



TENDER

FOR

FABRICATION & SUPPLY OF

BULLETS

FOR

LIQUIFIED AMMONIA GAS

PART I: COMMERCIAL

SPECIAL CONDITIONS OF CONTRACT

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**1.0 GENERAL**

- 1.1** The SPECIAL CONDITIONS OF CONTRACT shall be read in conjunction with the GENERAL CONDITIONS OF CONTRACT, SPECIFICATIONS OF WORK, DRAWINGS and any other document forming part of this CONTRACT wherever the context so requires.
- 1.2** Where any portion of the GENERAL CONDITIONS OF CONTRACT is repugnant to or at variance with any other provisions of the SPECIAL CONDITIONS OF CONTRACT, then unless a different intension appears, the SPECIAL CONDITIONS OF CONTRACT shall be deemed to over-ride the provisions of GENERAL CONDITIONS OF CONTRACT and shall prevail to the extent of such repugnancy or variations.
- 1.3** In case of an irreconcilable contradiction in the Commercial Terms and Conditions/ Technical Requirements or technical specifications between Applicable Codes & Standards, GENERAL CONDITIONS OF CONTRACT, SPECIAL CONDITIONS OF CONTRACT, and or Agreed Deviations to the extent that the two provisions cannot co-exist or be read together to satisfy both or all, the following order of precedence shall prevail:
- 1) Contract Agreement
 - 2) Agreed Deviations
 - 3) Applicable Codes & Standards
 - 4) Special Conditions of Contract
 - 5) General Conditions of Contract
 - 6) Technical Documents
- 1.4** **The Fertilisers and Chemicals Travancore Limited (FACT)** hereinafter also referred to as "OWNER" is a Government of India Public Sector undertaking involved in the manufacture and marketing of nitrogenous, phosphatic and potassic fertilizers as well as a variety of industrial chemical products. The company has presently two manufacturing units, one at FACT-CD, Ambalamedu and the other at FACT-UC, Udyogamandal. In addition to the two manufacturing units, FACT has a Petro chemical unit for production of Caprolactum at FACT Udyogamandal, the consultancy unit FACT Engineering and Design Organization-FEDO at Udyogamandal and the fabrication division FACT Engineering Works-FEW at Palluruthy & the Marketing Division, all located in the state of Kerala.
- 1.5** FACT intends to have one number of New barge by Fabrication & supply of 1 no. self-propelled barge (excluding fabrication of bullets) for transportation of Liquefied ammonia gas (LAG). In the barge the subject tendered bullets are to be installed for carrying the Liquefied Ammonia Gas.
- 1.6** FACT has assigned the Project Management Consultancy (PMC) works to its own Engineering Division – The FACT Engineering and Design Organisation (herein after referred to as FEDO). FACT Engineering Works(FEW), the Fabrication Division of FACT shall be Managing the contract for FACT after the award of Work.
- 1.7** The Scope of work includes Fabrication of 4 nos. of ammonia bullets. All the works covered in this tender shall be carried out as per specifications, applicable drawings, codes and standards given in the tender. 28 nos. 32 thk plates of size 2.5mx12m conforming to SA 537 CL.1 shall be issued free of cost by FACT Engineering Works(FEW).
- 1.8** Time is the essence of the CONTRACT.

**2.0 DEFINITIONS**

The following definitions are applicable to this TPS

- 2.1 The term "Owner" shall mean the owner of the barge, i.e. FACT (Cochin Division).
- 2.2 The term "Builder" shall mean the agency entrusted by the Owner with the responsibility of barge-bullet manufacture, i.e. FEW. The term Builder and FEW has been used interchangeably throughout this specification.
- 2.3 The term "Contractor" shall mean the person(s)/firm, or company with whom the contract has been entered into.
- 2.4 The term "Maker" shall mean the person(s)/firm, or company from whom bought- out items such as Pipes, Valves, Main Engine, Gear Box, MV Switch board, etc are procured by the Contractor.
- 2.5 The term "Bidder" shall mean the person(s)/firm, or company who offer(s) a bid/tender/quotation duly signed in response to invitation to this tender.
- 2.6 FACT Engineering and Design Organisation (FEDO), the technical consultant appointed by the Owner. FACT Engineering Works(FEW), the Fabrication Division of FACT shall be Managing the contract for FACT after the award of Work.
- 2.7 Department of Ship Technology, CUSAT, the technical consultant appointed by FACT / FEW.
- 2.8 Certification Agency is the Statutory/Classification Society responsible for the inspection and certification of the Ammonia barge including bullets (an IACS approved society, e.g. IRS). The Contractor shall arrange for all stage-wise inspections and testing as required by the Classification Society rules. Selection of agency for stage-wise/final inspection/approval during fabrication by Classification Society and their Fees payment shall be borne by FEW.

3.0 BULLETS SPECIFICATION & OTHER DETAILS

- a) Fabrication of 4 nos. Ammonia Bullets shall be as per Drawing. 8673/19/01
- b) Work location: The fabrication of the entire vessel along with its hydrotesting shall be conducted at contractor's works. The fabrication shop of the contractor shall be accessible for the transportation of vessels of dimensions as given in the drawing.
- c) WPS and WPQ: Preparation of Welding Procedure Specification (WPS), conducting tests for Welding Procedure Qualification & Welder's Performance qualification and getting approval from FEW Inspection department/TPIA. Also the contractor shall prepare a QAP for fabrication activities submit to FEW inspection department for approval prior to the commencement of work. Fabrication work can be started only after getting approval of WPS,WPQ & QAP from FEW inspection department.
- d) Materials: All materials except for 28 Nos 32thk. Plates of size 2.5 m x 12m as per the drawing 8673/19/01 shall be in the scope of the contractor. The 32thk. Plates conforming to SA 537 CL. 1 shall be directly supplied to the contractor. The contractor shall arrange to store and preserve the free supply plates.
- All materials shall be impact tested at a temperature of -40oC to -55oC as applicable.
- The materials are to be inspected and approved by FACT appointed TPIA who shall me a member of IACS, eg. Lloyds, BV, IRS, which will be finalized and informed to you at the time of order.
- e) Inspection: The bullets shall be fabricated under the inspection of Third Party nominated



by FACT. The TPI(Third Party Inspection) charges shall be borne by FACT. However the contractor must arrange and assist in all the stages of inspection. The scope of TPI shall be as given below.

1. Review of QAP
2. Approval of WPS and WPQ
3. Witnessing of welder qualification test (WQT) and Approval of welder performance qualification(WPQ)
4. Raw material identification (Identification of plates, structural, piping, consumables etc.)
5. Pre-despatch inspection (PDI) of all plates, bought out items including flanges, fittings, dished end etc.
6. Survey/Inspection and certification during all stages of fabrication of bullets and associated piping including witnessing/review of DPT, RT, UT, SR etc.
7. Witnessing of hydro testing of bullets.
8. Inspection of surface preparation and painting of bullets and piping.
9. Final inspection for dimensional conformance.
10. Issuing product release note.

In additional to the inspection by TPIA, FEW shall conduct regular inspection at contractor's works and evaluate the progress of work.

- f) Stress relieving: The entire bullets after fabrication shall be stress relieved as per code.
- g) Hydrotest: The bullets shall be subjected to hydro test at a pressure of 34.3 kg/cm². All other arrangements required for hydrotest shall be in the scope of contractor.
- h) Painting: One coat of Two-pack polyurethane holding primer (30 microns) to be applied on external surface, after grit/slag blasting to SA 2 1/2.

4.0 CONTRACTOR'S OBLIGATIONS

4.1.0 General Responsibility

4.1.1 The CONTRACTOR acknowledges that CONTRACTOR'S obligation hereunder, notwithstanding anything to the contrary contained herein, is to provide OWNER with fully FABRICATED BULLET TANKS, complete in all respects under and in accordance with the provision of CONTRACT, within the stipulated time and for the purpose designated herein by OWNER, and to do, furnish and provide everything necessary in connection therewith. Time is the essence of the contract. Time and Cost overrun in respect of the work shall not be entertained.

Without prejudice to the foregoing and except as otherwise expressly set forth in the CONTRACT as within the scope of OWNER's obligations under the CONTRACT, the CONTRACTOR shall perform or cause to be performed all WORK and services required in connection with the design, engineering, supply of equipment, procurement (including, without limitation, all transportation services in connection therewith), construction, erection, start up, pre-commissioning, commissioning, sustain load test, testing including conducting of Performance Tests and other work and services up to the FINAL ACCEPTANCE by the OWNER/FEDO and in connection therewith provide all materials, equipment, machinery, tools, labour, transportation, administration and other services and items required to complete the AMMONIA BULLETS in all respects up to the FINAL ACCEPTANCE



and having the performance as guaranteed under the CONTRACT by the CONTRACTOR on a total, fixed price basis in accordance with this CONTRACT. The WORK shall, without prejudice to the generality of the foregoing or those enumerated in Clause 4.2.0 include but not be limited to the following:

- (a) All engineering and design services including necessary investigation required including necessary documentation;
- (b) Provision of all equipment, systems, materials, processes, CONTRACTOR's EQUIPMENT, temporary works and all other items, whether of a temporary or permanent nature including those required for the design, erection, completion commissioning, conducting of PERFORMANCE AND GUARANTEE TESTS and remedying of DEFECTS during DEFECTS LIABILITY PERIOD and
- (c) Rectification of defects during DEFECTS LIABILITY PERIOD.

4.1.2 CONTRACTOR shall provide services, in accordance with good engineering practice. CONTRACTOR shall provide services of engineers, designers, draftsmen, buyers, inspectors, expeditors and other persons required for the performance of WORK pursuant to CONTRACT.

4.1.3 In the event that there is any item of EQUIPMENT or WORK of the type provided for in CONTRACT, which is not specifically mentioned in the specifications or drawings set out in FINAL PROPOSAL/WORK ORDER, but which is necessary (even though not mentioned in CONTRACT) for normal, safe and continuous operation, based on mutual agreement between OWNER and CONTRACTOR, CONTRACTOR shall include such item of EQUIPMENT in the design and perform such items of WORK, for such EQUIPMENT or WORK free of cost to OWNER as if the same had been originally included in its Scope of Work/FINAL PROPOSAL.

4.1.4 Subject to prior consent of OWNER, CONTRACTOR may make use of the services of SUB-CONTRACTOR/ VENDOR (previously approved in writing by the OWNER) in accordance with the provisions in CONTRACT provided, however, the CONTRACTOR shall remain responsible and liable for the work done by such SUB-CONTRACTOR/Vendor.

4.1.5 The CONTRACTOR shall be responsible for obtaining necessary approvals which are to be issued in the OWNER's name from the various statutory authorities.

4.1.6 The CONTRACTOR shall provide full technical assistance including follow-up to OWNER for obtaining the necessary approvals to be issued in the name of OWNER from the various statutory authorities.

4.1.7 The CONTRACTOR shall furnish Security Deposit / Contract Performance Bond as per the enclosed format in line with the provisions of GENERAL CONDITIONS OF THE CONTRACT.

4.1.8 The enumeration in subsequent Clauses of SPECIAL CONDITIONS OF CONTRACT, in GENERAL CONDITIONS OF CONTRACT and other documents of CONTRACT shall not in any manner limit the general scope of obligations and responsibilities of designing, engineering, procurement, supply, construction, commissioning and proving the performance guarantees of AMMONIA BULLETS within the scope of CONTRACT.

**4.2.0 CONTRACTOR'S Scope of Work**

4.2.1 Contractor shall provide and be responsible for the tasks specified in this Clause under the

Following heads and conforming to PART II-TECHNICAL of the Tender.

4.2.2 The Scope of work includes Detailed Design & Engineering, Fabrication of 4 nos. Bullets having a combined capacity of 350 MT under classification of IACS Society for the transportation of LAG (Liquefied Ammonia Gas) as per the tender documents attached.

4.2.3 Except for the free supply of 28 nos. 32 thk plates of size 2.5m x 12m conforming to SA 537 CL.1, all other materials including procurement of plates and other material for the fabrication and supply of 4 nos. Bullets having a combined capacity of 350 MT under classification are under the contractor's scope.

4.2.4 The entire work of construction shall be carried out at contractor's facility/yard.

4.2.5 All the works covered in this tender shall be carried out as per specifications, applicable drawings, codes and standards given in the tender and as per the QAP for supply of materials and site work. The scope of work covered by this tender shall be in general as below, without being limited to the same.

4.2.6 Preparation of detailed design, construction drawings and BOM. All drawings & design calculations shall be appraised by CUSAT prior to submission for Classification Society approvals.

4.2.7 Assistance in obtaining of stage-wise approvals by Statutory/Classification Society (e.g.IRS).

4.2.8 Fabrication at the contractor's works.

4.2.9 Arranging all stage-wise & final inspection & testing by Classification Society/Statutory Bodies.

4.2.10 Loading the bullets & transportation of the bullets to FEW or other site as instructed by FEW shall be carried out and payment(FREIGHT) shall be REIMBURSED at actual against documentary evidences.

4.2.11 Conducting of all mandatory tests and trials including the inclining test to the satisfaction of the Classification Society, Statutory Bodies and submission of all necessary documentation as required by the Owner, Classification Society and Statutory Bodies.

4.2.12 Any other activity not specifically mentioned above but necessary for the successful completion of the project. Bidders shall list out any such activities envisaged in their offer.

4.2.13 Note: Inspection of the bullets shall be entrusted to the same agency responsible for the inspection and certification of the barge (an IACS approved society, e.g. IRS) to ensure smooth coordination.

4.3.0 BULLET FABRICATION**4.3.1 DESIGN**

The fabrication of the vessel shall be as per General Arrangement Drg No. 8673/19/01

4.3.2 Detailed design calculations / drawings required for class approvals shall be prepared by the Contractor and submitted to the Builder for review and submission to the Classification Society for approval.

4.3.3 Assistance in obtaining of Plan approvals by statutory/classification society(e.g. IRS). Fees for design/plan approvals by Classification Society shall be borne by FEW. Designs & drawings not in the purview of the Classification Society shall be submitted for review & approval to the Builder.

**4.4.0 PROCUREMENT**

- 4.4.1 Procurement of all materials, except for 28 nos. of 32 thk plates of size 2.5m x 12m, required for successful fabrication shall be in the Contractor's scope.
- 4.4.2 The Contractor shall arrange for all stage-wise & final inspections and testing of all materials and items, as required by the Classification Society rules. Fees for stage-wise/final inspection/approval of bought-out items by Classification Society shall be borne by FEW.

4.5.0 BULLET CONSTRUCTION

- 4.5.1 Construction shall be carried out by the Contractor at the Contractor's works. The contractor shall deploy required manpower (skilled, semi-skilled, unskilled, supervisory, etc).
- 4.5.2 The Contractor shall arrange for all stage-wise inspections and testing as required by the Classification Society rules. Fees for stage-wise/final inspection/approval during fabrication by Classification Society shall be borne by FEW.

4.6.0 FREE SUPPLY MATERIALS

- 4.6.1 28 Nos 32thk. plates of size 2.5 m x 12m conforming to SA 537 CL. 1 shall be directly supplied to the contractor. Unloading at contractors site shall be in the scope of contractor.
- 4.6.2 Balance quantities of all materials issued by FEW to the contractor including all cut pieces of steel materials which are not classified as wastage should be returned by the contractor to the company's stores/scrap yard and receipt be obtained. In the case of steel materials the total quantity of cut pieces including wastage shall not exceed 4% of the total quantity used in the work. In the quantity of 4% permitted as wastage and cut pieces, the wastage due to invisible losses during cutting and fabrication shall not exceed 2% of the quantity used in the work and such wastage need not be accounted. Balance 2 % cut pieces shall include plates of sizes below 2 m². If total quantity of wastages and cut pieces exceeds 2 %, recovery will be made from the contractor. Plates of size above 2 m² are to be returned to the company's stores/scrap yard. Further if any quantity of steel materials issued to the contractor remains unaccounted at the close of the transactions except as provided above, recovery will be made from the contractor for such unaccounted materials at penal recovery rate.
- 4.6.3 Unloading the free supply material shall be in the scope of contractor. Transportation of the balance plates to FEW/FACT shall be in the scope of contractor.
- 4.6.4 The contractor shall arrange to store and preserve the free supply materials.
- 4.6.5 The contractor shall submit a Bank Guarantee (BG) equivalent to the monetary value (approximately 2 Crores) of the material supplied by FEW. The actual amount of BG will be informed to the contractor at the time of placing work order and the BG should be submitted prior to receiving the free supply by the contractor.
- 4.6.6 This Guarantee should be issued by a Nationalised Bank/ Scheduled Bank. FEW reserve its rights to reject the Bank Guarantee if the same is not in the specified format. The Bank Guarantee shall be valid till the date of completion of all works.
- 4.6.7 The format for Bank Guarantee shall be issued by FEW at the time of placement of order.
- 4.7.0 Tentative details of the bullets are as follows: -
- Number of bullets per barge : 4 (four) nos.
 - Operating/Design Pressure : 1.0 / 22.15Kg/cm²
 - Operating/Design Temperature : - 33 / 550C
 - Material of Construction : SA 537 Cl. 1(LTCS)



- Outside diameter of the bare bullet : 3464mm
- Overall length of the bare bullet : 16425mm
- Weight of empty bullet (insulation inclusive) : 50,350kgs.(approx)
- Weight of loaded bullet : 1,47,000kgs. (approx)

5.0.0 INSPECTION & TESTING

- 5.1.0 The Contractor shall carry-out all inspection and testing as required by the Classification Society rules.
- 5.2.0 For items / activities not under the purview of the Classification Society, inspection and tests as per good engineering practice shall be carried-out to the complete satisfaction of the Builder/Owner.
- 5.3.0 The overall workmanship of the barge shall be subject to the inspection and approval of Builder/Owner.

6.0.0 ASSISTANCE IN OBTAINING CLASS APPROVALS

- 6.1.0 The Contractor shall provide all necessary assistance in obtaining Class Certification. Fees for all Statutory approvals shall be borne by the Builder(FEW).
- 6.2.0 FEDO/Builder shall provide the necessary technical assistance for the approval of Bullets.

7.0.0 LIST OF MAKERS

- 7.1.0 Procurement of bought-out items shall be subject to approval by Owner/Builder.
- 7.2.0 Contractor shall submit a list of Makers with their credentials for the Owner/Builder's review & approval.
- 7.3.0 In case the Contractor wishes to engage a sub-contractor for carrying out a specific work, the same shall be subject to the approval of Owner/Builder.

8.0.0 DOCUMENTATION

- 8.1.0 Bidders shall furnish the following along with his offer. (Technical bid) without which his offer shall not be considered for further evaluation.
- 8.2.0 Documents required to be submitted along with the offer as per tender.
- 8.3.0 Duly filled Check List .

9.0.0 TIME OF COMPLETION

- 9.1.0 Time is the essence of the contract
- 9.2.0 The entire work including fabrication and testing shall be completed within a period of 6 months from the date of work to proceed notice. Since the work is very critical and to be urgently executed, the contractor shall arrange work in all the three shifts, if necessary including Sundays & holidays. TIME OVERRUN AND COST OVERRUN SHALL NOT BE ALLOWED..
- 9.3.0 The time schedule for completion and delivery of the finished goods shall be as agreed in the delivery schedule. This schedule shall be strictly adhered to.
- 9.4.0 The job will need to be arranged simultaneously on several work fronts in order to meet the completion schedule. Prior to the commencement of work, the contractor shall discuss with FEW on the sequence of activities and prepare a detailed program to achieve the completion of work as per the schedule and execute the job accordingly for timely completion of the total job.



- 9.5.0 In case of delay in completion of the work or if the work is not satisfactory both in the terms of quality and quantity at any stage, FEW reserve its right to terminate the contract and to make alternative arrangements to execute the work at the sole risk and cost of the contractor.
- 9.6.0 The contractor shall provide detailed schedules (time schedule and resource schedule) and Quality Assurance Plan (QAP) for execution within 7 days from the date of work to proceed notice for review/approval.
- 9.7.0 The work shall be carried out in all three shifts and Sundays/holidays, if required. The contractor should make his own arrangements to work during rainy days by providing suitable protection for the men and materials employed for the job.
- 9.8.0 FACT / FEW reserve the right to offload/terminate the contract if the work is not satisfactory both in terms of quality and quantity, at any stage. FACT / FEW reserve the right to make alternate arrangements at the sole risk and cost of the contractor in case of such failure on the part of the contractor for getting the work done.

10.0.0 SECURITY DEPOSIT

- 10.1.0 Within 15 days of the receipt of the order, the contractor shall remit security deposit of a sum calculated as 10% of the Work order value towards security for due and faithful performance of the Contractor.
- 10.2.0 The Security Deposit shall be remitted as Demand Draft drawn in favor of Fertilisers and Chemicals Travancore Ltd and payable at Udyogamandal, Kerala State, or in the form of an unconditional and irrevocable Bank Guarantee, as per the Format attached.
- 10.3.0 The Security Deposit submitted shall be extended as Performance Bank Guarantee-PBG (10 % of work order value) valid until the guarantee period with an additional claim period of six months.

11.0.0 GOVERNMENT CLEARANCES, PERMITS AND CERTIFICATES

- 11.1.1 CONTRACTOR shall procure at its expenses, all necessary APPLICABLE PERMITS, certificates and licenses required by virtue of all APPLICABLE LAWS, regulations, ordinances and other rules in effect at the place where any of WORK is to be performed, and CONTRACTOR shall further hold OWNER/FEDO harmless from liability or penalty which might be imposed by reason of any asserted or established violation of such laws, regulations, ordinances or other rules.
- 11.1.2 CONTRACTOR shall furnish necessary data/specifications/drawings etc. of EQUIPMENT likely to be imported to OWNER for obtaining import licence / necessary Government Clearances, for the same immediately on receipt of CONTRACT any way within 1 month of CONTRACT date. CONTRACTOR shall also furnish necessary technical information, data, drawing, etc. as and when required to OWNER/FEDO for submission to Government/Statutory Agencies.
- 11.1.3 CONTRACTOR shall be responsible in getting concessionary customs duty through Project Imports/Deemed Exports etc. If concessionary customs duty is availed, the benefit shall be passed on to FACT. Import documents shall also be furnished.

12.0.0 CHANGES IN WORK/CHANGE ORDER

- 12.1.0 OWNER/FEDO shall have the right to request in writing changes in WORK within the scope of CONTRACT. When the request for a change in WORK by OWNER/FEDO has been agreed and complied by CONTRACTOR, CONTRACTOR's obligations under CONTRACT shall remain unaffected unless otherwise agreed.
- 12.2.0 On each request for a CHANGE IN WORK, CONTRACTOR shall promptly inform OWNER in writing whether this request will fall within the provision of CONTRACT. If this request does not fall under the provision of CONTRACT and CONTRACTOR has to incur additional expenses,



then CONTRACTOR shall promptly submit a cost estimates, and terms of payment for making the requested change in WORK together with the details of any variation required to be made to any of CONTRACTOR's or OWNER's obligations and/or guarantees.

12.3.0 If in CONTRACTOR's opinion fulfilment of any of its obligations under CONTRACT would be jeopardised by a CHANGE IN WORK requested by OWNER, then CONTRACTOR shall explain in writing to OWNER the reasons for not accepting these changes within thirty (30) days of receipt of OWNER's written request.

12.4.0 OWNER and CONTRACTOR shall agree upon the basis and terms of the CHANGE IN WORK in writing.

12.5.0 It is understood that no change shall become effective and no change will alter the scope of WORK until all of the matters referred to in this Clause 12 have been mutually agreed upon in writing by OWNER and CONTRACTOR.

12.6.0 It is agreed by both parties that the following changes shall not be considered a CHANGE IN WORK in the meaning in this Clause:-

- a) Minor changes requested by OWNER/FEDO and accepted by CONTRACTOR which do not involve any substantial additional cost or man-hour effort, and have no effect on contractual completion period, and/or
- b) Changes in CONTRACTOR's WORK required on account of CONTRACTOR not having included any item of EQUIPMENT or WORK which, in the opinion of OWNER / CONTRACTOR is necessary for the normal, safe and continuous operation of PLANT.
- c) Any change necessitated due to requirements of prevalent laws in India.

13.0.0 TRAINING OF OWNER'S PERSONNEL

The CONTRACTOR shall provide facilities, for Training of OWNER's personnel if requested.

14.0.0 MODE OF CONTRACTING

14.1.0 Notwithstanding anything stated elsewhere in the CONTRACT documents, the CONTRACT is with single source responsibility.

14.2.0 The CONTRACT shall be in all respect being construed and governed in accordance with the Indian laws.

15.0.0 TERMS OF PAYMENT

15.1.0 100 % payment will be released on completion of all works and issue of Inspection Release Note (IRN) / Product Release Note by TPIA and against site receipt of the material at FEW or other site as per instruction.

15.2.0 The Payment for saddle supports shall be made based on the theoretical weight as per the approved drawing issued for fabrication.

15.3.0 Payments will be made after deduction on following accounts/TDS:

- a) Income tax / GST at prevailing rate.
- b) Any other amount due from contractor to owner.

16.0.0 MOBILISATION ADVANCE

16.1.0 No mobilisation advance will be paid.



17.0.0 BILLING SCHEDULE

17.1.0 NOT APPLICABLE.

18.0.0 LIABILITY FOR DEFECTS

If at any time before the FINAL ACCEPTANCE or during the DEFECTS LIABILITY PERIOD stated below, the PROJECT MANAGER:

- (a) Decides that any matter is a DEFECT; and
- (b) as soon as reasonably practicable gives to the CONTRACTOR notice of the particulars of the DEFECT. The CONTRACTOR shall as soon as reasonably predictable time make good the DEFECTS so notified and the OWNER shall so far as may be necessary place the AMMONIA BULLETS at the CONTRACTOR's disposal for this purpose. The CONTRACTOR shall, if so required by the PROJECT MANAGER, submit his proposals for making good any DEFECT to the PROJECT MANAGER for his approval.

18.1.0 Subject to clauses 18.5.0, the DEFECTS LIABILITY PERIOD shall be a period of 12 months from the date of FINAL ACCEPTANCE.

18.2.0 If any DEFECT arises from any breach or otherwise of the contract terms, the CONTRACTOR shall bear his own cost of making good the DEFECT. In the case of any other matter made good by the CONTRACTOR, the work done by the CONTRACTOR shall be the subject of CHANGE ORDER.

18.3.0 The sustained load test is to be carried out before the performance guarantee test. The performance guarantees are demonstrated only through the performance tests carried out before the achievement of the FINAL ACCEPTANCE CERTIFICATE.

CONTRACTOR shall be available to carry out further test(s) on the repaired/replaced item during the DEFECT LIABILITY PERIOD having the sole purpose to verify that said item is capable of working in compliance with contractual requirements. Such test(s) shall not be intended as a repetition of the performance tests already performed.

If DEFECT is made good after the issue of a FINAL ACCEPTANCE CERTIFICATE the PROJECT MANAGER may require the CONTRACTOR to repeat any appropriate performance test for the purpose of establishing that the DEFECT has been made good. The CONTRACTOR shall be responsible for the cost of any repeat inspection or test in the event of an inspection or test failure.

18.4.0 If in the course of making good any DEFECT which arises during the DEFECTS LIABILITIES PERIOD and CONTRACTOR repairs, replaces or renew any part of the PLANT, this Clause 18 shall apply to the repair or to that part of the AMMONIA BULLETS so replaced or renewed and shall further apply until the expiry of a period of 12 months from the date of such repair, replacement or renewal (the extended DEFECTS LIABILITY PERIOD).

18.5.0 If the CONTRACTOR does not make good any DEFECT, within a reasonable time, as assessed by owner / consultant, which he is liable to make good under Sub-Clause 18.1.0 then the OWNER/FEDO may, in addition to any other remedies or relief available to him



under the CONTRACT, proceed to do the work, provided that the OWNER/FEDO gives at least fourteen DAYS notice of his intention.

18.6.0 If the OWNER reasonably requires that any DEFECT notified to the CONTRACTOR under Sub-clause 18.1.0 which arises during the DEFECT LIABILITY PERIOD be made good urgently and the CONTRACTOR is unable or refuses to comply within a reasonable time, the OWNER may, in addition to any other remedies or relief available to him under the CONTRACT, proceed to do the work in such a manner as the PROJECT MANAGER may decide, including the employment of a third party.

18.7.0 If the OWNER has made good a DEFECT in accordance with Sub-clause 18.5.0 or 18.6.0, the CONTRACTOR shall reimburse the OWNER his reasonable cost of so doing provided that the OWNER gives a notice to the CONTRACTOR of his intention and submits a claim supported by DOCUMENTS. The PROJECT MANAGER and the CONTRACTOR may agree the amount to be paid by the CONTRACTOR, or in the absence of agreement the PROJECT MANAGER shall decide such amount as may be reasonable. Such amount shall be:

- a) Deducted from any money that would otherwise be payable under the CONTRACT; or
- b) paid by the CONTRACTOR to the OWNER

18.8.0 If the Bullets cannot be used because of a DEFECT to which this Clause 18 applies, the DEFECTS LIABILITY PERIOD, or if applicable the extended DEFECTS LIABILITY PERIOD, shall be extended by a period equal to the period during which it cannot be used.

19.0.0 PRICE REDUCTION FOR DELAY

19.1.0 Time is the essence of contract.

19.1.1 Article 31.2 of GCC is not applicable.

19.1.2 Price Reduction for Delay will become applicable for the WORK beyond the scheduled time of completion. CONTRACTOR will have to pay to the OWNER by way of price reduction for delay and not as penalty, an amount equal to ½% of the total contracted price of the work order for each week OR part thereof of such delay in work completion subject to a maximum of 10 % of such price.

20.0.0 GOVERNMENT OF INDIA NOT LIABLE

It is expressly understood and agreed by and between the CONTRACTOR and the OWNER that the OWNER is entering to this agreement solely on its own behalf and not on behalf of any other person or entity. In particular, it is expressly understood and agreed that the Government of India is not a party to this agreement and has no liabilities, obligations or rights there under. It is expressly understood and agreed that the OWNER is an independent legal entity with power and authority to enter into contracts, solely on its own behalf under the applicable Laws of India and General Principles of Contract. The CONTRACTOR expressly agrees, acknowledges and understands that the OWNER is not an agent, representative or delegate of Government of India. It is further understood and agreed that the Government of India is not liable for any acts, omissions, commissions, breaches or other wrongs arising out of the CONTRACT. Accordingly, CONTRACTOR hereby expressly waives, releases and



forgoes any and all actions or claims, including cross claims or counter claims against the Government of India arising out of this CONTRACT and covenants not to sue the Government of India on any matter, claim and cause of action or thing whatsoever arising of or under this CONTRACT.

21.0.0 SETTLEMENT OF DISPUTES AND ARBITRATION

21.1.0 If the Contractor is not a Central Public Sector Enterprise/Central Government Department:

If any dispute arises out of or relating to or in connection with this CONTRACT, between the CONTRACTOR and the OWNER/FACT, the same shall be amicably settled through mutual discussions, failing which, the unresolved dispute(s) shall be referred to arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996, as amended from time to time. The number of Arbitrator shall be one. The venue of the Arbitration shall be at Ernakulam and the proceedings shall be in ENGLISH.

21.2.0 If the CONTRACTOR is a Central Public Sector Enterprise(CPSE/CPSU) or Central Government Department:

In the event of any dispute or difference relating to the interpretation and application of the provisions of this contract(s) between Central Public Enterprises (CPSEs)/Port Trusts inter se and also between CPSEs and government departments / Organizations (excluding disputes concerning Railways, Income Tax, Customs & Excise Departments), such dispute/ difference shall be taken up by either Party for resolution through AMRCD as mentioned in DPE OM No. 4(1)2013-DPE(GM)/FTS-1835 dated 22.05.2018."

21.3.0 Any legal proceedings relating to or in connection with this CONTRACT shall be limited to the exclusive jurisdiction of the High Court of Kerala.

22.0.0 CONCESSIONAL RATE OF CUSTOMS DUTY:- (APPLY IN THE CASE OF IMPORT)

22.1.0 Being a project for setting up of a new fertilizer plant, owner is entitled to Customs Duty Concession at 5% as per Notification issued by Department of Revenue, Ministry of Finance, in exercise of powers conferred by Sub Section 1, Section 25 of the Customs Act 1962 and subsection 12 of section 3 of Customs Tariff Act 1975. It is the responsibility of the contractor to make necessary arrangement, support, assistance to avail the said Customs Duty concession and pass the benefit to the owner in all imported goods / items on which the said benefit is available.

It is the responsibility of the contractor to get all the applicable benefits of deemed export available to the project, as per prevailing Foreign Trade Policy. The contractor shall submit the details of benefits considered in the bid and also inform the details of documents to be submitted by the owner for availing all these benefits to the project.

22.2.0 IMPORTANT : Before Price bid opening, the Bidders shall be required to give PRICE BREAK UP IN % OF TOTAL PRICE FOR the SUPPLY of IMPORTED MATERIALS in the following format(**IF APPLICABLE**).

Details of each imported materials required for incorporation to set Ammonia Storage Tank and associated Facilities complete in all respects including Spares shall be furnished

**SPECIAL CONDITIONS OF CONTRACT**

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Schedule Q

	ITEM DESCRIPTION	% of Price quoted		Basic Custom Duty rate	Soc.Welfare Cess on Basic Custom Duty	IGST on Custom Duty rate	Any other charge* in % of quote.
1							
2							

(* Please give details on any other charge if any)

The above breakup shall be considered for deducting / passing on benefit to FACT in case of Import is on concessionary customs duty/ deemed export.

23.0.0 RISK COVERAGE

Contractor shall arrange and procure an all risk coverage Insurance policy covering the total work order value awarded + cost of free supply material issued by FEW/FACT. A copy of the policy shall be made available to FACT/FEDO/FEW.

24.0.0 MSE UNITS

24.1.0 Firms registered under MSMED Act shall be extended benefits under public procurement policy for MSEs and such other provisions effected by GoI from time to time, as applicable, (hereinafter called 'the Policy') including special benefits to MSE firms owned by SC/ST and women entrepreneurs, on furnishing relevant documents as proof.

24.2.0 MSE bidders shall declare their UAM number in the CPP Portal, failing which such bidders will not be able to enjoy the benefits as per the Policy for tenders invited electronically through CPP Portal.

24.3.0 When supply / service as per the tender is divisible in nature, MSEs quoting within the price band prescribed in the Policy shall be allowed to supply / execute a portion of the requirement as prescribed in the Policy, subject to conditions as mentioned in the Policy.

24.4.0 When supply / service as per the tender is non-divisible or non-splitable in nature, MSEs quoting within the price band prescribed in the Policy (in ascending order) may be awarded full / complete supply of total tendered value to such MSEs, subject to conditions as mentioned in the Policy.
