



**TENDER**

**FOR**

**SELF PROPELLING BARGE**

**FOR**

**LIQUIFIED AMMONIA GAS**

**TRANSPORTATION**

**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 procure a self-propelled barge for transporting Liquefied Ammonia Gas (LAG) through Udyogamandal canal and Champakkara canal (of National Waterway No. 3 maintained by IWAI), using bullets of suitable capacity mounted on the barge. Four (04) bullets are envisaged; the aggregate capacity of the bullets shall be 350 MT of LAG per trip.
- 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).
- 1.7** The present NIT specifies the requirements for selection of an Contractor for design, detailed engineering, procurement, third party inspection, fabrication, and

supply a self-propelled barge for transporting Liquefied Ammonia Gas (LAG) through Udyogamandal canal and Champakkara canal (of National Waterway No. 3 maintained by IWAI), using bullets of suitable capacity mounted on the barge. Four (04) bullets are envisaged; the aggregate capacity of the bullets shall be approximately 350 MT of LAG per trip. The 4 nos. bullets and its associated piping and valves will be supplied by FEW to contractor's yard. No materials other than the bullets and piping and valves shall be supplied to contractor by 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 by the Builder.
- 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 tender issued by the Builder.
- 2.6 FACT Engineering and Design Organisation (FEDO), the technical consultant appointed by the Owner.
- 2.7 Department of Ship Technology, CUSAT, the technical consultant appointed by the Builder.
- 2.8 Certification Agency is the Statutory/Classification Society responsible for the inspection and certification of the barge (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 BARGE SPECIFICATION & DETAILS**

Shall be as per attached Technical Specifications.

## **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 operational BARGE, 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 PLANT 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 for a completely engineered BARGE 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, 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 PLANT 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, mounting of Bullets, Installation of piping, Application of cold insulation, Launching, Testing, Commissioning, sea trials and Delivery of a self-propelled Barge (excluding Fabrication of Bullets) under classification of IACS Society for the transportation of LAG (Liquefied Ammonia Gas) as per the tender documents attached.
- 4.2.3** Procurement of plates, structural, engines, gearbox etc. for barge construction are under the contractor's scope. The four numbers of bullets with a combined capacity of 350 MT and its associated piping will be supplied by FEW to the contractor for mounting against BG.
- 4.2.4** The entire work of construction of the barge is to 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** Procurement of all materials including plates, structural, engines, generators, consumables, etc required for the construction of the barge.
- 4.2.9** Fabrication of the barge at the contractor's works.
- 4.2.10** Arranging all stage-wise & final inspection & testing by Classification Society/Statutory Bodies.
- 4.2.11** Unloading the bullets supplied by FEW at contractors' yard.
- 4.2.12** Supply and application of Poly Urethane Foam insulation for the bullets (cast in- situ) and for the connected piping(pre-formed).
- 4.2.13** Mounting of the bullets fabricated by FEW on to the barge.
- 4.2.14** Assembly/mounting of piping, fittings and valves on to the barge as per FEDO PID, which will be issued



at the time of placing work order. Piping, fittings and valves shall be supplied by FEW. However, the necessary site jointing of pipe sections shall be in the scope of the contractor. For all other pipes, fittings and valves, procurement and installation shall be under the contractors scope.

- 4.2.15** Launching, sea trials, commissioning and completion of the barge in all respects.
- 4.2.16** 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.
- 4.2.17** Assistance in obtaining Class certification, Certificate of Entry, Certificate of Registration as per Inland Vessel Act and other necessary approvals for cargo specific classification after completing all fit-ups including mounting the Ammonia bullets, piping, instrumentation and insulation. FEDO/Builder shall provide the necessary technical assistance for the approval of bullets.
- 4.2.18** The barge shall be delivered/handed over at FACT, Kochi.
- 4.2.19** Assistance for first to and fro voyage (loaded & ballasted) of the delivered barge with designated cargo, i.e. Liquefied Ammonia, from the loading point either at Udyogamandal or Willingdon Island to FACT-CD and back. First to and fro voyage including fuel shall be arranged by the contractor.
- 4.2.20** Two weeks basic on board training in maintenance and operation shall be provided to FACT personnel.
- 4.2.21** 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.
- 4.2.22** 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 BARGE FABRICATION**

#### **4.3.1 DESIGN**

The Builder engaged the services of CUSAT for carrying out the basic design (General Arrangement & mid-ship section, sizing of scantlings, shipbuilding specification, etc) of the barge. Based on the basic design carried out by CUSAT, the GA & mid-ship section drawing of the proposed barge is attached. The Contractor shall carryout the detailed design of the barge; in-line with the basic design attached with this TPS. The GA & mid-ship sectional drawing, Shipbuilding Specification, Special Requirements of the Project, and other documents/drawings/Engineering Specifications attached along with this TPS shall be the technical basis for carrying out the detailed design of the barge.

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. Documents listed under Vendor Data Requirements (document no. 3472-02-PS-003VDR) shall be furnished; as a minimum requirement. Design and detailing of supports for mounting bullets are included in the Contractor's scope.

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 required for successful fabrication of barge shall be in the Contractor's scope. This shall include plates, structural, all machinery and electrical items such as main engines, auxiliary engines, propeller & rudder, electrical cables, lighting fixtures, switchboards, etc.



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 BARGE CONSTRUCTION

4.5.1 Construction of the barge shall be carried out by the Contractor at the Contractor's works. The contractor shall deploy required manpower (skilled, semi-skilled, unskilled, supervisory, etc) to build the barge.

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 MOUNTING OF BULLETS ONTO THE BARGE

4.6.1 The Contractor shall mount the bullets supplied by FEW, onto the barge. The bullet shall be fabricated and supplied by FEW. The contractor shall arrange for unloading the bullets at his site and loading the bullets after cold insulation for mounting onto the barge. Assembly of Piping components connected to the bullets shall be carried-out by the Contractor. Prefabricated pipe sections to the extent possible shall be fabricated and supplied by FEW. Any modification required during assembly shall be carried-out by the Contractor at site. Unloading the fabricated pipes at contractor's yard shall be in the scope of contractor.

4.6.2 The contractor shall arrange to store and preserve the free supply bullets and piping.

4.6.3 The contractor shall submit a Bank Guarantee (BG) equivalent to the monetary value (approximately 6 Crore) of the bullets, pre-fabricated pipes, valves etc. supplied by FEW. The actual amount will be informed to the contractor at the time of placing work order and the BG should be submitted prior to receiving the bullets by the contractor.

4.6.4 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.

4.6.5 The format for Bank Guarantee shall be issued by FEW at the time of placement of order.

4.6.6 Fabrication and erection of all pipe supports and fasteners required for the pipes and fittings, as per the drawing shall be in the Contractor's scope.

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/cm<sup>2</sup>
- 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
- Thickness of external PUF\*insulation : 100 mm
- Outside diameter of the insulated bullet : 3664 mm
- Overall length of the insulated bullet : 16,625 mm
- Weight of empty bullet (insulation inclusive) : 50,350kgs.(approx)
- Weight of loaded bullet : 1,47,000kgs. (approx)

\* PUF – Poly Urethane Foam



**4.8.0 POLYURETHANE FOAM (PUF) INSULATION**

- 4.8.1 In-situ PUF insulation of the bullets (4 nos.) and insulation of all piping connected to the bullets with pre-formed PUF sections is in the Contractor's scope.
- 4.8.2 Contractor shall engage sub-contractors approved by Owner/Builder for the supply & application of PUF insulation. List for sub-contractors (supply & application) approved by Owner/Builder is given in the "List of Makers" attached with the TPS
- 4.8.3 PUF insulation of the bullets shall be as per attached FEDO Engineering Specification for Cold Insulation (document no.02ES042/2010).
- 4.8.4 In-situ PUF insulation of the bullets shall be carried out after fitment of the bullets on to the barge.
- 4.8.5 Insulation of piping and valves using pre-formed sections of PUF and providing high density polyurethane cradles at supports, etc shall be carried out after assembly of piping to the bullets. Refer document "Supports for Cold Insulated Pipes – 15NB to 150NB" attached.
- 4.8.6 All insulation shall be subject to the stage-wise & final inspection and approval of Owner/Builder.

**5.0.0 INSPECTION & TESTING**

- 5.1.0 The Contractor shall carry-out all inspection and testing as required by the Classification Society rules. Also refer to section Inspection, Tests and Trials of the Shipbuilding Specification (document no. 32472-02-PS-003 SS) attached with the TPS.
- 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, Certificate of Entry, Certificate of Registration as per Kerala Inland Vessel Act and other necessary approvals for cargo specific classification after completing all fit-ups including mounting the Ammonia bullets, piping, instrumentation and insulation. 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 Refer Doc. No. 32472-02-PS-003 LM for the list of Makers approved by the Owner/Builder for major bought-out items including paints and PUF(supply & application) Insulation. Procurement of bought-out items from Makers not included in the above-mentioned list shall be subject to approval by Owner/Builder.
- 7.2.0 For items not listed in the above document, 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 The delivery of the barge shall be within 9 months from the date of issue of work-to-proceed notice/ 2 months from the date of receipt of bullets and its associated piping at contractor's yard, whichever is later. A time schedule and resource schedule shall be submitted along with the technical bid. The contractor shall submit a PERT chart and BAR chart for the same. Time overrun and cost overrun shall not be allowed.

9.2.0 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.

9.3.0 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.

9.4.0 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.

#### **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 as per TPS.

**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.
- 14.3.0 It is clearly understood that the total consideration for the CONTRACT has been broken up into various components only for the convenience of payment of advance under the CONTRACT and for the measurement of deviation or modification under the CONTRACT(s).

**15.0.0 TERMS OF PAYMENT**

15.1.0 All stage wise payments shall be released only on submission of acceptable unconditional Bank Guarantee (BG) for an equivalent amount.

15.2.0 These Guarantee should be issued by a Nationalised Bank/ Scheduled Bank. FACT/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 handing over of barge to FACT/FEW (after successful conduct of the first to and fro voyage with Ammonia Cargo from its loading point either at Udyogamandal or Willingdon Island to FACT-CD and back to Udyogamandal or Willingdon Island).

15.3.0 The format for Bank Guarantee shall be issued by FEW at the time of placement of order.

15.4.0 Payment will be as follows: -

**15.4.1 -15(fifteen)% of contract value shall be released on**

- i) Approval of design calculation and fabrication drawings of Barge by classification agency and after keel laying and
- ii) Procurement of plates and structural with necessary certification from classification agency.

**15.4.2 -25(twenty five)% of contract value shall be released on**

- i) Completion of fabrication of hull and steel works of super structure with necessary certification from classification agency and
- ii) Arrival of major supply items at builder's yard with necessary certification from classification agency. The major supply includes Main engines, Gear box, Stern gear and Genset with control panel.

**15.4.3 -30(thirty)% of contract value shall be released on**

- i) Completion of cold insulation of bullets and its associated piping and
- ii) Mounting and assembly of bullets in all respects including piping and instrumentation items and
- iii) Erection of main engines, gensets with control panels etc., gear box, stern gear, propeller and rudder stock, electrical systems, navigation and communication items, navigation lighting mast, bilge, fire and emergency pumps, statutory appliances etc. with necessary certification from classification agency.

**15.4.4 Final 30(thirty)% of the contract value** shall be released on delivery and acceptance of the barge, after successful conduct of the first to and fro voyage (loaded and ballast) with Ammonia Cargo from its loading point either at Udyogamandal or Willingdon Island to FACT-CD and back to Udyogamandal or Willingdon Island. The contractor shall intimate the readiness to undertake the maiden voyage with designated cargo and the conduct of the maiden voyage shall be carried out within 15 days by FEW/FACT with the assistance of the contractor.

15.5.0 Interim payments will be made against running bills as per the above schedule, after deduction on following accounts/TDS:

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

15.6.0 Contractor shall make all claims in the standard printed bill form prescribed by FACT and claims shall be serially numbered. Claims for part payments shall not be more frequent than once a month.

15.7.0 Settlement of all accounts including recovery of cost of departmental materials and hire charges if any, Price Reduction if any and any other amount due from contractor also shall be completed along with final documentation before the release of final payment.

**16.0.0 MOBILISATION ADVANCE**

**16.1.0 No mobilisation advance will be paid.**

**17.0.0 BILLING SCHEDULE**

17.1.0 The CONTRACTOR shall provide a billing schedule based on agreed payment terms within 30 days from the effective date of CONTRACT for APPROVAL by the OWNER/FEDO.

17.2.0 Payment of running bills shall be made as per Schedule-G of GCC.

**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 PLANT 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 PLANT 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 BARGE 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. Similarly the DEFECTS LIABILITY PERIOD, or if applicable the extended DEFECTS LIABILITY PERIOD shall be extended by any period wherein the BARGE cannot be used by reason of the CONTRACTOR putting the BARGE into such condition that it passes any relevant performance test or attempting to do so.

#### **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 so delayed for each week OR part there of such delay in work completion subject to a maximum of 10 % of such price.

#### **20.0.0 INCENTIVE FOR EARLY COMPLETION :**

**NOT APPLICABLE**

**21.0.0 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.

**22.0.0 SETTLEMENT OF DISPUTES AND ARBITRATION**

22.1.0 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.

22.2.0 If the CONTRACTOR is a Central Public Sector Enterprise 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."

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

**23.0.0 CONCESSIONAL RATE OF CUSTOMS DUTY:-**

23.1.0 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."

23.2.0 **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.

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

	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.

**24.0.0 RISK COVERAGE**

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

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