



TENDER DOCUMENTS FOR

**“Supply, Installation,
Commissioning, Training &
Acceptance of Battery
Emulators”**

**TENDER NO. 439/GARC/EV/2022-
23/Battery Emulator/23**

Annexure VII Terms of Payment

Supply, Installation, Commissioning, Training & Acceptance of Battery Emulator

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1. Terms of Payment

1.1 Opening of Letter of Credit (L/C) in case of Overseas Suppliers

25% of the Total contract price shall be secured in favour of the overseas supplier, at the time of award of contract, through irrevocable letter of Credit, (L/C) through its advising bank, after the complete proposed shipment plan is provided to GARC, as per the clause 15.5 of the tender documents and after adjusting the advance payment amount if any, as specified in the clause 1.3, mentioned below.

In addition, 55% of the Total contract price (resulting in total 80%) may be secured in favour of the overseas supplier, based on request, through additional irrevocable Letter of Credit (L/C) against confirmation of the start of manufacturing of equipment and progress.

1.2 Payment against supply of Equipment [For Indian/Oveseas suppliers]

In case of overseas suppliers, up to a maximum of 80% of the Equipment price on FOB basis under schedule A shall be paid as per the terms of the said L/C and against the receipt of despatch documents in original and free from all discrepancies, by our advising bank, as specified in the Purchase Order. (*Despatch documents are such as, Bill of lading / Air Way Bill, Invoice, Packing List, Certificate of Origin, Pre-acceptance test certificate, customs declaration details, etc.*). 80% Payment would be released against despatch of each equipment based on the respective contract amount i.e prices mentioned under Schedule A of Financial Bid form e). Further 80% of other prices mentioned under Schedule C of Financial Bid form e) would be released on completion of each activity / milestone.

In case of Indian scope of supply of material / equipment by the overseas supplier and in case of supply by the Indian Supplier up to a maximum of 80% of the material / equipment price (including advance payment, if any) may be paid within fifteen [15] days of the receipt at site, in good condition and a certificate issued by GARC to this effect.

The part payment as mentioned above will be paid only if the complete Bill of Quantity (BOQ) along with unit price is annexed with the financial bid (form e). The prices mentioned in the invoice raised by the bidder for supplying the material / equipment at site should match with the respective price quoted in the financial bid.

In all the above cases, the payment shall be released after adjusting the advance payment and part payments against partial shipments if any.

1.3 Payment against, Installation, Commissioning, Training and Other Services [For Indian/Overseas suppliers]

Balance 20% for Overseas suppliers and Indian suppliers or any other amount of the Equipment price and payments against installation, commissioning, training and other services if any pertaining to the contract shall be paid after the services are completely rendered as per the conditions of contract and obtaining a certificate of **commissioning and acceptance** of the equipment and production of a certificate issued by GARC that a Performance Bank Guarantee has been furnished for 10% of the total Contract Sum, valid

till the completion of the warranty period and after adjusting the Liquidated Damages etc., if any.

1.1 Advance Payment

An advance payment, if requested by contractor and agreed by GARC, during contract negotiations, shall be paid in accordance with the Clause 27.5 of the GCC [Annexure-IX] and as per the Special Conditions of Contract SCC- [Annexure-VIII]. The advance payment shall be charged with an interest by GARC at the rate of 10% annum from the date of issue of advance payment and interest will be calculated on unadjusted amount from time to time.. A fund utilization certificate, against the details of utilization of advance payment and its recovery schedule, not exceeding 12 months from the date of release of such payment shall be submitted to GARC by the contractor. In case the recovery does not happened within 12 months from the date of release of advance payment, GARC shall have full rights to recover the full/ balance amount by invoking the bank guarantee.

1.2 Spares & Consumables

100% within 30 days, against despatch / shipping documents.

1.3 Taxes & Duties

The Taxes and Duties shall be applicable as per the provisions of Clause 28 of “Annexure IX - General Conditions of Contract”.

1.4 Deviations in Terms of Payment

The Bidder’s offer must be as per the Terms of Payment given above. Any deviation from the above Terms of Payment shall not be entertained. Any offer with deviation from the above Terms of Payment shall be liable to disqualification by GARC.