified in technical specification should be indicated suitably in the tender.
b. Tenderer will submit a BAR CHART in this regard, showing detailed activities for execution of the order and their time schedule, for consideration of the purchaser. The tenderer will be responsible for co-ordinated delivery and erection of the complete plant, equipment and materials both from outside India and from indigenous sources and he shall ensure deliveries in the sequence in which they will be required for erection at site.

c. Delivery quoted should be guaranteed. The Contract can be cancelled unilaterally by the Buyer in case items are not received within the contracted delivery period. Extension of contracted delivery period will be at the sole discretion of the Buyer, with applicability of LD clause.

10. Terms for Delivery:
The applicable rules & regulations for transportation of goods will be as per the contemporary version of International Commercial Terms (INCOTERMS) evolved by International Chamber of Commerce, Paris. Delivery Date is defined by the delivery terms as given below:

<table>
<thead>
<tr>
<th>Sl No</th>
<th>Terms of Delivery</th>
<th>Date of Delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>By Post Parcel</td>
<td>The date of postal receipt</td>
</tr>
<tr>
<td>b</td>
<td>Dispatch by Air</td>
<td>The date of Air-way Bill</td>
</tr>
<tr>
<td>c</td>
<td>FOB Port of Shipment</td>
<td>The date on which the Seller delivers the goods on vessel’s board at the specified port of shipment. This date is reflected in Bill of Lading.</td>
</tr>
<tr>
<td>d</td>
<td>FCA Port of shipment</td>
<td>The date on which the Seller delivers the goods to the buyer-designated carrier at the named place.</td>
</tr>
<tr>
<td>e</td>
<td>DAP Destination /</td>
<td>The date on which the delivery is made at the destination mentioned in the contract.</td>
</tr>
<tr>
<td>f</td>
<td>Delivery at Site / OF Itarsi</td>
<td>The date on which the delivery is made at the site / OF Itarsi mentioned in the contract.</td>
</tr>
</tbody>
</table>

11. Consignee Detail:

b. Imported Item:
   i. Port Consignee: .............
   ii. Ultimate Consignee: ........

12. Transportation: The following Transportation clause will form part of the contract placed on successful Bidder -

a. Indian firms: The stores shall be delivered DAP, Ordnance Factory Itarsi, M.P., India
b. Foreign firms:

   CIF/CIP: The stores shall be delivered CIF/CIP (Port of destination) (INCOTERMS 2010, or latest version). Seller will bear the costs and freight necessary to bring the goods to the port of destination. The Seller also has to procure marine insurance. The Seller will contract for insurance and pay the insurance premium. Seller is also required to clear the goods for export. The date of issue of the Bill of Lading shall be considered as the date of delivery. No part shipment of goods would be permitted. Trans-shipment of goods would not be permitted. In case it becomes inevitable to do so, the Seller shall not arrange part-shipments and/or transshipment without the express/prior written consent of the Buyer. The goods should be
shipped by Indian vessels only (or, if not available, by vessels belonging to the conference lines in which India is a member country). However, the Seller can still utilize the services of the Govt of India Freight Forwarding Agent details for which will be provided by the Buyer.

Seller will be required to communicate the following information invariably by telex/fax/signed to Port Consignee well in advance before the Ship sails the port of loading:

i. Name of the Ship
ii. Port of Loading and name of Country.
iii. ETA at port of Discharge.
iv. Number of Packages and weight.
v. Nomenclature and details of major equipment.
vi. Special instructions, if any stores of sensitive nature requiring special attention.

OR

FOB: The stores shall be delivered FOB ………….. (INCOTERMS 2010, or latest version). The stores shall be delivered to the Buyer by Indian Ships only. Shipping arrangements shall be made by the Chartering Wing, Ministry of Shipping, New Delhi, India. Notice about the readiness of Cargo for shipment shall be given by the supplier from time to time at least 6 (six) weeks in advance for finalizing the shipping arrangement, through Fax/Telex and courier, to the Chief Controller of Chartering (the head of Chartering Wing). Within 3 (three) weeks of receipt of the advance notice, as above, the said Chief Controller of Chartering / Shipping Coordination Officer will advise the supplier, through Fax/Telex and courier when and on board what vessels, these goods or such part thereof are to be delivered. If the advice for shipping arrangement is not furnished to the Seller within 3 (three) weeks as aforesaid or if the vessel arranged is scheduled to arrive at the specified port of loading later than 15 (fifteen) days of the date of readiness of cargo, as aforesaid, the Seller may arrange for such transport on alternative carriers with the prior written consent of the Buyer. Where the Seller is required under the contract to deliver the goods on FOB basis and to arrange on behalf and at the expense of the Buyer for ocean transportation on Indian flag vessels or vessels of conference lines in which India is a member country, the Seller may arrange for such transportation on alternate carriers if the specified Indian flag vessels or conference vessels are not available to transport the goods within the time period(s) specified in the contract, with the prior written consent of the Buyer. Should the goods or any part thereof be not delivered on the nominated vessel (except in case where prior written consent of the Buyer was obtained), the Seller will be liable for all payments and expenses that the Buyer may incur or be put to, by reason of such non-delivery including dead and extra freight, demurrage of vessels and any other charges, whatsoever incurred by the Buyer. The date of issue of the Bill of Lading shall be considered as the date of delivery. No part shipment of goods would be permitted. Trans-shipment of goods would not be permitted. In case it becomes inevitable to do so, the Seller shall not arrange part-shipments and/or transshipment without the express/prior written consent of the Buyer. The contact details of Chief Controller of Chartering are: Ministry of Shipping, Chartering Wing, Transport Bhavan, Parliament Street, New Delhi-110011 (Telegraphic Address: TRANSCHART, NEW DELHI-1, Telex "VAHAN" In 31-61157 OR 31-61158, Phone +91 11 2371 9480, Fax +91 11 2371 8614).

OR
FCA - The delivery of the goods by air transport shall be FCA _____ Airport (INCOTERMS 2010, or latest version). The despatch of goods shall be made through Air India to port consignee. The Buyer shall advise full details of its freight forwarder to the Seller no later than 60 days prior to the delivery of the first consignment; otherwise the seller may nominate the freight forwarder which shall be at the Buyer’s expense. Any delay in advising or delay by the freight forwarder shall be at the responsibility of the Buyer. The date of issue of the Air Way Bill (AWB) shall be considered as the date of delivery.

13. **Air lift:** The following Airlift clause will form part of the contract placed on successful Bidder. Should the Buyer intend to airlift all or some of the stores, the Seller shall pack the stores accordingly on receipt of intimation to that effect from the Buyer. Such deliveries will be agreed upon well in advance and paid for as may be mutually agreed.

14. **Packing:** The following Packing and Marking clause will form part of the contract placed on successful Bidder:

a. The Contractor shall provide packing and preservation of the equipment and spares/goods contracted so as to ensure their safety against damage in the conditions of land, sea and air transportation, transhipment, storage and weather hazards during transportation, subject to proper cargo handling. The Seller shall ensure that the stores are packed in containers, which are made sufficiently strong, and with seasoned wood. The packing cases should have hooks for lifting by crane/fork lift truck. Tags with proper marking shall be fastened to the special equipment, which cannot be packed.

b. The Contractor must ensure that sturdy packing is used to withstand rough handling during transit by rail/road. In case the contractor fails to meet the qualitative requirements for packing, he must make good all losses arising out of his failure to meet contractual obligations. The contractor will be responsible for internal damages if any, when outwardly there is no damage to the package.

c. For imported machines, the packing must be such that it is able to withstand the vagaries of weather, shipping and roughness of handling by port labour, cranes and fork lifts. The consignments as far as possible must be shipped in containers (FCL/LCL).

d. One copy of the packing list/ invoice in English and pre-despatch inspection certificate shall be inserted in each cargo package, and the full set of the packing lists shall be placed in Case No.1 painted in a yellow colour.

15. **Marking:**

a. **Indigenous Supplies:** The following markings on two opposite faces and top side should be stenciled in legible ink on the packing cases containing the consignments at the time of dispatch:

i. Contract No & Date:

ii. Name of the consignee:

iii. Full address of consignee:

iv. Total No of packages & Sl No of package:

v. Up right arrow.

vi. Gross weight:
vii. Special marking for case.
viii. Brief nomenclature of equipment:
ix. Slinging position.

b. **Imported Supplies**: The Seller shall mark each package with indelible paint in the English language as follows:-
   i. **EXPORT**
   ii. Contract No & Date:
   iii. Consignee:
   iv. Port / airport of destination:

v. Ultimate consignee:
vi. SELLER:
vii. Total No of packages & SI No of package:
viii. Gross/net weight:
in. Overall dimensions/volume:
x. Up right arrow.
xi. Special marking for case.
xii. Brief nomenclature of equipment:
xiii. Slinging position

c. If necessary, each package shall be marked with warning inscriptions: <Top>, “Do not turn over”, category of Cargo, etc.

16. **Pre-Despatch Inspection**: The following Pre-Despatch Inspection clause will form part of the contract placed on successful Bidder-
   a. The Buyer’s representatives will carry out Pre-Despatch Inspection (PDI) of the machines/equipment in order to check their compliance with specifications in accordance with its usual standard procedures. Upon successful completion of such PDI, the Seller and Buyer will issue and sign a Certificate of Conformity.
   b. The Seller shall intimate the Buyer at least 45 days before the scheduled date of PDI. The time required for completing visa formalities by the Seller should not be included in this notice. The Buyer will send his authorised representative(s) to attend the PDI.
   c. The list of Buyer’s representatives together with their particulars including name, title, date and place of birth, passport numbers including date of issue and date of expiry, address, etc. shall be communicated by the Buyer in advance to apply for the necessary authorisations and clearances to be granted.
   d. The Buyer reserves the right not to attend the PDI or to request for postponement of the beginning of the PDI by a maximum of one month from the date fixed for such PDI in order to allow his representative(s) to attend such tests, in which cases he shall inform in writing the Seller within 15 days before the date of the beginning of the PDI. Should the Buyer request for such postponement, liquidated damages, if any, shall not apply. In case the Buyer informs the Seller within the period mentioned hereinabove that he cannot attend the PDI or in case the Buyer does not come at the postponed date requested by him for performance of the PDI as mentioned above, the Seller shall be entitled to carry out said tests alone as scheduled. The Certificate of Conformity and the Acceptance test report will be signed by Seller’s QA representative alone and such documents bearing the sole signature of the Seller’s QS representative shall have the same value and effect as if they have been signed by
both the parties. In case Buyer does not elect to attend the PDI, the Buyer shall intimate the Seller in writing that it does not wish to attend the PDI.

e. The Seller shall provide all reasonable facilities, access and assistance to the Buyer’s representative for safety and convenience in the performance of their duties in the Seller’s country.

f. All costs associated with the stay of the Buyer’s Representative(s) in the country where the PDI is to be carried out, including travel expenses, shall be borne by the Buyer.

17. Checking on Receipt: When boxes or containers received by the Buyer are opened for assembly/installation, joint checking will be done by Buyer and Seller for conformance to quantity and description mentioned in the invoice. In case of any discrepancy, the Seller shall make good the same at his cost.

18. Insurance:

a. Where delivery of imported goods is required by the purchaser on CIF basis, the supplier shall arrange and pay for marine/air insurance, making the purchaser as the beneficiary. The Insurance Policy shall be for 110% value of goods for coverage on “all risks” basis including war risks and strike clauses. The date of insurance should be dated prior to the date of shipment. The insurance policy should mention the name of ship, merchandise details, number of packages, name of vessel, number of voyages, port of shipment, port of destination/destination warehouse and the details on Insurance documents should not contradict the stipulation in Bill of Lading or Invoice. The insurance policy shall be forwarded to the purchaser sufficiently before despatch of the consignment.

b. Where delivery is on FOB/FCA basis, marine/air insurance shall be the responsibility of the purchaser.

c. In case of turn-key supply of plant/machines, if any supplies or part thereof are damaged during the process of erection and commissioning of the plant/machines until the final acceptance, the same will have to be replaced at site by the supplier free of all costs to the purchaser, including the erection and commissioning cost in the event of the plant/machines having been erected.

d. In the above case, the supplier shall be responsible for insurance of the plant/machines during erection and commissioning. In this connection, the supplier shall arrange “Erection All Risks Insurance” of sufficient amount along with coverage for construction/erection equipment as well as third party claims in respect of property damage or bodily injury. The supplier shall also be responsible for insurance for personnel engaged by them in the erection work.

19. Guarantee:
The supplier shall guarantee among other things the following:

a. Satisfaction of technical and other parameters mentioned in the specification and contract.

b. Quality and strength of materials used in the manufacture of the equipment considering the applicable codes of practice and regulation.

c. Adequate factors of safety for all parts of the equipment to withstand the mechanical and/or electrical stresses developed therein under specific operating conditions.
d. Performance data furnished/specified for the equipment should be actually obtainable when the equipment is installed and tested at site.

20. **Warranty:**

a. The supplier shall warrant that the plant/machine (including associated works constructed by the supplier) will be free from defects in design, material or workmanship. Supplier's obligations under the warranty shall involve repair, rectification and making good at site any defect, imperfection or fault attributable to defective design, material or workmanship. If the plant/machine is found to have a Defect that can be assumed to be present also in some other portion of the plant/machine, the Supplier shall investigate whether such further Defect is present, and shall make good any further Defects found.

b. The supplier shall furnish PBG/Warranty Bond for 5% of contract price valid for two months after warranty period, as security for its warranty obligations.

c. The following Warranty clause will form part of the contract with the successful bidder:

\[\text{"1. The contractor/seller hereby warrants that the plant/equipment sold/supplied to the purchaser under this contract shall be of the best quality and workmanship and new in all respects and shall be strictly in accordance with the specifications and particulars contained/mentioned in the said contract.}\]

\[\text{2. The contractor/seller further warrants that the plant/equipment would continue to conform to the specified description and quality and would be free from any non-conformity with the requirements of the contract (hereafter referred to as a ‘defect’) due to faulty design, materials or workmanship, for a period called ‘warranty period’ or ‘defect liability period’ as defined below:}\]

\[\begin{align*}
12 \text{ (twelve) months from the date of commissioning and acceptance of the plant/equipment at the purchaser’s site, in case of turn-key supply contracts,} \\
\text{Or} \\
12 \text{ (twelve) months from commissioning and final acceptance of the plant/equipment at the purchaser’s site or 18 (eighteen) months from the date of delivery for indigenous equipment or 21 months from date of delivery for imported equipments, whichever is earlier, in case of other contracts.}\end{align*}\]

3. If the commissioning/acceptance of the plant/equipment is delayed due to fault of contractor/seller, the warranty period will automatically get correspondingly extended.

4. Notwithstanding the fact that the purchaser (or his representative) may have inspected and/or approved the plant/equipment, if any defect is discovered in the plant/equipment during the aforesaid warranty period and the decision of the purchaser in that behalf shall be final and binding on the contractor/seller, the purchaser shall be entitled to call upon the contractor/seller to rectify such defect.

5. Defects shall be notified by the purchaser to the contractor/seller in writing without undue delay after the defects are noticed, and in any event not later than thirty (30) days after the expiry of the warranty period.
6. Upon receipt of notice from the purchaser about any defect that occurs during the warranty period, the contractor/seller shall respond immediately and make good the defect within a reasonable period, or such specific period as may be allowed by the purchaser at the request of the contractor/seller, without any charges and costs to the purchaser.

7. If the plant/equipment is found to have a defect that can be assumed to be present also in some other portion of the plant/equipment, the seller/contractor shall investigate whether such further defect is present, and shall make good any further defects found.

8. If a defect appears, requiring immediate action due to the risk of resultant damage, and if the contractor/seller cannot make immediately good the defect, the purchaser is entitled to apply all necessary measures to prevent or limit damage.

9. This warranty is not applicable if the defect is attributable to normal wear and tear or incorrect operation or negligence or willful damage on the part of the purchaser.

10. Parts replaced or repaired under the above provisions shall be subject to the same warranty from the contractor/seller, and under the same conditions as apply for the rest of the plant/equipment, for a period of one (1) year after such replacement or repair has been effected. The warranty period for the rest of the plant/equipment shall be extended only by the time during which it was out of operation as a result of defects covered by the above provisions. Nothing contained in this clause shall however extend the warranty period by a period beyond two (2) years after the commissioning and acceptance of the plant/equipment.

11. Defective parts which have been replaced shall be made available to the seller/contractor without cost. However, the seller/contractor shall be responsible for lifting the defective parts and transporting the same at his cost from purchaser’s place within mutually agreed time period.

12. In case of failure on the part of the contractor to fulfil any warranty obligations, the contractor/seller shall pay to the purchaser such compensation, as may arise from the breach of the warranty herein contained.”

21. After sales support: The contractor shall provide after sales service of the equipments for at least ten years after the expiry of warranty period, which will comprise of the following:
   a. To render free technical advice on any matter of the equipment.
   b. To quote and supply all spare parts/accessories/sub-assemblies at a reasonable price and delivery schedule.
   c. To make available the services of suitable specialists on reasonable terms.

22. Guarantee to provide Spares:
   a. The Vendor shall be committed to make available the spares for 10 years period from the completion of the warranty period.
b. Acceptance of tender for the supply of machine against this TE will be subject to tenderers certifying that they have adequate servicing and spare parts facilities in respect of the machine tendered for by them or that they shall arrange to provide such facilities simultaneously with the supply of the machine.

c. Tenderers shall also undertake that supplies of necessary maintenance equipment and spare parts will be made available for life of the machine on a continuous basis.

d. The successful tenderer shall warranty that before going out of production of the spare parts he will give adequate advance notice to the purchaser so that the later may order his requirements of spares in one lot, if he so desires.

e. The successful tenderer shall further guarantee that if he goes out of production of spare parts, then he will make available blueprints, drawings of the spare parts and specifications of materials at no cost to the purchaser as and when required in connection with the machine to enable the purchaser to fabricate or procure spare parts from other sources.

f. In case spares are also ordered with the machine, tenderer will undertake to offer spares for delivery along with the main equipment only and not before.

23. Manufacturer’s Recommended List of Spares (MRLS) –
Bidders are requested to provide MRLS to sustain the equipment for a period of three years after warranty period in following format.

EQUIPMENT: .................
Original Equipment Manufacturer (OEM):

<table>
<thead>
<tr>
<th>Manufacturer’s Part No.</th>
<th>Source of Supply</th>
<th>Nomenclature</th>
<th>Nos. fitted in one equipment</th>
<th>Spare Part List (ISPL) as per TE</th>
<th>Unit Cost</th>
<th>Recommended scale of spare parts</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes:
1. Maintenance spares/stores like lubricants, sealing compound, gases should be given separately giving source of supply.

2. In ‘Remarks’ column following information (if applicable) be given:
   (a) If an item has a shelf / operational life it may be indicated.
   (b) Matching set of components be indicated.
   (c) Items which cannot be manufactured in India due to sophisticated design/technology may be indicated.
(d) If a component/assembly is common to other similar equipment offered by the OEM earlier these should be indicated.

3. Modules / assemblies should be listed and their components should be included under them so as to relate each item of spare to their module / assembly.