**Doc. No.: GP&EC/PNQ/BID-EPC-DIST/20-21/NT/051**
**Date : January 06, 2021**
**Assign. No.: PWR-2019-02335**
**Date : August 31, 2019**

# NOTICE INVITING E-TENDERING
# BID DOCUMENT
## (VOLUME I OF II)

## FOR

## EPC OF 30 KLPD MOLASSES BASED DISTILLERY PLANT WITH RAW SPENT WASH EVAPORATION & BALANCE OF PLANT

**AT**

**SHRI VRIDHESHWAR SAHAKARI SAKHAR KARKHANA LIMITED (SVSSKL)**

**AT/POST ADINATHNAGAR, TALUKA PATHARDI, DISTRICT AHMEDNAGAR - 414 505 MAHARASHTRA**

**PREPARED BY**

**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED (MITCON)**

**KUBERA CHAMBERS, 1ST FLOOR, DR. RAJENDRA PRASAD ROAD, SHIVAJINAGAR PUNE - 411 005, MAHARASHTRA**

**APRIL, 2021**

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# I. INSTRUCTIONS TO BIDDERS

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# I. INSTRUCTION TO BIDDERS

## 1. Scope

1.1 M/s Shri Vridheshwar Sahakari Sakhar Karkhana Limited (SVSSKL), (hereinafter referred to as the **PURCHASER**) wishes to receive the Bid for the supply, delivery, installation and commissioning of the goods, materials and equipment (such goods, materials and equipment hereinafter referred 30 KLPD Distillery with Raw Spent Wash Evaporation, & Balance of Plant at Adinathnagar, Taluka Pathardi, District Ahmednagar, Maharashtra to as the goods) as described in the various sections in volume II of the bid documents, for on Engineering, Procurement and Commissioning basis for the entire 30 KLPD Distillery with Raw Spent Wash Evaporation, & Balance of Plant project, as detailed in Volume – II.

1.2 All bids are to be completed and returned to the **PURCHASER** in accordance with these instructions to **BIDDER**s.

1.3 Before submitting the offer, the **BIDDERS** are advised to inspect the site and the environment and be well acquainted with the actual working and other prevalent conditions, facilities available, position of material and labour. No claim will be entertained later on the ground of lack of knowledge.

## 2. Cost of bidding

2.1 The **BIDDER** shall bear all costs associated with the preparation of the bid. **PURCHASER / CONSULTANT** will, in no case, be responsible or liable for such costs, regardless of the conduct or outcome of the bidding process.

## 3. Joint Ventures

3.1 In the event that the successful **BIDDER** is a joint venture formed of two or more companies, the **PURCHASER** requires that the parties to the joint venture accept liability jointly and severally for all obligations under the contract.

## 4. Assurance

The successful **BIDDER** will be required to give satisfactory assurance of its ability and intention to supply the goods and services pursuant to the contract, within the time set forth therein.

## 5. Bidding Documents

5.1 The required goods and services, bidding procedures and contract terms are prescribed in this volume I of the bidding documents. The volume II of the bidding documents gives the technical specification, data sheets and the drawings according to which the equipment is to be designed, manufactured and erected. The Appendix I in volume - I of the bidding documents gives bid form and price schedule to be filled up and submitted along with the offer by the Supplier.

5.2 BIDDERS shall carefully study all sections of these bidding documents and shall clearly indicate in the schedule of deviations, all deviations from technical specification as well as those from general terms and conditions. If no deviation is indicated in the schedule of deviations or except for the deviations indicated, it will be understood that in all other aspects, the offer conforms to the specification and the PURCHASER reserves the right to evaluate the bid as such without any further reference to the BIDDER.

5.3 If the **BIDDER** indicates any comment on this specification in their bid, the same will not be accepted. No extra claims on account of the lack of understanding of the clauses/articles on the part of the **BIDDER** will be entertained by the **PURCHASER** after the award of contract.

5.4 BIDDERS shall furnish all the data/information called for in the various schedules in Volume II, more specifically the provided data sheets in soft and hard versions failing which the bid will be considered as incomplete and non-responsive and the PURCHASER reserves the right to reject the bid.

## 6. Clarification on bidding documents

6.1 In case, any clarification is required, the **BIDDER** shall obtain the same from the **PURCHASER/CONSULTANT** in writing by E-mail or by letter or in person so as to ensure submission of bid on or before the bid closing date. All such clarifications shall be binding both on the **PURCHASER** and the **BIDDERS**.

6.2 All communications seeking clarification shall be sent to the **CONSULTANTS**.

6.3 Written copies of the **PURCHASER's/ CONSULTANT's** response (including an explanation of the query, but without identifying the source of the enquiry) will be sent to all prospective **BIDDERS** who have been issued the bid documents.

## 7. Amendment of Bidding Documents

7.1 At any time prior to the deadline for submission of bid, the **PURCHASER** may, for any reason, whether at their own initiative or in response to a clarification requested by a prospective **BIDDER**, modify the bidding documents by amendment.

7.2 The amendment shall be part of the bidding documents and will be notified in writing or by fax or E-Mail to all prospective **BIDDER**s who have received the bidding documents, and will be binding on them. **BIDDER**s will be required to acknowledge receipt of any such amendment to the bidding documents.

7.3 In order to afford prospective **BIDDER**s reasonable time in which to take the amendment into account in preparing their bid, the **PURCHASER** may, at their discretion, extend the deadline for the submission of bid.

## 8. Language of the bid

The bid prepared by the **BIDDER** and all correspondence and documents relating to the bid exchanged by the **BIDDER** and **PURCHASER/CONSULTANT**, shall be written in the English language, provided that any printed literature furnished by the **BIDDER** though written in another language, shall be accompanied by an English translation in which case, for purpose of interpretation of the bid, the English translation shall govern.

## 9 Qualification of BIDDERS

9.1 Only **BIDDERs** who have previous experience in the work of this nature and description detailed in this tender specification are expected to quote for this work, duly detailing their experience along with the offer. Offers from **BIDDER**s who do not have proven and established experience in the field are not likely to be considered.

9.2 The documentary evidence of the **BIDDER's** qualifications to perform the contract if the bid is accepted shall be established to the **PURCHASER's** satisfaction.

9.3 In the case of a **BIDDER** offering to supply goods under the contract which the **BIDDER** does not manufacture, the **BIDDER** shall have been duly authorized by the good's manufacturer, to supply and service the goods in India.

9.4 In the case of a **BIDDER** where a collaborator is associated with this bid, the bid shall be accompanied by a document addressed to the **PURCHASER** and signed by the collaborator declaring the collaboration agreement.

9.5 In addition to the above, to be eligible for the award of the contract, all of the following basic criteria shall be fulfilled. Performance of such installations shall be satisfactory and necessary documentary evidence to prove this shall be submitted along with the bid.

9.5.1 The BIDDERs should have successfully designed, engineered, supplied, erected, commissioned & proved minimum of three (3) complete distillery/ethanol plants of 60 KLPD capacity or above on EPCC (engineering, procurement, construction & commissioning) basis and such distillery/ethanol plants should be in satisfactory operation for a minimum period of two (2) seasons within India.

9.5.2 The BIDDERs should have annual turnover of minimum Rs. 120 Crore per annum for last 3 consecutive years

## 10. Previous Experience

10.1 A statement giving particulars, duly supported by documentary evidence of the various services rendered for similar work by the **BIDDER** indicating the particulars and value of each work, the site location and the duration and date of completion and also such work that are under progress shall be submitted by the **BIDDER**s along with their offers.

## 11. Documents Comprising the Bid

11.1 The bid prepared by the **BIDDER** shall comprise of the following:

a) Completed bid form and with complete technical details including the data sheets and all schedules completed in accordance with the requirement of volumes - I and II.

b) Documentary evidence established to the requirement of the relevant clause that the **BIDDER** is qualified to perform the contract if the bid is accepted.

11.2 The bid prepared by the **BIDDER** shall be in two (2) parts.

Part - I -Technical & Unpriced Commercial Bid

Part - II -Price Bid
Part – III - EMD

11.3 PART - I -TECHNICAL & UNPRICED COMMERCIAL BID

Technical bid shall indicate the following to the extent applicable:

a) **BIDDER**'s confirmation that the goods and ancillary services to be supplied by the **BIDDER** conform to the bidding documents.
b) Complete scope of supply supported by documents, brochures, standards, catalogue etc. as applicable.
c) List of spare parts for the erection and commissioning of all systems and equipment.
d) List of spare parts for operation and maintenance, as per volume II.
e) List of maintenance tools and tackles.
f) Layout drawings and sketches with dimensions of equipment and indicating limits of supply.
g) Nature of maintenance assistance available / offered by **BIDDER**.
h) Delivery schedule and place of manufacture.
i) Reference list of customers using similar equipment and materials.
j) Complete filled up data sheets as per volume II.
k) Training facilities offered.
l) Reference list of customers using similar equipment and materials
m) Complete filled up data sheets as requested by PURCHASER / CONSULTANT

Unpriced Commercial Bid shall indicate the following:

a) Terms of Payment as per tender.
b) Confirmation that firm prices have been quoted.
c) Port/place of shipment.
d) Statement that all taxes and duties levied by the exporting country are included.
e) Acceptance of general terms and conditions of the purchase.
f) Confirmation that validity of bid for 90-days and 120-days for spares from the price bid opening date.
g) Information requested under Clause - 9.
h) No deviation letter on letter head with sign.
i) Copy of latest income tax return / ITCC as well as for last 3 years
j) Turnover certificate for last 3 years

11.4 PART - II -PRICE BID

Should cover the bid price and other related costs, in the provided format of Price Schedule in this bid.

11.5 PART- III- EMD

EMD in Original Format as per the instructions provided herein and advertisement published in newspaper. EMD shall be in the form of Demand Draft / Bank Guarantee of Nationalized bank to be drawn in favor of SVSSKL, payable at Pathardi

**All above 3 parts shall be submitted / uploaded on website link (website details provided in advertisement published in newspaper) separately, mentioning clearly the respective title / file name**

## 12. Price and Rates

12.1 The price to be quoted by the **BIDDER**s shall be in Indian rupees and the quotation shall be in accordance with the requirement of the relevant schedules in the bid specification. The price shall be separately for basic price, taxes and duties as called for elsewhere in this specification.

12.2 The prices quoted shall be for complete supply, inspection, packing and forwarding, freight and transit insurance, port clearances, statutory fees payable, unloading at site, erection, commissioning and testing of equipment and handing over the same to the **PURCHASER**.

12.3 Indigenous **BIDDER**s shall arrange for their own required licenses and foreign exchange, if imported components are considered in the equipment supply.

## 13. Validity and Firm Price

13.1 The prices quoted by the **BIDDER**s shall be kept open and valid for acceptance for a minimum period of ninety (90) days from the date of opening of the offers. The quotation shall be for the entire scope of work on the **'FIRM PRICE'** basis. No escalation whatsoever is acceptable. The quotations not on the basis of **'FIRM PRICE'** will be treated as non-responsive and they run the risk of rejection.

13.2 Prices shall be written in both words and figures. In the event of difference, the prices in words shall be valid and binding. Unit prices shall be considered correct in the event of any discrepancy with regard to the total price.

## 14. Format and Signing of Bid

14.1 The original bid form and accompanying documents clearly marked "Original", must be received by the **PURCHASER** / **CONSULTANT** at the date, time and place specified, pursuant to clauses-15 and 16. In the event of any discrepancy between the original and the copies, the original shall govern.

14.2 The original and all copies of the bid shall be typed or written in indelible ink and shall be signed by the **BIDDER** or a person or persons duly authorized to sign on behalf of the **BIDDER**. Such authorization shall be indicated by written power-of-attorney accompanying the bid.

All pages of the bid, except for un amended printed literature, shall be initialed by the person or persons signing the bid. The name and position held by each person signing must be typed or printed below the signature.

The bid shall contain no interlineations, erasures or overwriting except as necessary to correct errors and such corrections shall be initialed by the person or persons signing the bid.

## 15 Sealing and Marking of Bid

15.1 The **BIDDERS** are requested to prepare their offers in three parts as mentioned in below subsequent clauses and shall be addressed to the PURCHASER at the address given in the project information.

15.1.1 The first part /envelope should contain two (2) sets (One original and one copy) of technical bid and two (2) sets (One original and one copy) of unpriced commercial bid including no deviation letter, documents for eligibility etc ( as per clause 11.3). This envelope should be clearly marked "Technical & Unpriced Commercial Bid" and shall be addressed to the PURCHASER at the address given in project information**.**

15.1.2 The second part / envelope should contain one original copy of price bid and should be clearly marked as "PRICE BID' and shall be addressed to the PURCHASER at the address given in project information

15.1.3 The Third Part /envelope should contain original copy of EMD and should be clearly marked as "EMD" & shall be addressed to the PURCHASER at the address given in the project information. EMD shall be in the form of Demand Draft / Bank Guarantee of Nationalized bank to be drawn in

favor of SVSSKL, payable at Pathardi. The amount of EMD is Rs. 13, 50,000 (Rupees Thirteen Lakhs Fifty Thousand Only)".

**All above 3 parts / Envelops shall be uploaded on website link (website details provided in advertisement published in newspaper) separately mentioning clearly the respective title / file name**

Bidder shall upload three (03) separate files on the website address / link provided in the published advertisement as well as carry along with them the respective sealed envelopes (03 nos) during technical and commercial bid opening meeting. Means, Envelop 1 &3 i.e. Technical & unpriced bid and EMD during technical bid opening meeting and Envelop 2 i.e. Price bid during commercial bid opening meeting

Bidders to follow the above instructions strictly. If any deviations in the same found, PURCHASER reserves the right to accept or reject the tender, without assigning any reason thereof

15.1.4 All the envelopes shall bear the title, "EPC Project, Distillery Package, enquiry number, bid closing date and brief description of the contents

15.1.5 The name and address of the **BIDDER** shall be clearly marked on the envelope to enable the bid to be returned unopened in case it is declared "late

15.2 If the envelopes are not sealed and marked as required in this clause, as the case may be, the PURCHASER will assume no responsibility for the bid's misplacement or premature opening.

## 16 Deadline for Submission of Bid

16.1 **The original TECHNICAL & UNPRICED COMMERCIAL BID and PRICE BID** together with the required copies, must be received by the **PURCHASER,** not later than the time and date mentioned in the email correspondence / pre bid meeting by Sugar mill / Consultant. Also, soft copy (word or excel file) of duly filled technical data sheets to be submitted on the given email id of Consultant / Purchaser within informed time limit.

16.2 The **PURCHASER** may, at their discretion, extend the deadline for the submission of bid by amending the bidding documents, in which case all rights and obligations of the **PURCHASER** and **BIDDER**s previously subject to the deadline will thereafter be subject to the deadline as extended.

## 17. Late Bid

Any bid received by the **PURCHASER** after the deadline for submission of bid so prescribed by the **PURCHASER**, shall be declared "**late**".

## 18 Modification and Withdrawal of Bid

18.1 The **BIDDER** may modify or withdraw the bid after submission of bid, provided that written notice of the modification or withdrawal is received by the **PURCHASER** prior to the deadline prescribed for submission of bid.

18.2 The **BIDDER**'s modification or withdrawal notice shall be prepared, sealed, marked and dispatched in accordance with the provisions of clause-15. A withdrawal notice may also be sent by E-mail or fax but must be followed by a signed confirmation copy.

18.3 No bid shall be modified subsequent to the deadline for submission of bid.

18.4 No bid shall be withdrawn in the interval between the deadline for submission of bid and the expiration of the period of bid validity specified by the **BIDDER** on the bid form.

## 19. Acceptance / rejection of quotation

19.1 The acceptance / rejection of the bid will rest with the **PURCHASER** who do not bind themselves to accept the lowest bid or any bid and reserve to themselves the full rights for the following without assigning any reason whatsoever.

- To reject any or all of the bids.
- To split up the work amongst two or more **BIDDER**s.
- To award the work in part.

19.2 Conditional and unsigned bids, bids containing absurd or unworkable prices bids which are incomplete and otherwise considered defective and bids not in accordance with the tender conditions and specification, etc., are all liable to be rejected.

19.3 If a bidder quits business after the submission of the bid or after the acceptance of their bid, the **PURCHASER** may at their discretion reject such bid. If a partner of a firm exists from business after the submission of the bid or after acceptance of the bid, the **PURCHASER** may cancel such a bid at their discretion unless the firm retains its character.

19.4 The successful **BIDDER** should not sub-contract a part of the complete work undertaken by them without written permission from **PURCHASER**. The **BIDDER** on whom the contract is awarded is solely responsible to the **PURCHASER** for the completion of the awarded work.

## 20. Opening of the price Bids by Purchaser

20.1 The technical bids will be evaluated with regard to the scope, terminal points, exclusions and the general technical specifications of all the equipment to be supplied by the **BIDDER** and the qualification of the **BIDDER** to execute the job.

20.2 Subsequent to the technical evaluation, the **PURCHASER** will inform the qualified **BIDDERs** to attend the opening of **Price Bids in the presence of BIDDER's representatives who choose to attend. The venue will be informed at later stage.**

## 21. Process to be confidential

Information relating to the examination, clarification, evaluation and comparison of bids and recommendations for award of contract shall not be disclosed to the **BIDDERS** or any other persons not officially concerned with such process. Any effort by a **BIDDER** to influence a **PURCHASER's** processing of bids or award decisions may result in the rejection of the **BIDDER's** bid.

## 22. Clarification of Bid

To assist in the examination, evaluation and comparison of bid, the **PURCHASER/ CONSULTANT** may at their discretion, ask the **BIDDER** for a clarification of their bid. All responses to request for clarification shall be in writing and no change in the price or substance of the bid shall be sought, offered or permitted.

## 23. Preliminary Examination

23.1 The **PURCHASER** will examine the bid to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, and whether the bids are generally in order.

23.2 Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total cost will be corrected. If there is a discrepancy between the total bid amount and the sum of total costs, the total cost shall prevail and the total bid amount will be corrected.

23.3 Prior to the detailed evaluation, pursuant to clause-23, the **PURCHASER** will determine the substantial responsiveness of each bid to the bidding documents. A substantially responsive bid is one which conforms to all the terms and conditions of the bidding documents without deviation.

23.4 A bid determined as not substantially responsive will be rejected by the **PURCHASER** and may not subsequently be made responsive by the **BIDDER** by correction of the non-conformity.

## 24 Conversion to Single Currency

24.1 To facilitate evaluation and comparison, all the bid prices in the various currencies, shall be converted to Indian rupees, at the selling exchange rate established by the Reserve Bank of India for similar transactions, on the date of opening of the price bid to be decided by the **PURCHASER/CONSULTANT**.

## 25 Evaluation and Comparison of Bid

25.1 The **PURCHASER** will evaluate and compare the bid previously determined to be substantially responsive.

25.2 The **PURCHASER**'s evaluation of a bid will take into account, in addition to the bid price, the following factors, in the manner and extent indicated below:

(a) Work schedule offered in the bid;

The **PURCHASER** requires that the goods under the contract shall be delivered, erected and commissioned within nine (09) months from the date of notification of award. No credit will be given to earlier deliveries. Bid offering delivery, erection and commissioning maximum nine (09) months will be treated as non-responsive and rejected.

(b) Deviations in payment schedule from those specified in the conditions of the contract.

25.3 The **PURCHASER / CONSULTANT's** evaluation shall also take into account the following:

a) **BIDDER's** experience in manufacturing and supply of similar plants for the intended service on the basis of information provided by **BIDDER**. Distillery Plant project of similar or larger scope to that required by technical specification should have been in operation satisfactorily for a minimum period of two seasons in sugar plant installation for project completed within the previous five years. Bid not fulfilling this requirement will not be considered technically acceptable.

b) Availability in India of spare parts and "after-sale service" for the equipment offered in the bid.
c) The quality and adaptability of equipment offered.
d) BIDDER's guarantees nature of warranties and warranty period.
e) Willingness to give shop drawings of spare parts and main equipment.
f) Confirmation from the sub-vendors that for future supply of spare parts for bought out items, the sub-vendors shall supply such spares directly to the PURCHASER as and when **PURCHASER** so requests.

## 26. Notification of Award

26.1 Prior to the expiration of the period of bid validity, the **PURCHASER** will notify the successful **BIDDER** by E-mail or fax to be confirmed by letter that their bid has been accepted and this "notification of award" as above will constitute formation of contract".

26.2 The successful **BIDDER** on receipt of "notification of award" shall convey his acceptance by return E-mail or fax and to be confirmed by letter within 7-days.

26.3 Delivery shall be counted from the date of receipt of this "notification of award".

## 27. Award of contract and purchaser's right to vary quantities at the time of award.

27.1 The **PURCHASER** will award the contract to the successful **BIDDER** whose bid has been determined to be substantially most responsive after the final negotiations held with the most competitive **BIDDER**s.

27.2 Wherever applicable, the **PURCHASER** reserves the right at the time of award of the contract to increase or decrease by upto 40% the quantity of goods and services without any change in unit price or other terms and conditions.

27.3 Under possible circumstances, the **PURCHASER** reserves the right to split the contract which may result from this enquiry, between two or more **BIDDER**s at the prices accepted.

## 28. Signing of contract

28.1 **PURCHASER** will send the contract to the successful **BIDDER** who, within seven (7) days of its receipt, shall countersign and return it to the **PURCHASER** as a token of unconditional acceptance failing which, the **PURCHASER** has the right to cancel / withdraw the contract.

## 29. Exceptions

As far as possible, no exception is to be taken by the BIDDER to the bid documents including technical specification and terms and conditions of contract. However, unavoidable exceptions, if any, both technical and commercial, are required to be listed and submitted separately, including the applicable cost and time implications. Such exceptions giving the cost implications should be separately enclosed in the priced commercial bid and exceptions should be clearly stated in the unpriced commercial bid with a statement that cost implications have been given in the priced commercial bid. Time schedule implications of exceptions should be given in the unpriced commercial bid. Unless the exceptions are listed separately as explained above, it will be assumed by the PURCHASER that BIDDER is complying with the bid documents, and no cognizance shall be taken of any exception stated anywhere else in the bid**.**

## 30. Verification by purchaser

All statements submitted by **BIDDER** regarding experience, manpower availability, equipment and machinery availability etc., are subject to verification by the **PURCHASER** either before placement of order or after placement of order. If any data submitted by the contractor at the bid stage is found to be incorrect, the offer is liable to be rejected or the contract is liable to be terminated.

## 31 Life Cycle

Bidder will need to confirm that the design practices followed will result in life cycle of 25 years or above of the specified entire Distillery, Raw Spent Wash Evaporation and subject to normal wear and tear and regular O&M practices as recommended by bidder.

## IMPORTANT

THE OFFER SHALL BE BASED ONLY ON THE TERMS AND CONDITIONS GIVEN IN THESE BID DOCUMENTS. THE BIDDERS ARE ADVISED TO PREPARE THE BIDS COMPLETELY IN LINE WITH THE TENDER REQUIREMENT WITHOUT ANY DEVIATIONS. IN CASE THE BIDDERS NEED ANY CLARIFICATIONS ON THE TENDER DOCUMENTS, THEY ARE ADVISED TO CONTACT THE CONSULTANT OR GET THEIR POINTS CLARIFIED BEFORE THE SUBMISSION OF THE BIDS. THE OFFER OF ANY BIDDER GIVING THEIR OWN SEPARATE SET OF TECHNICAL AND COMMERCIAL TERMS AND CONDITIONS WILL BE CONSIDERED AS NONRESPONSIVE AND REJECTED.

BIDDERS SHOULD ENCLOSE THE PROFORMA FOR PERFORMANCE STATEMENT AS PER THE FORMAT GIVEN IN VOLUME-I, TO GET QUALIFIED

# II. TERMS & CONDITIONS FOR THE SUPPLY CONTRACT

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# 1. GENERAL CONDITIONS OF CONTRACT FOR SUPPLY

## 1.1 Use of Contract documents and information

1.1.1 The **SUPPLIER** shall not, without the **PURCHASER**'s prior written consent, disclose the contract, or any provision thereof, or any specification, drawing, pattern, sample or information furnished by or on behalf of the **PURCHASER** in connection therewith, to any person other than a person employed by the **SUPPLIER** in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

1.1.2 The **SUPPLIER** shall not, without the **PURCHASER**'s prior written consent, make use of any document or information specified in clause-1.1.1 above, except for purposes of performing the contract.

1.1.3 Any document other than the contract itself, specified in clause-1.1.1 above, shall remain to be the property of the **PURCHASER** and shall be returned (in all copies) to the **PURCHASER**, on completion of the **SUPPLIER**'s performance under the contract, if so required by the **PURCHASER**.

## 1.2 Change Orders

1.2.1 The **PURCHASER** may at any time, by written notice to the **SUPPLIER,** make changes within the general scope of the contract.

1.2.2 Upon notification by the **PURCHASER** of such change, the **SUPPLIER** shall submit to the **PURCHASER** an estimate of costs for the proposed change (hereinafter referred to as the change or changes), including any change in the schedule of payments, within ten (10) calendar days of receipt of notice of the change, and shall include an estimate of the impact (if any) on the delivery dates under the contract, as well as a detailed schedule for the execution of the change, if applicable.

1.2.3 The **SUPPLIER** shall not effect changes in accordance with clause-1.2.1 above until the **PURCHASER** has authorized a change order in writing on the basis of the estimate provided by the **SUPPLIER** as described in clause-1.2.2 above.

1.2.4 Adjustments in the work schedule or the contract price authorized by a change pursuant to clause-1.2.3 are not subject to renegotiation, and such adjustments shall be deemed to include any cumulative effect of this and previously authorized changes.

1.2.5 Changes mutually agreed upon shall constitute a part of the work under this contract, and the provisions and conditions of the contract shall apply to the said changes.

1.2.6 In the event, the **PURCHASER** shall cause the **SUPPLIER** to expend labour or materials, or both, of any nature in order to provide the **PURCHASER** with information upon which to base a decision as to whether a change should be ordered, the **PURCHASER** shall reimburse the **SUPPLIER** for the total costs related to supplying such information. However in cases, where such costs are involved, prior approval of **PURCHASER/PURCHASE COMMITTEE** shall be obtained.

1.2.7 Except with the express permission of the **PURCHASER**, the supply of goods shall not be delayed pending agreement of costs or schedules affected by minor changes.

## 1.3 Contract amendments

1.3.1 Subject to clause-1.2, no variation in or modification of the conditions and terms of the contract shall be made except by written amendment signed by the parties.

## 1.4 Sub-contracts & make of plant and machinery

1.4.1 The **SUPPLIER** shall not sub-contract all or any part of the contract without notifying the **PURCHASER** in writing, of the details of the sub-contractor and the item sub-contracted. Only approved sub-contractors of the **SUPPLIER** shall be employed.

1.4.2 The **SUPPLIER** guarantees that any and all sub-contractors of the **SUPPLIER,** for performance of any part of the work under the contract, will comply fully with the terms of the contract applicable to such part of the work under the contract.

1.4.3 The make of the main components to be supplied by the SUPPLIER shall be one of the makes specified in the LIST OF APPROVED MAKES OF VENDORS given in Volume II of this bid document. If the make of the component is not one of the vendors given in the approved list, the approval from the PURCHASER & CONSULTANT has to be obtained.

## 1.5 Country of Origin

All major equipment shall be manufactured in India at the **SUPPLIER's** works.

## 1.6 Inspection and Tests

1.6.1 The SUPPLIER shall submit the quality plan within six (6) weeks of entering into an agreement with the PURCHASER. The quality plan shall indicate the quality control procedure adopted by the SUPPLIER for inspection and in-process quality control procedures for the various items to be manufactured / procured / fabricated from their sub-vendors works. Based on the list, the PURCHASER or their inspecting agency shall send the SUPPLIER within two (2) weeks of receipt of the quality plan, the list of items of machinery and equipment requiring PURCHASER's inspection before dispatch.

1.6.2 The **PURCHASER / CONSULTANT / PURCHASER INSPECTION AGENCY,** shall have the right to inspect the work being carried out under this contract and to test the goods to confirm their conformity to the specification. The Special Conditions of Contract or the specification or both shall specify what inspections and tests the **PURCHASER** requires and where they are to be conducted. The **PURCHASER** shall notify the **SUPPLIER** in writing of the identity of **PURCHASER's/CONSULTANT's** technical staff retained for this purpose. Notwithstanding the inspection mentioned above, the **PURCHASER** has the right to reject the goods even after the supply, if they do not conform to the specification, and any defect found at the time of installation and commissioning shall be rectified at **SUPPLIER's** cost and / or replaced if the defect cannot be rectified.

1.6.3 The inspections and tests may be conducted at the premises of the **SUPPLIER** or their sub-contractor(s), at point of delivery and at the final destination of goods. Where conducted at the premises of the **SUPPLIER** or their sub-contractor(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the **PURCHASER**.

1.6.4 Should any inspected or tested goods fail to conform to the specification, the **PURCHASER** may reject them, and the **SUPPLIER** shall either replace the rejected goods or make all alterations necessary to meet the requirement of the specification, free of cost to the **PURCHASER**.

1.6.5 The **PURCHASER**'s right to inspect, test and, where necessary, reject the goods after its arrival at the site of installation (the rejection shall be with proper justification and reasonably adequate time will be given to the **SUPPLIER** to remedy the default) shall in no way be limited or waived by reason of the goods' having already been inspected, tested and passed by the **PURCHASER** or their representatives prior to dispatch of the goods.

1.6.6 Nothing in the clause-1.6 shall in any way release the **SUPPLIER** from any warranty or other obligations under the contract.

## 1.7 Patent and copy rights

The **SUPPLIER** shall hold and have the **PURCHASER**, its Officers, Agents, Servants and Employees harmless from liability of any nature or kind including costs and expenses for over an account of any copy-right or un copy right, composition, secret process, patented or appliance un-patented invention, articles or manufactured or used in the performance of this contract including their use by the **PURCHASER** unless otherwise specifically stipulated in this contract. In the event of any claim or demand being made or action being brought against the **PURCHASER** for infringement or patent in respect of any machine, plant used or supplied by the **SUPPLIER** under this agreement or in respect of any method of using or working by the **PURCHASER** or such machine, Plant or thing, the **SUPPLIER** will indemnify the **PURCHASER** against such claims or demand and all cost and expenses arising from or incurred by reason of such claims or demands.

PROVIDED THAT the **PURCHASER** shall notify in writing the **SUPPLIER** immediately if the claim is made and that they shall be at liberty, if they so desire, with the assistance of the **PURCHASER**, if required, but at the **SUPPLIER's** own expenses to conduct all negotiations for the settlement of the same or any litigation that may arise there from and

PROVIDED THAT no such machines, plant or thing shall be used by the **PURCHASER** for any purpose or in any manner other than that for which they have been supplied by the **SUPPLIER** as specified in this tender.

## 1.8 Bank Guarantees

1.8.1 The formats for vendors Bank Guarantees (BGs) will be as per standard formats. All nationalized banks and private banks viz HSBC, ICICI, HDFC, Axis Bank, Standard & Chartered, Citi Bank and ABN AMRO Bank are eligible for issuing of BGs

1.8.2 The Bank / insurance guarantee in respect of guaranteed performance of the plant and machinery supplied by the SUPPLIER in the form of the PURCHASER, after mutual discussions between PURCHASER and SUPPLIER, before eight (8) months of scheduled commissioning of the plant. This guarantee shall be valid for two years from the date of commissioning. In the event of non-submission of performance guarantee, in the form of the **PURCHASER** after mutual discussions between the **PURCHASER** and SUPPLIER, the SUPPLIER shall deduct from their all bills, equivalent amount of bank / insurance guarantee till such time the bank / insurance guarantee is furnished, before drawing their bill

1.8.3 If the SUPPLIER shall abandon this contractor otherwise fail to supply and deliver the plant within the scheduled period or any extension thereof granted by the **PURCHASER** or if the work or any part thereof is taken out of the **SUPPLIER** hands, then and in any such case the **SUPPLIER** shall refund to the **PURCHASER** within thirty (30) days of demand such part of the advance payments hereunder made as the **PURCHASER** may deem fit to protect their interest.

1.8.4 The bank / insurance guarantee or guarantees required to the furnished by the **SUPPLIER** under the provisions thereof to secure the timely delivery or performance of the plant and machinery supplied by the **SUPPLIER** or for any other purpose under the provisions thereof shall be in the form of the PURCHASER and the SUPPLIER, which forms shall invariably include the provision that the decision of the PURCHASER as to whether there has been any loss or damage or default and or negligence on the part of the SUPPLIER will be final and binding of the guarantor, that the right of the PURCHASER shall not be affected or suspended by the reason of the fact that any dispute or disputes have been raised by the SUPPLIER with regard to their liability of that proceedings are pending before any tribunal / arbitrators or court at Pathardi with regard thereto or in connection therewith, that the guarantor shall pay to the PURCHASER the sum under the guarantee(s) without demur or first demand and without requiring the PURCHASER to invoke any legal remedy that may be available to them, that it shall not be open to the guarantor to know the reason of or to investigate or to go into the merit of the demand or to question or to challenge the demand or to know any facts affecting the demand or to required proof of the liability of the SUPPLIER before paying the amount demanded by the PURCHASER, under the guarantee(s).

The Bank / Insurance Guarantee or guarantees required to be furnished by the SUPPLIER under the provisions thereof the secure and timely delivery or performance of the plant and machinery supplied by the SUPPLIER or for any other purpose under the provision hereof shall be for such period as may cover the period of complete supply and performance respectively, as the case may be as stipulated under the tender, if, however, the period of agreement is extended due to force majeure. The SUPPLIER shall have such guarantee extended upto the corresponding extended period, and failure of the SUPPLIER to do so will amount to a breach of the contract, and in no case the extension of the period of the contract shall be construed as waiver of right of the **PURCHASER** to enforce the guarantee.

## 1.9 Indemnity

1.9.1 The **SUPPLIER** and the **PURCHASER** shall indemnify and hold harmless each other from and against such claims and liabilities as provided in the Special Condition of Contract.

1.9.2 Notwithstanding anything in this contract to the contrary, it is agreed that neither the **SUPPLIER** nor the **PURCHASER** shall be held liable to the other party for loss of production, loss of profit, loss of use or any other indirect or consequential damage.

## 1.10 Insurance

1.10.1 All goods supplied under this contract shall be fully insured against loss or damage incidental to manufacture or acquisition in the manner specified in the Special conditions of contract.

1.10.2 Without limiting the **SUPPLIER's** liability (limited only to the contract price) as provided under this contract, the **SUPPLIER** shall procure or ensure that their **SUB-CONTRACTORS** also procure such additional insurance cover as specified in the Special Conditions of Contract.

1.10.3 All insurances to be provided by successful bidders, including transit insurance will be as per standard rules.

## 1.11 Transfer of title

The goods, shall immediately, in consideration of payment of the first installment of the contract price to the **SUPPLIER** by the **PURCHASER**, become and remain the property of the **PURCHASER**; provided always that the **SUPPLIER** shall have a particular possessory lien on the goods to the extent the value thereof exceeds the total value of the installment payments made by the **PURCHASER** to the **SUPPLIER**. Transfer of title of goods shall be ex-works.

## 1.12 Acceptance

Upon completion of the supply under the contract and erection and commissioning by the **PURCHASER's** contractor, a meeting shall be held for the purpose of accepting the goods (hereinafter called the final acceptance). Such meeting shall constitute the final acceptance of the goods and services under the contract, unless the **PURCHASER** during the meeting shows defects or shortcomings or both. In case of defects or shortcomings or both which in the **PURCHASER**'s opinion are considered essential, another meeting shall be convened when the **SUPPLIER/CONTRACTOR** has given notice of completion of the corrective work carried out with regard hereto. Otherwise the **PURCHASER** may accept the goods if the defects or shortcomings or both are not considered serious, and the **SUPPLIER** has agreed to carry out the repairs in conformity with this contract.

## 1.13 Maintenance Warranty

1.13.1 For a period of two years from the date of commissioning of plant and machinery including the season in which the plant is commissioned (called the maintenance warranty period), the SUPPLIER shall remain liable to rectify / replace any machinery and equipment or part thereof, such as may be found to be defective or below the rated capacity under proper use and arising due to faulty design, material, workmanship. The **PURCHASER** shall give the SUPPLIER notice in writing setting out the particulars of the defects or failure and the SUPPLIER shall thereupon rectify and make good the defective or under rated equipment or replace the same free of cost to make it comply with the requirements of the Agreement. If the SUPPLIER fail to do so within reasonable time so as to reduce the production loss to the minimum as required by the **PURCHASER**, the **PURCHASER** may rectify and replace at the cost of the SUPPLIER the whole or any portion of the equipment, as the case may be, which is defective or under rated or fail to fulfill the requirements of the Agreement and may recover the actual cost thereof from the SUPPLIER or adjust the same from any balance payment to be made to the SUPPLIER, or recover by raising debit note. Such rectification / replacement shall be carried out by the PURCHASER within short a time as possible and at a reasonable price under advice to the SUPPLIER.

In case of such rectification / replacement by the PURCHASER the SUPPLIER shall be liable to pay the **PURCHASER** the whole cost of such rectification / replacement done and the defective equipment on being replaced shall be taken away by the SUPPLIER at their own cost. The **PURCHASER** shall have the right to operate any and all equipments after the commissioning date of the plant except that this shall not be considered to permit operation of any equipment which may be materially damaged by such operation before any required rectification or alternation have been carried out.

1.13.2 If it becomes necessary for the SUPPLIER to replace or renew any defective part of the machinery under this clause the provisions of the first paragraph of this clause shall apply to the parts of the plant and machinery so replaced or renewed until the expiration of six months from the date of such replacement or renewal or until the end of the aforesaid maintenance period of two (2) years, whichever is later.

1.13.3 The rectification or new parts will be delivered F.O.R. PURCHASER's factory site. The SUPPLIER shall also bear the cost of rectification / replacement carried out on their behalf by the **PURCHASER** as mentioned above at the site. At the end of the maintenance period, SUPPLIER liability shall cease. In respect of plant and machinery not covered by the first paragraph of this clause, the PURCHASER shall be entitled to the benefit of any guarantee given to the SUPPLIER's by the original supplier or the manufacturer of each plant and machinery.

1.13.4 The responsibility of the SUPPLIER for rectification / replacement under this clause shall extend to the actual cost of rectification / replacement of the defective items of plant and machinery and shall not, in any way, be deemed to be limited to the amount of the performance guarantee.

1.13.5 The SUPPLIER shall provide one supervisor at their own expenses for first one month of the first crushing season in order to assist the **PURCHASER** in the working and maintenance of said machinery and equipment.

## 1.14 Payment

1.14.1 The PURCHASER shall pay the contract price in the following manner free of interest:

1.14.2 The payment terms will be as per ***Appendix – II***.

1.14.3 All Payments shall be made in Indian rupee only. In case of imports, the terms of payments will be as per standard International practice

1.14.4 Subject to clause-1.2 of the General Conditions of Contract and as provided for in the price schedule, prices charged by the **SUPPLIER** for goods under the contract shall not vary from the prices agreed by the **SUPPLIER** and given in the price schedule. **This is the firm price contract for SUPPLY**.

1.14.5 Taxes and duties shall be reimbursable at actual, based on the production of documents by the SUPPLIER.

1.14.6 The **PURCHASER** shall not make any deductions against any claims he may have on the **SUPPLIER** as per the contract terms, unless the details of claim have been communicated to the **SUPPLIER** in advance.

## 1.15 Extension in the SUPPLIER's performance

1.15.1 Delivery of the goods shall be made by the **SUPPLIER** strictly in accordance with the delivery schedule, pursuant to the Special Conditions of Contract.

1.15.2 The **SUPPLIER** may claim extension of the time limits as set forth in the delivery schedule in case of:

a. Changes ordered by the **PURCHASER** pursuant to clause-1.2;
b. Delay in the receipt of any material, drawings or service which are to be provided by the PURCHASER (services provided by the PURCHASER shall be interpreted to include all approvals by the PURCHASER under the contract as well as access to the site);
c. Force majeure pursuant to clause-1.21; and
d. Delay in performance of work caused by instructions issued by the **PURCHASER**.

The **SUPPLIER** shall demonstrate to the **PURCHASER**'s satisfaction that they have used their best endeavor to avoid or overcome such causes of delay, and the parties will mutually agree upon remedies to mitigate or overcome such causes of delay. The extension of time limit shall be mutually discussed and agreed.

1.15.3 Notwithstanding clause-1.15.2 above, the **SUPPLIER** shall not be entitled to an extension of time for completion, unless the **SUPPLIER**, at the time such circumstances arise, has immediately notified the **PURCHASER** in writing of any delay that it may claim as caused by circumstances pursuant to clause-1.15.2 above; and, upon request of the **PURCHASER**, the **SUPPLIER** shall substantiate that the delay is due to the circumstances referred to by the **SUPPLIER**.

## 1.16 Termination for default

1.16.1 The **PURCHASER** may, without prejudice to any other remedy for breach of contract, by written notice of default sent to the **SUPPLIER**, terminate the contract in whole or in part:

a. If the **SUPPLIER** fails to deliver any or all of the goods within the time period(s) specified in the contract, or any extension thereof granted by the **PURCHASER**, pursuant to clause-1.15; or
b. If the **SUPPLIER** fails to perform any other obligation(s) under the contract; and if the **SUPPLIER**, in either of the above circumstances, does not cure their failure within a period of ten (10) calendar days (or such reasonably longer period as the **PURCHASER** may authorize in writing) after receipt of a notice of default from the **PURCHASER** specifying the nature of the default(s).

1.16.2 In the event the **PURCHASER** terminates the contract in whole or in part, pursuant to clause-1.16.1 above, the **PURCHASER** may procure, upon such terms and in such manner as it deems appropriate, goods similar to those undelivered, and the **SUPPLIER** shall be liable to the **PURCHASER** for any incidental excess costs for procurement of such similar goods. Notwithstanding the above, the **SUPPLIER** shall continue performance of the contract to the extent not terminated.

## 1.17 Termination for insolvency

1.17.1 The **PURCHASER** may at any time terminate the contract by giving written notice to the **SUPPLIER**, without compensation to the **SUPPLIER**, if the **SUPPLIER** becomes bankrupt or otherwise insolvent. Notwithstanding the above, such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the **PURCHASER**.

Provisions for termination for insolvency shall apply viz-a-viz to both the parties. In the event of termination for insolvency by the Supplier, provisions for termination for convenience by the Purchaser shall apply.

## 1.18 Termination for convenience

1.18.1 The **PURCHASER** may, by written notice to the **SUPPLIER**, terminate the contract, in whole or in part, at any time for their convenience. The notice of termination shall specify that termination is for the **PURCHASER**'s convenience, the extent to which performance of work under the contract is terminated, and the date upon which such termination becomes effective.

1.18.2 The goods that are complete and ready for dispatch within thirty (30) days after the **SUPPLIER**'s receipt of notice of termination shall be purchased by the **PURCHASER** at the contract prices and on the other contract terms. For the remaining goods, the **PURCHASER** may elect:

(a) To have any portion thereof completed and delivered at the contract prices and on the contract terms; and/or

(b) To cancel the remainder and pay to the **SUPPLIER** an agreed amount for partially completed goods and for materials and parts previously procured by the **SUPPLIER** for the purpose of the contract, together with a reasonable allowance for overhead and profit and a reasonable compensation, based on mutual discussions, for the financial commitments made by the **SUPPLIER** for fulfilling their obligations under this contract.

## 1.19 Resolution of Disputes

1.19.1 The **PURCHASER** and the **SUPPLIER** shall make every effort to resolve amicably by direct informal negotiation any disagreement or dispute arising between them under or in connection with the contract.

1.19.2 If, after thirty (30) days from the commencement of such informal negotiations, the **PURCHASER** and the **SUPPLIER** have been unable to resolve amicably a contract dispute, either party may require that the dispute be referred for resolution by arbitration by the mechanism described in the Special Conditions of Contract. The award shall be final and binding on the parties.

## 1.20 Jurisdiction for legal proceedings

1.20.1 The contract shall be governed by and interpreted in accordance with the Indian laws. No suit or any proceedings in regard to any matter arising in any respect under this contract shall be instituted in any court other than the court at Pathardi. No other court shall have jurisdiction to entertain any suit or proceedings even though part of the cause of action might arise within their jurisdiction.

## 1.21 Force majeure

1.21.1 In the event that the **SUPPLIER** or any of their subcontractors, or the **PURCHASER** delays performing any of their respective obligations under the contract, and such delay is caused by force majeure, by acts of God / Government in its sovereign capacity, including but not limited to war, civil insurrection, riots, strikes, fires, floods, epidemics, earthquakes, quarantine restrictions and freight embargoes, such delay may be excused as provided in clause-1.15, and the period of such delays, or a period mutually discussed and agreed, may be added to the time of performance of the obligation delayed.

1.21.2 If a force majeure situation arises, the **SUPPLIER** shall promptly notify the **PURCHASER** in writing of such condition and the cause thereof along with documentary evidence. Unless otherwise directed by the PURCHASER in writing, the **SUPPLIER** shall continue to perform their obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

1.21.3 In no event shall, a force majeure event excuse the obligations of a party, if those obligations are required to have been completely performed, prior to the occurrence of that force majeure event.

1.21.4 If performance of the Contractor's obligations or obligations of it's vendors and subcontractors are delayed under the contract and such delay is caused by force Majeure conditions which prevents or impedes due performance of the contract despite due diligence by the contractor, the contractor shall get corresponding extension plus an additional period, if any, in time for completion without any claim of the Purchaser for damages for delayed performance.

If, Force Majeure affects the performance of the Purchaser for the reasons including land acquisition, environmental clearances or otherwise in such event the supplier shall be entitled to receive enhanced cost on a mutual agreed basis in addition to extension in time for corresponding period.

If Force Majeure prevails for more than three months, both the parties shall discuss and agree to further course of action including cost implications. Force Majeure shall not apply on payment obligations of the parties.

If, parties agrees to terminate the contract due to prolonged Force Majeure conditions affecting the performance of the purchaser. In such event of termination, provision for 'Termination for Convenience' shall apply.

## 1.22 Modification, Assignment and Subletting

1.22.1 The **PURCHASER's** contract may be amended, modified or rescinded only in writing signed by both the parties or their authorized agents or representatives by a change order issued by the **PURCHASER** and accepted by the **SUPPLIER** pursuant to the terms stated therein.

1.22.2 The **SUPPLIER** shall not assign, sublet in whole or in part, their obligation to perform under the contract, except with the **PURCHASER's** prior written consent. Such written permission if given shall not relieve the **SUPPLIER** from their obligations under the contract and they shall take full responsibility for all the work done by their **SUB**-SUPPLIER.

## 1.23 Contract language

1.23.1 The **SUPPLIER** and **PURCHASER** hereby represent that they have sufficient knowledge of the English language to understand fully the contract. The contract shall be in the English language, and all documentation related hereto will also be in the English language, except if otherwise specifically agreed in writing between the parties.

1.23.2 The **SUPPLIER** shall bear all costs of translation of documents to English and all risks of the accuracy of such translation.

## 1.24 Taxes and duties

1.24.1 **The SUPPLIER shall be responsible** for Central / State Sales Tax, Excise Duties, Special Excise Duties, Local Taxes and Other Taxes or duties and Octroi at the destination point, on finished bought-out items supplied directly to site from sub-contractors works. The proof for the taxes duties and special excise duties, actually paid by the SUPPLIER, shall be submitted to the PURCHASER separately for own manufactured items and for bought-out items and claimed by the SUPPLIER from the **PURCHASER** as a reimbursement of the same in each Invoice / Bills to be submitted by SUPPLIER. The amount included in SUPPLIER's bill for payment of all such taxes, surcharges and duties will be computed on the basis of relevant statutory provision in force on the date of dispatch and shall be actual amount as paid by the SUPPLIER.

Price excludes all kinds of taxes, duties and levies including Central Sales Tax, VAT, Excise Duty (if levied) including Central Sales Tax, Works Contract Tax, BOWC cess etc. and fresh impositions and variations in rates of taxes, duties and levies, which shall be reimbursed by the Purchaser to the Supplier at actual on the basis of documentary proofs.

Entry tax, special entry tax and octroi duty, if applicable, will be settled and paid directly by the Purchaser. GST, duties and levies shall also be remitted by the Purchaser to the Supplier.

If Purchaser wishes to avail benefit of concessional Central Sales Tax (as applicable) for interstate sales, Purchaser shall provide to the Supplier Central Sales Tax Declaration Forms C'/E-1 within 30 days of the end of each quarter. In the event of Purchaser's inability to provide Central Sales Tax Declaration Form C'/E-1 and / or any other form/document as may be applicable and consequent to imposition of final demand upon the Supplier by the authorities, the Purchaser shall pay the differential sales tax, penalty and interest to the Supplier as per the demand notice so issued.

1.24.2 The SUPPLIER shall furnish to the PURCHASER with their bill excise duty gate passes in support of excise duty and special excise duty paid for the base price.

1.24.3 The SUPPLIER shall indicate in the contract price, (Refer price schedule), the estimated amount of Central / State Sales Tax, Excise Duty, Special excise duties, Customs duty, local taxes and any other taxes or duties and octroi payable by the PURCHASER for own manufactured items and bought-out items under the contract based on the rates prevailing at the time of submission of offer. The SUPPLIER shall indicate clearly the rate at which the taxes and duties, etc. have been estimated by the SUPPLIER at the time of giving this offer.

1.24.4 The **PURCHASER** or their authorized representative shall be shown all original documents and accounting records in support of excise duties, customs duties on imported components charged and the original bill of the sub-contractors for satisfying that the single point sales tax, excise duty and special duties as aforesaid have actually been paid to the sub-contractors.

## 1.25 Headings

Headings, whether of clauses or of other parts of the contract, are for reference only and are not to be construed as part of the contract.

## 1.26 Waiver

Failure of either party to insist upon strict performance by the other party of any provision of the contract shall in no way be deemed or construed to affect in any way the right of that party to require such performance.

## 1.27 Foreign Exchange

Any foreign exchange required for import of the raw materials of equipment shall be arranged by the **SUPPLIER**, non-availability of foreign exchange shall not entitle the **SUPPLIER** any extension of time for commissioning of the plant.

# 2. SPECIAL CONDITIONS OF CONTRACT FOR SUPPLY

## 2.1 Definitions

In this document, the words and phrases listed shall have the meaning specified against each word or phrase. Words imparting singular shall include plural and vice versa and words imparting the masculine gender shall include feminine gender and words imparting persons shall include bodies corporate.

a) "The **PURCHASER**" means M/s **Shri Vridheshwar Sahakari Sakhar Karkhana Limited (SVSSKL)**.

b) "The **CONSULTANT**" means **M/s. MITCON Consultancy & Engineering Services Ltd.,** having their Registered Office at First Floor, Kubera Chambers, Shivajinagar, Pune – 411 005.

c) "The **SUPPLIER**" means the individual or firm supplying the goods and providing the services under this contract.

d) "The **GOODS/EQUIPMENT/PLANT**" means all of the equipment, machinery and/or other materials which the **SUPPLIER** is required to supply to the **PURCHASER** under the contract.

e) "**The CONTRACT / AGREEMENT**" means the agreement entered into between the **PURCHASER**, and the **SUPPLIER**, as recorded in the contract signed by both the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

f) "**FOB**", "**C&F**" and "**CIF**" have the meanings assigned to them by the current edition of the international rules for the interpretation of the trade terms published by the International Chamber of Commerce.

g) "The **SUB-SUPPLIER**" means any individual or firm or company, to whom part of the contract has been sublet by the **SUPPLIER** with the consent of the **PURCHASER**.

h) "The **INSPECTOR**" means any person or agency nominated by the **PURCHASER**, from time to time, to inspect equipment stage-wise including final stage, before dispatch at **SUPPLIER**'s / **SUB-SUPPLIER's** works as per the terms of the contract.

i) "**SUB CONTRACT**" shall mean order placed by the **SUPPLIER** for any portion of the Contract or work, with the necessary consent of **PURCHASER**.

j) "**CONTRACT PRICE**" means the `consideration' payable by the **PURCHASER** directly to the **SUPPLIER** as per the agreement and desire of **SUPPLIER** for the full and proper performance of contractual obligations under the contract between the **PURCHASER** and the **SUPPLIER**.

k) "**DELIVERY**" shall mean the completion of delivery of all such goods within the delivery date specified in the contract, vide clause No.2.8.2 of the Special Conditions of Contract.

l) "**SITE**" shall mean and include the land and other places on, into or through which the works and the related facilities are to be erected or installed, at the **PURCHASER's** site at Adinathnagar, Taluka - Pathardi, District – Ahmednagar, Maharashtra

m) "**DRAWINGS**" shall mean the technical specification which shall include engineering drawings, sketches showing plans, sections and elevations related to the contract together with modifications and/or revision thereto.

n) "**SPECIFICATION**" shall mean and include schedules, detailed description, statements of technical data, performance characteristics, standards (Indian as well as International) as applicable and specified in the contract.

o) "**ENGINEER/ENGINEER-IN-CHARGE**" shall mean the person so nominated by the **PURCHASER** for the time being or such other person as may be duly authorized and appointed in writing by the **PURCHASER** to act as site engineer for the purpose of the contract. In cases where no such engineer is so appointed, the word 'engineer' shall mean the **PURCHASER** or their duly authorized representatives.

p) "**TESTS**" shall mean such process or processes to be carried out by the **SUPPLIER** as are prescribed in the contract or considered necessary by **CONSULTANT / PURCHASER** and **SUPPLIER** together after mutual discussions, in order to ascertain quality, workmanship, performance and efficiency of equipment or part thereof.

q) "**APPROVAL**" shall mean and include the written consent, either manuscript, type written or printed statement, under signature or seal, as the case may be, of the **PURCHASER/CONSULTANT** or their authorized representative on documents, drawings or other particulars in relation to the contract.

r) "**DATE OF CONTRACT**" shall mean the date on which the parties have signed the Contract Agreement.

s) "**THE ZERO DATE OF THE CONTRACT**" shall be the date on which the Letter of Intend is given.

t) "**MONTH**" shall mean the calendar month.

u) "**DAY AND DAYS**" shall mean the calendar day or days of twenty four (24) hours each.

v) "**WEEK**" shall mean a continuous period of seven (7) days.

w) When the words 'Approved', 'Subject to Approval', 'Satisfactory', 'Required', 'As Directed', 'Where Directed', 'Determined By', 'Accepted', 'Permitted', or words or phrases of like importance are used, the approval, judgment, direction etc., are understood to be a function of **PURCHASER / CONSULTANT**.

x) "**SCOPE OF WORK**" shall mean all the work to be performed by the **SUPPLIER** under this contract.

y) **"OPERATING MONTHS"** shall mean the period of actual operation of the equipment without taking into account the intervening off-season shutdown or shutdown due to major plant breakdown.

z) "**COMMISSIONING**" shall mean the first operation of the equipment (after all initial adjustments, trials, cleaning and reassembly required at site if any, have been completed) and the equipment is ready for commercial use.

aa) "**SATISFACTORY COMMISSIONING"**, means the continuous operation of the equipment to the full capacity and establishment of its strict performance of the contractual requirement.

## 2.2 Scope of the Contract

2.2.1 The **SUPPLIER's** scope of work comprises of the detailed design, procurement, fabrication / manufacture, inspection and testing at the works and supply of plant and machinery on F.O.R. site basis, as defined in the technical specification, with all their accessories, fittings, supports and all the auxiliary equipment and material as detailed in the specification.

2.2.2 Wherever it is stated in this contract that such and such a supply is to be effected or such and such a work is to be carried out, or provided, it shall be understood that the same shall be effected/carried out by the **SUPPLIER** within the contract price, unless a different intention is specifically and expressly stated herein or otherwise explicit from the context.

2.2.3 Completeness of the equipment, within the battery limits, shall be the responsibility of the SUPPLIER. Any equipment, fittings and accessories which may not be specifically mentioned in the specification or drawings, but which are usual or necessary for the satisfactory functioning of equipment (successful operation and functioning of the equipment being **SUPPLIER's** responsibility) shall be provided, by the **SUPPLIER** without any extra cost to the **PURCHASER**.

2.2.4 Furnishing to the **PURCHASER**, foundation drawings and loading details relating to plant and machinery within the **SUPPLIER's** scope progressively at an agreed time schedule.

2.2.5 The **SUPPLIER** shall ensure that the work shall be of the first class quality and shall be performed:

a. with due diligence and efficiency.

b. in accordance with the provisions of the Contract and the time schedule indicated in this Contract.

2.2.6 The **SUPPLIER** shall at all times ensure that the work is carried out by fully qualified and experienced personnel to warrant the performance of the work in accordance with this agreement.

2.2.7 The **SUPPLIER's obligations** towards this contract include participation in the performance testing, trial operation and reliability run of the plant and equipment.

2.2.8 The training of the **PURCHASER's** personnel at the **SUPPLIER's** works and / or at the site.

2.2.9 The **SUPPLIER** is responsible for packing (sea worthy wherever necessary) protecting and marking as per instructions to be given by the **PURCHASER.**

2.2.10 Providing all the necessary drawings / documents / manuals. Instructions for all the equipment / components / materials required for the proper understanding, erection and commissioning of the equipment by the **PURCHASER's** erection and commissioning contractor.

## 2.3 Limit of Contract

Equipment supplied shall be complete in every respect with all mounting, fittings, fixtures and standard accessories, tools etc., normally provided with such equipment and / or needed for maintenance, completion of installation and commissioning and safe operation of the equipment as required and within the battery limits, though they may not have been specifically detailed in the respective specification. All similar standard component / part of similar standard equipment provided shall be interchangeable with one another.

Any additional equipment or material which are not specifically mentioned but are required to complete the equipment and system offered, in every respect in accordance with the technical specification and required for safe and reliable operation and guaranteed performance, shall also be deemed as included in the scope of work of this contract. The **SUPPLIER** shall not be eligible for any extra payment in respect of such mountings, fittings, fixtures, accessories, etc., which are needed for the safe operation of the equipment as required by applicable codes, though they may not have been explicitly spelt out in the contract. However if new equipment are to be added due to change of government rules, then such new equipment will come under additional scope of work.

## 2.4 Codes and Standards

The goods supplied under this contract shall conform to the codes and standards mentioned in the technical specification, and, when no applicable standard is mentioned, to the authoritative codes and standards and such standards shall be the latest issued by the concerned institution. In the event that the language of such codes and standards happens to be anything other than English, the **SUPPLIER** shall furnish the English translation of all such codes and standards proposed to be used in the contract. Such English translations shall be provided to the **PURCHASER / CONSULTANT** within the first four (4) weeks from the date of the contract and the **SUPPLIER** shall undertake the full responsibility for the accuracy of such translations.

## 2.5 Materials and workmanship

The materials and workmanship shall meet the requirement of relevant standards and good engineering practices. In any case, the material shall be the best grade obtainable and the most suitable and proven for the purposes intended in accordance with the modern engineering practices. **All materials shall be new**. Substitutions for specified materials or variations from designed methods of fabrication will be permitted only if approved in writing by the **PURCHASER/CONSULTANT**. Such approvals may be granted only if a compelling reason exists for making a substitution.
Before any defect in material or workmanship is repaired, the **SUPPLIER** shall outline the procedure proposed for rectification of the defect and obtain approval in writing, of the **PURCHASER/CONSULTANT**. Such repairs shall be done free of cost to the **PURCHASER,** if the defects are established to have occurred during the warranty period.

## 2.6 Statutory approval for works

2.6.1 The application for submission to inspector, or any other authority required as per statutory rules and regulations of State / Central governments along with copies of required certificates complete in all respects shall be prepared by the **SUPPLIER.** The primary responsibilities for statutory approvals and liaison with government authorities for approvals, during the manufacturing and till such time the equipment and material are shipped from the **SUPPLIER's / SUB-SUPPLIER's** premises, shall be with the **SUPPLIER**.

2.6.2 Any change / addition required to be made to meet the requirement of the statutory authorities, if such change / addition of the statutory requirement come into force before the date of signing of the contract, shall be carried out by the **SUPPLIER** free of charge. The changes / additions required and additional charges thereon, consequent to the statutory regulations coming into force after the date of signing of the contract, shall be paid by the **PURCHASER** after mutual agreement. The inspection and acceptance of the work by statutory authorities shall, however, not absolve the **SUPPLIER** from any of their responsibilities under the contract.

2.6.3 SUPPLIER to submit required documents and drawings for PESO approval & secure the approval.

## 2.7 Testing and inspection

2.7.1 The equipment will be inspected and where practicable, submitted to such tests at the works as deemed necessary by the **SUPPLIER** before dispatch.

2.7.2 The **SUPPLIER** shall give the **PURCHASER** a minimum of seven (7) days' written notice whenever any equipment / component / material is ready for testing. The **PURCHASER** shall, unless they waive witnessing of the tests, attend such tests on the notified scheduled date of testing. In case the Inspection Agency feels that inspection will be delayed before dispatch, they will accordingly send a clearance to the SUPPLIER with an instruction to dispatch the material. Such materials will be inspected at site. The SUPPLIER shall show necessary test certificates and documents for the verification of the same as per the specification of contract.

2.7.3 Where the **PURCHASER's** representative is present to witness the tests, the test certificate shall be signed by him on successful completion of tests at **SUPPLIER**'s / **SUB-SUPPLIER**'s works. In case the **PURCHASER** is not satisfied with the tests, they shall within seven (7) days of witnessing the tests, inform the **SUPPLIER**, in writing, of any objection they have with regard to any equipment and workmanship with reference to the contractual provisions.

The **SUPPLIER** shall give due consideration to such objections and shall either make the modification that may be necessary to meet the said objections or shall confirm in writing to the **PURCHASER** giving necessary reasons, that no modification is necessary to comply with the contract. Notwithstanding the test certificates, any defect found at the time of installation or after installation and commissioning shall be rectified at the **SUPPLIER's** cost.

## 2.8 Work schedule

2.8.1 Timely delivery of the plant and equipment shall be the essence of the contract. The **SUPPLIER** shall so organize their resources and perform this work as to complete it on or before the date given in the following clause.

2.8.2 The following shall be the schedule for the completion of various milestone activities for this package. The **SUPPLIER**'s time schedule shall strictly conform to this schedule.

| **Milestone activity** | **Completion date** |
|---|---|
| 1. Engineering Activities<br>2. Completion of Supply<br>3. Commencement of erection<br>4. Completion of commissioning | To suit commissioning within 09-months |

2.8.3 If the situation warrants, consequent to a delay in the manufacturing process, the SUPPLIER shall arrange to air lift the equipment to meet with the delivery commitment. All expenditure towards such air lifting, including tax implication if any, shall be to the SUPPLIER's account, in case the delay in supply is directly attributable to the SUPPLIER.

2.8.4 The SUPPLIER within fifteen (15) days of the signing of agreement shall furnish dispatch wise break-up prices. The SUPPLIER within fifteen (15) days of signing of contract agreement shall furnish a time schedule of deliveries relating to major equipments and erection work, which shall be adhered to, for enabling completion of erection and commissioning. The delivery schedule shall be finalized with the approval of PURCHASER/CONSULTANTS.

2.8.5 Time schedule network / bar chart.

2.8.5.1 The **SUPPLIER** shall submit to **PURCHASER / CONSULTANT**, their time schedule regarding the documentation, manufacture and supply of the equipment and materials as well as information on their sub-contracts to be placed with third parties, including the dates on which the **SUPPLIER** intends to issue such sub-contracts.

2.8.5.2 The time schedule will be in the form of a network or a bar chart clearly indicating all main or key events regarding documentation, supply of raw materials, manufacturing, testing and delivery.

2.8.6 Progress trend chart / monthly report.

2.8.6.1 **SUPPLIER** shall report monthly on the progress of the execution of contract and achievement of targets set out in time bar chart.

2.8.6.2 The progress will be expressed in percentages as shown in the form of progress trend chart.

2.8.6.3 The monthly reporting will be the updating of the progress trend chart.

2.8.6.4 The progress reports shall be submitted once in every month for the first three months and subsequently once in every fortnight till the completion of the contract.

2.8.6.5 The monthly progress report shall be in the form to be given by the **PURCHASER** showing the progress in connection with the all the items like the progress of the submission of drawings, placing of order for bought outs, delivery of plant and machinery and compliance of contractual obligations, before the Tenth day of month, with a copy thereof endorsed to CONSULTANT

2.8.6.6 Photographs wherever necessary shall be submitted. The progress report shall further compare actual versus projected completion dates as well as describe current and anticipated problems and delaying factors, if any, and corrective action taken or proposed to be taken without in any way relieving or affecting the **SUPPLIER's** responsibility to deliver the equipment within the stipulated delivery date(s) / period(s).

## 2.9 Invoices and payments

Upon delivery of the goods, the supplier shall notify the purchaser and the insurance company by E-mail / fax the full details of the shipment including contract number, transport carrier receipt number and date, description of goods, quantity, name of the consignee etc. The **SUPPLIER** shall mail the following documents to the purchaser with a copy to the insurance company:

(i) Three (3) copies of the **SUPPLIER's** invoice showing description of goods, quantity, unit price and total amount.

(ii) Transport receipt / acknowledgement of receipt of goods from the consignee(s);

(iii) Certificate of origin for imported direct despatchable finished goods.

(iv) Packing list as required as per clause-2.10. The above documents shall be received by the **PURCHASER** before receipt of the goods (except where the goods have been delivered directly to the consignee with all documents) and, if not received, the **SUPPLIER** will be responsible for any consequent expenses/losses.

(v) The **SUPPLIER** shall send all duplicate for Transporter copies of cenvat invoices along with original for Buyer copies directly to the **PURCHASER** to their registered office address to avoid loss of such documents in transit. The **SUPPLIER** shall send only Xerox of the duplicate for Transporter copies of the cenvat invoices through the vehicles carrying the consignments.

(vi) If the **SUPPLIER** fails to send such documents directly and in the event of such documents getting lost in transit, the **SUPPLIER** shall be fully responsible to compensate the **PURCHASER** from loss of cenvat credit and the **PURCHASER** shall be at liberty to deduct from the dues of the **SUPPLIER**, amounts equivalent to such losses towards compensation.

## 2.10 Packing

2.10.1 The **SUPPLIER** shall provide such packing of goods as is required to prevent their damage or deterioration during transit to their final destination as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit and open storage. Packing case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

2.10.2 The packing, marking and documentation within and outside the packages shall comply strictly with such special requirement as shall be provided for in the contract and in subsequent instructions by the **PURCHASER**.

2.10.3 **SUPPLIER** shall furnish one (1) original and five (5) copies of a packing list for each shipment. This packing list shall be prepared on **SUPPLIER's** standard formats. Packing list must include the following:

- Date
- Supplier's reference number
- Full name and address of the supplier or manufacturer
- Full name of consignee (PURCHASER)
- Import license number, where applicable

- Itemized list of contents of each package, case, crate etc. identified by the contract number, item number and equipment or tag number, where applicable.
- Quantity of each item actually being shipped
- Copy of all marking as shown in each package or piece
- Number and type of package and/or pieces in each shipment. Each package and / or piece shall be numbered consecutively to indicate individual and total packages: i.e., 1 of 5, 2 of 5 etc. (Succeeding shipments against same order number will carry progressive package numbers: i.e., 3 of 5, 4 of 5, 5 of 5 etc.)
- Shipment number - packing list must indicate if shipment is partial or final shipment of order. Each partial shipment will be consecutively indicated as "partial shipment" No.1 or 2 or 3 etc. as applicable. Final shipment shall be indicated as "final shipment". A shipment of an entire order in one shipment shall be indicated as "complete shipment".
- Net and gross weight of each package and / or piece, and the total weight of the shipment.
- Dimensions and volume of each package and / or piece and the total volume of the shipment.

## 2.11 Documents, drawings & instruction manuals

2.11.1 All drawings, specification, design calculations and bill of material prepared by the **SUPPLIER**, shall comply with the following instructions unless otherwise directed in writing by **PURCHASER/CONSULTANT**. The term "drawing" as used in this specification shall mean and include sketches, design drawings, design calculations, specification and bill of materials unless otherwise defined. Design calculations to be submitted by the **SUPPLIER** shall include the working stress, the safety factor used, codes and standards used, etc., excepting those proprietary in nature. Drawings and data, furnished by the **SUPPLIER** for construction use, shall be certified as such and shall bear the signature of one of the authorized persons, whose names shall previously be given in writing to the **PURCHASER/CONSULTANT**.

2.11.2 The **PURCHASER/CONSULTANT** will after mutual discussions with the **SUPPLIER**, select the drawings / documents for approval by **PURCHASER/ CONSULTANT** or for their information.

2.11.3 It is understood that the approval or release by **PURCHASER/CONSULTANT** does not include the checking of drawings and other errors, but only review of basic concepts and general principles involved. Approval does not relieve the **SUPPLIER** of responsibility for correctness of design, details, dimensions and guarantee obligations.

2.11.4 All design drawings shall be oriented to match the plant arrangement drawings and shall have a key plan identifying the plant area to which they apply. All layout drawings shall be made with the north arrow pointing to the top of the sheet or to the left. There shall be sufficient reference notes on the drawings to permit identification of all the drawings which are required for a proper understanding.

2.11.5 All drawings shall be dimensioned in the metric system. Where drawings are usually made in the British (or other) system, they shall also have metric system dimensions in parentheses or below dimension line. Titles and written notations shall be in English.

2.11.6 The scale of the drawing shall be shown clearly in the title block of the drawing. Wherever possible scales of drawings shall correspond to the recommendation of the Bureau of Indian Standards.

2.11.7 All reproducible must be made from original drawings.

2.11.8 All revised drawings shall clearly indicate the number, date and subject of each revision.

2.11.9 The **SUPPLIER** shall submit to **PURCHASER/CONSULTANT**, in the first contract meeting, a list of all drawings and data, by title, which the **SUPPLIER** expects to supply against the contract. On receipt of the list **PURCHASER/ CONSULTANT** and **SUPPLIER** shall jointly finalize a schedule for the submission of drawings.

The **SUPPLIER** shall maintain the pace of work as required by the schedule. Drawing list shall be kept upto-date, incorporating all new additions, cancellations and changes and will be reissued periodically with the periodical progress reports.

2.11.10 The **SUPPLIER** will be required to furnish all the necessary drawings, data, etc. of the plant/equipment with appropriate "status" stamp in adequate number of copies as indicated below.

| **Sr. No.** | **Status of the drawing/ document etc.** | **No. of copies for Purchaser** | **No. of copies for Consultant** |
|---|---|---|---|
| 1. | Reference/information | 4 prints | 2 prints |
| 2. | For approval | 2 prints | 3 prints |
| 3. | Final & certified duly signed | 6 Prints & 1 CD | 1 CD |
| 4 | Operation and maintenance manual | 4 copies | 1 copy |
| 5 | Performance and acceptance test procedure | 2 copies | 1 copy |
| 6 | All other documents including erection drawings | 2 copies | 2 copies |

2.11.11 Within a period of ten (10) days after the receipt of those drawings/documents, the **PURCHASER** / **CONSULTANT** shall signify their approval or otherwise. Corrected drawings / documents shall be submitted to the **PURCHASER** / **CONSULTANT** within ten days after the receipt of the commented drawings/documents by the **SUPPLIER**. The **SUPPLIER** shall submit copies of all drawings which are required to be approved by the **PURCHASER** / **CONSULTANT**. The drawings which are approved by the **PURCHASER** / **CONSULTANT** shall not be deviated from, without the further approval of the **PURCHASER / CONSULTANT.**

2.11.12 All drawings submitted for approval shall contain the name of the **PURCHASER**, name of the **CONSULTANT**, project title, drawing title, scale, **SUPPLIER's** drawing number, date of drawing etc. in the lower right hand corner.

2.11.13 The **SUPPLIER** shall have the right to improve with the **PURCHASER**'s approval, the design of equipment without affecting the basic requirement of the **PURCHASER,** and without affecting the agreed contract price.

## 2.12 Liquidated damages for delay in delivery

The **SUPPLIER** shall endeavour to complete their scope of work within the time specified in the contract. It may be noted that "time is the essence of this contract", subject to clauses-1.15 and 1.21 of the General Conditions of Contract. If the **SUPPLIER** fails to supply any or all of the goods within contract stipulated time in the contract to suit commissioning within 09-months from the zero date of the contract, the PURCHASER shall, without prejudice to their other remedies under the contract, deduct from the contract price, as liquidated damages, a sum equivalent to 0.5% of the total contract price for each week of delay until actual performance, up to a maximum deduction of 5% of the total contract price, the total contract price being inclusive of subsequent modifications and price escalation, if contractual. Once the maximum is reached, the PURCHASER may consider termination of the contract.

## 2.13 Indemnity

2.13.1 The **SUPPLIER** shall indemnify and hold harmless the **PURCHASER / CONSULTANT** from all claims, losses, demands, causes of action or suits arising out of the equipment and material furnished by them. The **SUPPLIER** shall also indemnify the **PURCHASER** against all third party claims, any infringement of trade mark or patent or industrial design rights arising from use of the goods or any part thereof. Indemnity Clause shall apply to both the parties equally.

2.13.2 **SUPPLIER** shall conform to the provisions of Indian Boiler Regulations (as applicable), Indian Factories Act, Indian Electricity Rules etc. relating to the work and to the regulations and by laws of any authority, if required.

## 2.14 Insurance

2.14.1 The SUPPLIER is responsible for comprehensive risk, insurance including transit charges of all machinery and equipments, other consumables, directly dispatched to the **PURCHASER** sugar plant site from the SUPPLIER / Sub-contractors or sub-SUPPLIER respective place of manufacture and dispatch and the insurance policies in respect thereof shall be arranged by the SUPPLIER at such premium rates with such insurance companies as may be approved by the **PURCHASER** and kept in full force and effect until commissioning of the said plant.

2.14.2 Any consignment received at the place of destination in damaged conditions or is lost in transit, the representative of the **SUPPLIER / SUPPLIER'S** erection contractor will take an open delivery from the carriers and will give suitable remarks in the delivery book maintained by the Station Master or other carriers about the loss or breakage in transit. The representatives of the **SUPPLIER** shall lodge claims with the Railway or other carriers on behalf of the **PURCHASER** in time with a copy to the **PURCHASER** for information. All realization of claims from the carrier / railway and insurance company, whether in the name of the **SUPPLIER** shall be to the account of the **SUPPLIER**. The **SUPPLIER** shall supply the replacement of machinery and equipments, goods free of cost delivered at the site to the **PURCHASER** within the time as far as possible so as to adhere to the date of commissioning.

2.14.3 All goods supplied under this contract shall be fully insured by the **PURCHASER** on all risks basis against loss/damage during transit from the place of manufacture of the **SUPPLIER** and from the places of manufacture of their Sub-SUPPLIER to the site of installation.

2.14.4 If there is any loss or damage to goods, within 15 days of such occurrence the **SUPPLIER** will take action to make good the loss so that it will not affect the overall time schedule of the project.

## 2.15 Performance guarantee

2.15.1 The **SUPPLIER** shall guarantee that the performance of the equipment supplied under the contract shall be strictly in conformity with the requirement given in the specification and shall perform the duties specified under the contract. The performance trials will be conducted in the presence of authorized representatives of:

a. Purchaser
b. Supplier
c. Consultant
d. Representative of Erector

2.15.2 If the performance of the equipment fails to prove the guarantee set forth in the specification, **SUPPLIER** shall investigate the causes and provide, free of cost to **PURCHASER,** materials, and equipment within one (1) month or such reasonable period, to be mutually discussed and agreed, to prove the guarantees.

2.15.3 If the **SUPPLIER** fails to prove the guarantee within the reasonable period, as mutually agreed upon, **PURCHASER** shall have the option to take over the equipment and rectify, if possible, the equipment to fulfill the guarantees and or to make necessary additions to make up the deficiency at **SUPPLIER's** risk and cost. All expenditure incurred by the **PURCHASER** in this regard shall be to **SUPPLIER's** account.

2.15.4 The manufacturers' guarantees for all bought out items/equipment/instruments etc., shall be made available to the **PURCHASER** and shall be valid for the entire maintenance warranty period. If such guarantees are not issued by the manufacturer, the **SUPPLIER** shall guarantee the bought out items for the entire maintenance warranty period along with their guarantee for the plant as a whole.

2.15.5 In the event of failure of any particular part of any equipment more than three times during the maintenance warranty period, it shall not be repaired but the complete part shall be replaced by the **SUPPLIER** and the warranty for this particular part shall be extended by one year from the date of last replacement or the maintenance period of two crushing season, whichever is later.

2.15.6 In case it is found that the above mentioned failure is due to some connected part of the equipment, that part shall also be rectified or replaced by the **SUPPLIER** to avoid such failure in the future. The warranty for such replaced parts shall be extended by one year, for parts replaced within six (6) months of commissioning of the equipment, and six months for parts replaced after six months of commissioning of the equipment, from the date of last replacement. or the maintenance period of two crushing season, whichever is later.

2.15.7 For electrical motors, during the warranty period, in case some important part of the motor like stators, winding, shaft, squirrel cage rotor etc., become defective, the warranty shall cover its replacement, and no repairs shall be allowed.

## 2.16 Spare parts, lubricants

2.16.1 All the spare parts for the equipment under the contract will strictly conform to the specification and other relevant documents and will be identical to the corresponding main equipment / components supplied under the contract and shall be fully interchangeable.

2.16.2 Commissioning spares are not envisaged separately. However, any and all requirement of commissioning spares until commissioning of plant shall be **SUPPLIER's** responsibility.

2.16.3 The quality plan and the inspection requirement finalized for the main equipment will also be applicable to the corresponding spares.

2.16.4 The **SUPPLIER** will provide the **PURCHASER** with the addresses and particulars of all their **SUB-**SUPPLIER while placing the order on vendors for items / components / equipment covered under the contract and will further ensure with their vendors that the **PURCHASER**, if so desires, will have the right to place order for spares directly on them on mutually agreed terms based on offers of such vendors.

2.16.5 Apart from the requirement of this clause, the **SUPPLIER** shall maintain all critical spares, and shall undertake to supply them as and when required during the life time of the unit, at the prevailing prices and within a reasonable time required for supply, such that the **PURCHASER** does not face any hardship due to the machine break down and the consequent loss of production.

2.16.6 In the event of termination of production of the spare parts by the **SUPPLIER** or their SUB-SUPPLIER:

2.16.6.1 The **SUPPLIER** shall give advance notification to the **PURCHASER** of the impending termination of production, in sufficient time to permit the **PURCHASER** to procure their requirement.

2.16.6.2 Following such termination, the **SUPPLIER** shall furnish to the **PURCHASER,** at no extra cost to the **PURCHASER**, blue prints, drawings and specification of the spare parts, if and when required.

## 2.17 Licenses and permits

The SUPPLIER shall procure necessary permits, certificates and licenses such as from the Chief Inspector of Boilers (as applicable), Electrical Inspectorate, Inspector of Factories, and such statutory bodies required by virtue of all applicable law, regulations, ordinances and other rules in effect at the place where any of the work is to be performed and the SUPPLIER shall further agree to hold the PURCHASER harmless from liability or penalty which may be imposed by reason of asserted or established violation of such laws, regulations, ordinances or other rules.

**Securing required PESO approval will be entirely in Supplier's Scope.**

## 2.18 Arbitration

If at any time there should be any question, dispute, difference between the parties in respect of any matter arising out of or in relation to the contract, either party may give to the other party notice in writing of the existence of such question, dispute or difference, and the same shall be referred to the arbitration of panel of 5 Engineers mutually appointed by each party as per prevailing arbitration act.

The award of the Arbitrator shall be final and binding of the parties and be accepted by them. This reference to the Arbitrator shall be deemed to be reference, under the provisions of the Arbitration Act, 1996 and the rules made there under and any statutory modifications or recent amendment thereof that may be made from time to time and actually in force at the time of the reference. The cost of arbitration shall be borne by the parties as may be decided upon by the Arbitrator.

The place of arbitration will be in Pathardi.

## 2.19 Instructions, directions and correspondence

2.19.1 The materials and equipment described in this contract are to be supplied according to the standards, data sheets, tables, specification enclosed with the contract itself and according to all conditions specified in the contract.

2.19.1.1 All instructions and orders to **SUPPLIER** shall, excepting what is herein provided, be given by **PURCHASER** and/or **CONSULTANT**, in writing.

2.19.1.2 All the work shall be carried out under the direction of and to the satisfaction of **PURCHASER/CONSULTANT**.

2.19.1.3 All communications, from **SUPPLIER**, including technical-commercial clarifications and/or comments shall be addressed to **PURCHASER** with a copy to **CONSULTANT** and shall always bear reference to the contract.

2.19.1.4 Suitable **PURCHASER** identification numbers shall be shown on all invoices, communications, packing lists, containers and bills of lading, etc.

2.19.1.5 Correspondence on technical and commercial matters shall be dealt in separate letters and each copy of the letter shall be complete with all annexures.

## 2.20 Excess materials

2.20.1 This contract is for the supply of the equipment as specified, along with all their accessories and auxiliaries and the **SUPPLIER** shall supply all the equipment and material required for this purpose. Any excess material over and above this requirement supplied by the **SUPPLIER** shall be taken back by the **SUPPLIER** after the satisfactory commissioning of the plant.

2.20.2 The **SUPPLIER** has to take all care for the safety of such excess materials and the **PURCHASER** is not responsible for any loss or damage to such materials.

## 2.21 Contract coordination procedure

2.21.1 The **SUPPLIER** shall identify one of their senior executives as the contract coordinator. The contract coordinator shall liaison closely with **PURCHASER**'s executives and **CONSULTANT**S for the effective completion of the project within the stipulated time schedule.

2.21.2 The **SUPPLIER** shall prepare a contract coordination procedure in consultation with the **PURCHASER** / **CONSULTANT** for the smooth execution of the work. It shall cover, but not limited to, the following:

a. Contract coordinators
b. Progress review meeting / Engg. Review meeting
c. Progress reporting
d. Billing procedure
e. Inspection co-ordination procedure
f. Shipping procedure
g. Expediting procedure

## 2.22 Performance tests and Guarantee

The **SUPPLIER** shall guarantee the following:

a. That all the machinery and equipment shall work as specified in Volume II forming part of the tender.

b. That all the machinery and equipments will be brand new of latest design and first class material and workmanship. Any part found defective, within two crushing season from the date of commissioning of the plant, shall be replaced or satisfactorily rectified by the SUPPLIER free of charge, should such defect be due to either faulty design / workmanship or use of defective material.

The performance tests on the Distillery Plant shall be conducted within six (6) weeks from the date of commissioning. Upon successful completion of performance tests required by the **PURCHASER** and availability of the documentation including the layout and arrangement as built drawings and maintenance manuals, as well as fulfillment of all other obligations by the **SUPPLIER**, taking over certificate as a proof of final acceptance of the equipment/ system under scope of supply will be issued by the **PURCHASER**. The taking over certificate shall not be unduly delayed without assigning any acceptable reason.

If the performance test could not be conducted within the five (5) months' period, owing to an intervening off-season, the test shall be conducted immediately after the starting and stabilization of the next cane crushing season, applying the internationally accepted ageing factors, failing which the conducting of performance test and any extension of performance bank guarantee will be mutually discussed.

## 2.23 Penalty for shortfall in performance

2.23.1 The **SUPPLIER**'s guaranteed performance included as part of this contract shall be binding on them.

2.23.2 The terms of guarantee fall under two categories:

2.23.2.1 Items for which penalties will be leviable for shortfall in performance.

2.23.2.2 Items for which shortfall in performance is not acceptable beyond a permissible tolerance.

2.23.3 The following gives the penalties leviable for the shortfall in performance of the plant and equipment supplied.

| Sr. No. | Nature of shortfall | Penalty Applicable (Rs. lakh) |
|---|---|---|
| 1. | Failure to meet guaranteed plant capacity, for every 3 KLPD or part thereof less | 100.00 |
| 2. | Failure to meet guaranteed ethanol quality & purity, for every 1% or part thereof less | 100.00 |
| 3. | Failure to meet guaranteed ethanol yield on juice basis, for every 5% or part thereof less | 50.00 |
| 4. | Failure to meet guaranteed ethanol yield on B-molasses basis, for every 5% or part thereof less | 50.00 |
| 5. | Failure to meet guaranteed ethanol yield on C-molasses basis, for every 5% or part thereof less | 50.00 |
| 6. | Failure to meet guaranteed total steam consumption, for 3% or part thereof higher | 50.00 |

| Sr. No. | Nature of shortfall | Penalty Applicable (Rs. lakh) |
|---|---|---|
| 7. | Failure to meet guaranteed concentrated spent wash generation, for 0.025 m3/KL of alcohol or part thereof higher | 50.00 |
| 8. | Failure to meet guaranteed power consumption, for 10 kwh / KL of ethanol or part thereof more | 20.00 |

2.23.4 The following items are those guarantee parameters in which the shortfall in performance is not acceptable more than the permissible tolerance indicated:

| Sr. No. | Item | Unit | Tolerance |
|---|---|---|---|
| 1 | The Ethanol per day capacity is lower than the guaranteed value, at rated parameters by more than | **%** | 5.0 |
| 2 | The Concentrated spent wash output per day capacity is lower than the guaranteed value, at rated parameters by more than | % | 5.0 |
| 3 | The total auxiliary power consumption of the continuously operated electrical equipment is higher than the guaranteed figure by more than | % | 5.0 |
| 4 | Steam Consumption is higher than the guaranteed figure by more than | % | 2.0 |

2.23.5 If the total value of penalties for shortfall in performance exceed fifteen (15) percent of total contract price, and the **SUPPLIER** has expressed his inability to rectify the defect and bring the equipment performance to the guaranteed level, then the **PURCHASER** retains the option to reject the equipment, and in case of such option the **SUPPLIER** shall, jointly and severally, replace the equipment with the one, which shall meet the guaranteed figures. The replacement shall be done within a reasonable period mutually agreed and at no extra cost to the **PURCHASER**.

2.23.6 For those items for which shortfall in performance is not acceptable beyond a permissible tolerance, vide clause 2.23.4 above, the **SUPPLIER** jointly and severally, shall carry out modifications to obtain the guaranteed performance within the stipulated tolerance. It may be noted that as these are primary parameters, they must be corrected even before the trial run is started, and further, these parameters must remain stable throughout the period of trial run.

2.23.7 If finally, in spite of all practical efforts on the part of the **SUPPLIER,** the stipulated guarantees on these parameters are not established, the **PURCHASER** retains the option to reject the equipment. In case the option to reject is exercised by the **PURCHASER**, the **SUPPLIER** shall jointly and severally be responsible for the replacement of the rejected equipment within a reasonable period of time

as will be indicated by the **PURCHASER** and achieve the performance as guaranteed.

2.23.8 In the event of rejection of equipment for above reasons, it is obvious that the overall project schedule will be affected. To minimize the loss due to such an occurrence, the **PURCHASER** retains the right to use as best as possible, the faulty equipment until new replacement arrives at site. Note should be taken that as the faulty equipment has not been taken over by the **PURCHASER,** the responsibility for it lies entirely with the **SUPPLIER**. During this period, the **SUPPLIER** shall not limit the use of the faulty equipment, except for reasons of safety during operation, both of personnel and the equipment.

## 2.24 PURCHASER's right to withhold payment

**PURCHASER** shall have the right to withhold or nullify the whole or a part of any application of **SUPPLIER** for payment to such extent as may be necessary to protect **PURCHASER** from sustaining any loss on account of:

a. short supply not made good by **SUPPLIER**
b. defective supply not rectified / made good by **SUPPLIER**
c. defective work not remedied / replaced by **SUPPLIER** and to release the amount withheld after fulfillment by **SUPPLIER**

## 2.25 Training of PURCHASER's personnel

2.25.1 The **SUPPLIER** have to train, the **PURCHASER**'s engineering personnel (two persons) at their works / their sub-contractors' works without any additional liability to the **PURCHASER**. These engineering personnel shall be given special training in the shops, where the equipment will be manufactured and where possible, in any other plant where equipment manufactured by the **SUPPLIER** is under installation, operation or testing to enable these personnel to become familiar with the equipment being furnished by the **SUPPLIER**. The period of training shall be a minimum of 15-days.

2.25.2 All traveling expenses for the engineering personnel to be trained will be borne by the **PURCHASER**. Accommodation at the place of training, food and local travel facilities shall be provided by the **SUPPLIER**. These engineering personnel while undergoing training shall be responsible to the **SUPPLIER** for discipline.

## 2.26 Expediting

When deemed advisable, this contract shall be subjected to physical expediting by the **PURCHASER / CONSULTANT** who shall be granted access to any and all parts of **SUPPLIER's** or the **SUB-SUPPLIER's** plant and office involved in the manufacture or

processing of the contract.

Expediting performance by the **PURCHASER's** representative shall in no way relieve the **SUPPLIER** of delivery obligations under the terms of the contract.

## 2.27 Suspension of work & extension of time

The **SUPPLIER** shall, if ordered in writing by the **PURCHASER** or their representative, temporarily suspend the work or any part thereof for such period and such time as so ordered and shall not after receiving such written orders, proceed therewith. In the event of suspension of work for a prolonged time by the **PURCHASER**, for the consequent idle time for the **SUPPLIER**, the **SUPPLIER** shall be compensated based on mutual agreement. The **SUPPLIER** shall not be responsible for the same, provided that the suspension was not consequent to any default / failure on the part of the **SUPPLIER** and the contractual delivery schedule shall be suitably extended after mutual discussion.

## 2.28 Sequence of delivery

The **SUPPLIER** shall deliver the goods as per the terms and conditions of the contract. Delivery terms are meant to be binding and essential. All materials shall be dispatched as per the agreed sequential order, suitable for erection progress at site. The delivery schedule shall also, indicate the approximate value of the major equipments. No deviation from the agreed sequence is allowed without **PURCHASER's** written approval.
In case of deviation, the **PURCHASER** shall have the right to accept the supply but withhold the payment till the agreed date for the delivery of such material. If the delivery of any items as per the delivery schedule is delayed, the delivery of the subsequent items shall not be held up on this account.

## 2.29 Load data

**SUPPLIER** shall be responsible for correctness of the load data furnished by them to the **PURCHASER** for civil foundations.

In the event of notice of defects in the civil work, due to incorrect data furnished by the **SUPPLIER**, the cost incurred for redoing / rectifying, shall be borne by the **SUPPLIER**.

## 2.30 Quality Assurance and Quality control

2.30.1 Quality Assurance (QA) shall mean the organizational set up, procedures as well as test, methods and facilities developed by **SUPPLIER** in order to assure that all goods leaving **SUPPLIER's/** their **SUB-SUPPLIER's** shops are of the highest quality i.e., equal or exceeding the requirement specified by the **PURCHASER**.

2.30.2 Quality Control (QC) shall mean all the tests, measurements, checks and calibrations to be carried out in vendor's shop in order to compare the actual characteristics of the goods with the specified ones, as well as the documentation (certificates, records) containing the data or result of these activities.

2.30.3 The **SUPPLIER** shall submit a detailed procedure for quality control and quality assurance. The **PURCHASER** reserves the right to order for the technical audit of quality control and quality assurance systems followed by the **SUPPLIER** / **SUB-SUPPLIER**.

**2.31 Dispatch Notice**

**SUPPLIER** shall notify **PURCHASER** by fax or E-mail, 7-days before the expected date of delivery of a consignment, date of readiness of equipment for shipment, total gross weight and total volume.

# III. TERMS & CONDITIONS FOR THE ERECTION & COMMISSIONING SERVICES CONTRACT

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# III. TERMS & CONDITIONS FOR THE ERECTION & COMMISSIONING SERVICES CONTRACT


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# 1. GENERAL CONDITIONS OF CONTRACT FOR SERVICES

## 1.1 Use of contract documents and information

1.1.1 The CONTRACTOR shall not, without the OWNER's prior written consent, disclose the contract, or any provision thereof, or any specification, drawing, pattern, sample or information furnished by or on behalf of the OWNER in connection therewith, to any person other than a person employed by the CONTRACTOR in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

1.1.2 The CONTRACTOR shall not, without the OWNER's prior written consent, make use of any document or information specified in clause-1.1.1[1] above, except for purposes of performing the contract.

1.1.3 Any document other than the contract itself, specified in clause-1.1.1 above, shall remain to be the property of the OWNER and shall be returned (in all copies) to the OWNER, on completion of the CONTRACTOR'S performance under the contract, if so required by the OWNER.

## 1.2 Change in the contract

1.2.1 The OWNER may at any time, by written notice to the CONTRACTOR make changes within the general scope of the service contract.

1.2.2 Upon notification by the OWNER of such change/s, the CONTRACTOR shall submit to the OWNER an estimate of costs for the proposed change/s, including any change in the schedule of payments, within ten (10) calendar days of the receipt of notice, and shall include an estimate of the impact, if any, on the time schedule under the contract, as well as the detailed schedule for the execution of the change, if applicable.

1.2.3 The CONTRACTOR shall not perform changes in accordance with clause-1.2.1 above until the OWNER has authorized a change in writing on the basis of the estimate provided by the CONTRACTOR as described in clause-1.2.2 above.

1.2.4 Changes mutually agreed upon shall also constitute a part of the work under this contract, and the provisions and conditions of the contract shall apply to said changes.

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[1] Any reference to the clause numbers made within section III shall be construed to be the reference with in Section III only.

1.2.5 In the event the OWNER shall cause the CONTRACTOR to expend labour or consumables, or both, of any nature in order to provide the OWNER with information upon which to base a decision as to whether a change should be ordered, the OWNER shall reimburse the CONTRACTOR for the total costs related to supplying such information.

1.2.6 Except with the express permission of the **OWNER**, the installation of goods shall not be delayed pending agreement of costs or schedules affected by minor changes.

**1.3 Contract Amendments**

1.3.1 Subject to clause-1.2, no variation in or modification of the conditions and terms of the contract shall be made except by written amendment signed by the parties.

**1.4 Sub-contracts**

1.4.1 The **CONTRACTOR** shall not sub-contract all or any part of the contract without notifying the **OWNER** in writing, of the details of the sub-contractor and the work sub-contracted. Only approved sub-contractors of the **CONTRACTOR** shall be employed.

1.4.2 The **CONTRACTOR** guarantees that any and all sub-contractors of the **CONTRACTOR** for performance of any part of the work under the contract will comply fully with the terms of the contract applicable to such part of the work under the contract.

**1.5 Country of Origin**

All services provided under this contract shall be within India.

**1.6 Inspection and tests**

1.6.1 The **OWNER** or their representative or a reputed third party inspection agency nominated by the **OWNER,** shall have the right to inspect the work being carried out under this contract. However, for IBR items, third party inspection is not necessary. The Special Conditions of Contract or the specification or both shall specify what inspections and tests the **OWNER** requires and where they are to be conducted. The **OWNER** shall notify the **CONTRACTOR** in writing of the identity of representatives or third party agency retained for these purposes.

## 1.7 Contract performance security

1.7.1 The **CONTRACTOR** shall cause contract performance security to be furnished to the **OWNER** for the amount of fifteen percent (15%) of the contract price by means of a Bank Guarantee. Such performance security shall be provided, in the form satisfactory to the **OWNER**, within fifteen (15) days after the **CONTRACTOR's** receipt of the notification of award of contract. The period of validity of the contract performance security shall be until the completion of work under the contract plus 6-months.

1.7.2 The proceeds of the performance security shall be payable to the OWNER as compensation for any loss resulting from the CONTRACTOR's failure to complete the work under the contract. The CONTRACTOR shall cause the validity period of the performance security to be extended for such period(s) as the work schedule may be extended pursuant to clause-1.11.2.

1.7.3 The performance security shall be in the following form:

A bank guarantee, issued by a bank acceptable to the OWNER, in a form acceptable to the OWNER.

1.7.4 The performance security will be discharged or returned or both by the OWNER not later than thirty (30) days following the date of satisfactory commissioning and acceptance.

1.7.5 The bank guarantee as per clause-1.7.3 above, shall be enforceable by the OWNER in case the CONTRACTOR does not commence or continue to work as per the schedule / bar chart by giving 30-days' notice.

## 1.8 Indemnity

1.8.1 The **CONTRACTOR** and the **OWNER** shall indemnify and hold harmless each other from and against such claims and liabilities as provided in the Special Conditions of Contract.

1.8.2 Notwithstanding anything in this contract to the contrary, it is agreed that neither the **CONTRACTOR** nor the **OWNER** shall be held liable to the other party for loss of production, loss of profit, loss of use or any other indirect or consequential damage, except losses due to defects due to improper handling and installation.

## 1.9 Insurance

1.9.1 Necessary insurance cover shall be taken by the **CONTRACTOR** as mentioned in the Special Conditions of contract.

1.9.2 Without limiting the **CONTRACTOR's** liability (limited only to the contract price) the **CONTRACTOR** shall ensure that their sub-contractors also procure such additional insurance cover as specified above.

1.9.3 The **CONTRACTOR** shall ensure that further insurance covers as specified in the Special Conditions of the contract are also arranged.

## 1.10 Payment

1.10.1 The PURCHASER will pay the CONTRACTOR directly for the costs of loading, transportation to site, transit insurance, unloading, storage at site, installation and commissioning services as per ***Appendix – I.***

1.10.2 The Price shall be firm and no escalation whatsoever is applicable till the completion of the contract.

1.10.3 All Payments shall be made in Indian rupee only.

1.10.4 Subject to clause-1.2 of the General Conditions of Contract and as provided for in the price schedule, price charged by the CONTRACTOR for services under the contract shall not vary from the prices agreed by the CONTRACTOR and given in the price schedule.

1.10.5 Payment for all invoices shall be made within 30-days from the date of submission and acceptance of the invoices by the OWNER.

1.10.6 The **CONTRACTOR's** invoices shall be paid in full inclusive of taxes and duties, after the deduction of advances and the retention money. The **OWNER** shall not make any deductions against any claims he may have on the **CONTRACTOR** as per the contract terms, unless the details of claim have been communicated to the **CONTRACTOR** in advance.

## 1.11 Extension in the CONTRACTOR's performance

1.11.1 Installation and commissioning of the goods shall be made by the **CONTRACTOR** in accordance with the time schedule, pursuant to the Special Conditions of Contract.

1.11.2 The **CONTRACTOR** may claim extension of the time limits as set forth in the work schedule in case of:

a. Changes ordered by the **OWNER** pursuant to clause-1.2;
b. Delay in any service which is to be provided by the **OWNER** (services provided by the **OWNER** shall be interpreted to include all approvals by the **OWNER** under the contract as well as access to the site);
c. Delay in timely fulfillment of obligation by the Purchaser.
d. Delay in timely release of payments by the Purchaser.
e. Suspension, variations or any other reasons of delay, which is not attributable to the supplier.
f. Force majeure pursuant to clause-1.17; and
g. Delay in performance of work caused by orders issued by the **OWNER**.

The Supplier shall be entitled to extension to time for the corresponding period besides escalation/increase in price on account of delays, which shall be mutually discussed and agreed.

The **CONTRACTOR** shall demonstrate to the **OWNER**'s satisfaction that they have used their best endeavors to avoid or overcome such causes of delay, and the parties will mutually agree upon remedies to mitigate or overcome such causes of delay. The extension of time limit shall be mutually discussed and agreed.

## 1.12 Termination for Default

1.12.1 The **OWNER** may, without prejudice to any other remedy for breach of contract, by written notice of default sent to the **CONTRACTOR**, terminate the contract in whole or in part:

a. If the **CONTRACTOR** fails to deliver any or all of the services within the time period(s) specified in the contract, or any extension thereof granted by the **OWNER**, pursuant to clause-1.11; or

b. If the **CONTRACTOR** fails to perform any other obligation(s) under the contract; and if the CONTRACTOR, in either of the above circumstances, does not cure their failure within a period of ten (10) calendar days (or such reasonable period as the **OWNER** may authorize in writing) after receipt of a notice of default from the **OWNER** specifying the nature of the default(s).

## 1.13 Termination for Insolvency

1.13.1 The **OWNER** may at any time terminate the contract by giving written notice to the **CONTRACTOR**, without compensation to the **CONTRACTOR**, if the **CONTRACTOR** becomes bankrupt or otherwise insolvent. Notwithstanding the above, such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the **OWNER**.

Provisions for termination for insolvency shall apply viz-a-viz to both the parties. In the event of termination for insolvency by the Supplier, provisions for termination for convenience by the Purchaser shall apply.

## 1.14 Termination for Convenience

1.14.1 The **OWNER** may, by written notice to the **CONTRACTOR**, terminate the contract, in whole or in part, at any time for their convenience. The notice of termination shall specify that termination is for the **OWNER**'s convenience, the extent to which performance of work under the contract is terminated, and the date upon which such termination becomes effective.

1.14.2 For the extent of work terminated, the **OWNER** shall pay an agreed amount for partially completed services by the **CONTRACTOR** for the purpose of the contract, together with a reasonable allowance for overhead and profit and a reasonable compensation, based on mutual discussions, for the financial commitments made by the **CONTRACTOR** for fulfilling their obligations under this contract.

**1.15 Resolution of disputes**

1.15.1 The **OWNER** and the **CONTRACTOR** shall make every effort to resolve amicably by direct informal negotiation any disagreement or dispute arising between them under or in connection with the contract.

1.15.2 If, after thirty (30) days from the commencement of such informal negotiations, the **OWNER** and the **CONTRACTOR** have been unable to resolve amicably a contract dispute, either party may require that the dispute be referred for resolution by arbitration by the mechanism described in the Special Conditions of Contract. The award shall be final and binding on the parties.

**1.16 Jurisdiction for legal proceedings**

1.16.1 The contract shall be governed by and interpreted in accordance with the Indian laws. No suit or any proceedings in regard to any matter arising in any respect under this contract shall be instituted in any court other than the court at Pathardi. No other court shall have jurisdiction to entertain any suit or proceedings even though part of the cause of action might arise within their jurisdiction.

**1.17 Force majeure**

1.17.1 In the event that the **CONTRACTOR** or any of their sub-contractors, or the **OWNER** delays performing any of their respective obligations under the contract, and such delay is caused by force majeure, by acts of God / Government in its sovereign capacity, including but not limited to war, civil insurrection, riots, strikes, fires, floods, epidemics, earthquakes, quarantine restrictions and freight embargoes, such delay may be excused as provided in clause-1.11, and the period of such delays, or a period mutually discussed and agreed, may be added to the time of performance of the obligation delayed.

1.17.2 If a force majeure situation arises, the **CONTRACTOR** shall promptly notify the **OWNER** in writing within 15 days of such condition and the cause thereof along with documentary evidence. Unless otherwise directed by the **OWNER** in writing, the **CONTRACTOR** shall continue to perform their obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

1.17.3 In no event shall, a force majeure event excuse the obligations of a party, if those obligations are required to have been completely performed, prior to the occurrence of that force majeure event.

**1.18 Assignment**

1.18.1 The **CONTRACTOR** shall not assign to any other agency, in whole or in part, their obligations to perform under the contract, except with the **OWNER**'s prior written consent.

**1.19 Contract language**

1.19.1 The **CONTRACTOR** hereby represents that it has sufficient knowledge of the English language to understand the contract fully. The contract shall be in the English language, and all documentation related hereto will also be in the English language, except if otherwise specifically agreed in writing between the parties.

**1.20 Taxes and duties**

1.20.1 The CONTRACTOR shall be entirely responsible for all taxes, duties and other such levies including entry tax and works contract tax imposed for the performance of the services as per the contract. The CONTRACTOR shall indicate the same in the price schedule.

**1.21 Headings**

1.23.1 Headings, whether of clauses or of other parts of the contract, are for reference only and are not to be construed as part of the contract.

**1.22 Waiver**

1.22.1 Failure of either party to insist upon strict performance by the other party of any provision of the contract shall in no way be deemed or construed to affect in any way the right of that party to require such performance.

# 2. SPECIAL CONDITIONS OF CONTRACT FOR SERVICES\

## 2.1 Definitions

In this document, the words and phrases listed shall have the meaning specified against each word or phrase. Words imparting singular shall include plural and vice versa and words imparting the masculine gender shall include feminine gender and words imparting persons shall include bodies corporate.

a. "The **OWNER**" means M/s **Shri Vridheshwar Sahakari Sakhar Karkhana Limited**

b. "The **CONSULTANT**" means M/S. MITCON Consultancy & Engineering Services Ltd., having their Registered Office at First Floor Kubera Chambers, Shivajinagar Pune 411 005 Maharashtra State.

c. "The **CONTRACTOR**" shall mean the individual or firm providing the services under this contract.

d. "The **GOODS/EQUIPMENT/PLANT**" shall mean all of the equipment, machinery and/or other materials which the **OWNER** is required to provide to the **CONTRACTOR** under the contract.

e. "The **CONTRACT**" shall mean the Contract agreement entered into between the **OWNER**, and the **CONTRACTOR**, as recorded in the contract, signed by both the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

f. "The **SUB-CONTRACTOR**" shall mean any individual or firm or company, to whom part of the contract has been sublet by the **CONTRACTOR** with the consent of the **OWNER**.

g. "The **INSPECTOR**" shall mean any person or agency nominated by the **OWNER**, from time to time, to inspect equipment stage wise including final stage, at job site as per the terms of the contract.

h. "**SUB-CONTRACT**" shall mean order placed by the **CONTRACTOR** for any portion of the work, with the necessary consent of OWNER.

i. "**CONTRACT PRICE**" shall mean the `consideration' payable by the **OWNER** directly to the **CONTRACTOR** as per the agreement and desire of **CONTRACTOR** for the full and proper performance of contractual obligations under the contract between the **OWNER** and the **CONTRACTOR**.

j. "**DELIVERY**" shall mean the completion of all erection work within the completion date specified in the contract, vide clause 2.7.2 of the Special Conditions of Contract.

k. "**SITE**" shall mean and include the land and other places on, into or through which the works and the related facilities are to be erected or installed, at the **PURCHASER's** site at Adinathnagar, Taluka - Pathardi, District – Ahmednagar, Maharashtra.

l. "**DRAWINGS**" shall mean the technical specification which shall include engineering drawings, sketches showing plans, sections and elevations related to the contract together with modifications and/or revision thereto.

m. "**SPECIFICATION**" shall mean and include schedules, detailed description, statements of technical data, performance characteristics, standards (Indian as well as international) as applicable and specified in the contract.

n. "**ENGINEER/ENGINEER-IN-CHARGE**" shall mean the person so nominated by the **OWNER** for the time being or such other person as may be duly authorized and appointed in writing by the **OWNER** to act as site engineer for the purpose of the contract. In cases where no such engineer is so appointed, the word 'engineer' shall mean the **OWNER** or their duly authorized representatives.

o. "**TESTS**" shall mean such process or processes to be carried out by the **CONTRACTOR** as are prescribed in the contract or considered necessary by **CONSULTANT / OWNER** and **CONTRACTOR** together after mutual discussions, in order to ascertain quality, workmanship, performance and efficiency of equipment or part thereof.

p. "**APPROVAL**" shall mean and include the written consent, either manuscript, type-written or printed statement, under signature or seal, as the case may be, of the **OWNER/CONSULTANT** or their authorized representative on documents, drawings or other particulars in relation to the contract.

q. "**DATE OF CONTRACT**" shall mean the date on which the parties have signed the contract.

r. "**MONTH**" shall mean the calendar month.

s. "**DAY AND DAYS**" shall mean the calendar day or days of twenty four (24) hours each.

t. "**WEEK**" shall mean a continuous period of seven (7) days.

u. When the words 'Approved', 'Subject to Approval', 'Satisfactory', 'Required', 'As Directed', 'Where Directed', 'Determined By', 'Accepted', 'Permitted', or words or phrases of like importance are used, the approval, judgement, direction etc., are understood to be a function of **OWNER / CONSULTANT**

v. "**WORK**" shall mean all the services to be rendered by the **CONTRACTOR** under the contract.

w. "**START UP**" shall mean the time period required to bring the equipment covered under the contract from an inactive condition, when construction is essentially complete, to the state ready for trial operation. The startup shall include the preliminary inspection and checkup of equipment and supporting sub-system, initial operation of the complete equipment to obtain necessary pre-trial data, perform calibration and corrective action and adjustment prior to trial operation period.

x. "**COMMISSIONING**" shall mean the first operation of the equipment (after all initial adjustments, trials, cleaning and re-assembly required at site if any, have been completed) and the equipment is ready for commercial use.

y. "**SATISFACTORY COMMISSIONING for the purpose of claiming retention money**", means the continuous operation of the equipment to the full capacity and establishment of its strict performance of the contractual requirement.

z. "**THE ZERO DATE OF THE CONTRACT**" shall be LOI plus first advance OR date of LOI provided first advance is released within 15 days.

## 2.2 Scope of the contract

2.2.1 The **CONTRACTOR's** scope of work comprises of the transportation of the goods to site from the equipment supplier's works, unloading, storage at the site, handling, installation, commissioning and performance testing of plant and machinery as defined in the specification, with all their accessories, fittings, supports and all the auxiliary equipment and material as detailed in the specification.

2.2.2 Wherever it is stated in this contract that such and such service is to be provided, it shall be understood that the same shall be effected/carried out by the **CONTRACTOR** within the contract price, unless a different intention is specifically and expressly stated herein or otherwise explicit from the context.

2.2.3 The **CONTRACTOR** shall ensure that the work shall be of first class quality and shall be performed:

a. with due diligence and efficiency.
b. in accordance with the provisions of the Contract agreement and the time schedule indicated in this Contract.

2.2.4 The **CONTRACTOR** shall at all times ensure that the work is carried out by fully qualified and experienced personnel to warrant the performance of the work in accordance with this Contract.

2.2.5 The **CONTRACTOR's** obligations towards the contract include besides erection and commissioning of entire Distillery Plant and auxiliaries, performance testing, trial operation, reliability run and handing over of the entire Distillery Plant to the **OWNER**.

2.2.6 Training of the **OWNER's** personnel at the site.

## 2.3 Codes & Standards

The services performed under this contract shall conform to the codes and standards mentioned in the technical specification, and, when no applicable standard is mentioned, to the authoritative codes and standards and such standards shall be the latest issued by the concerned institution. In the event that the language of such codes and standards happens to be anything other than English, the **CONTRACTOR** shall furnish the English translation of all such codes and standards proposed to be used in the contract. Such English translations shall be provided to the **OWNER / CONSULTANT** within the first four (4) weeks from the date of the contract.

## 2.4 Workmanship

The workmanship shall meet the requirement of relevant standards and good engineering practices.

## 2.5 Statutory approval for work

2.5.1 The application for submission to inspector, or any other authority required as per statutory rules and regulations of State / Central governments along with copies of required certificates complete in all respects shall be prepared by the **CONTRACTOR.** At the site the primary responsibilities for statutory approvals and liaison with government authorities for approvals shall be with the **OWNER** and the **CONTRACTOR** shall provide all necessary assistance to the **OWNER** in this regard.

The **PURCHASER** shall pay the statutory inspection and other fees and charges payable under the terms of any act of Regulation in respect of the installation, operation or use of machinery and equipments. But the follow-up work for get the approval is to be done by the SUPPLIER at their cost. The PURCHASER will extend all co-operation in this respect.

2.5.2 Any change / addition required to be made to meet the requirement of the statutory authorities, if such changes /additions of the statutory requirement come into force before the date of signing of the contract, shall be carried out by the **CONTRACTOR** free of charge.

The changes/additions required, consequent to the statutory regulations coming into force after the date of signing of the contract shall be paid by the **OWNER** after mutual agreement. The inspection and acceptance of the work by statutory authorities shall, however, not absolve the **CONTRACTOR** from any of their responsibilities under the contract.

## 2.6 Testing and inspection

2.6.1 The equipment will be inspected and where practicable, submitted to such tests at site as deemed necessary by the **OWNER / CONSULTANT.**

2.6.2 Where the **OWNER**'s representative is present to witness the tests, the test certificate shall be signed by him on successful completion of tests. In case the **OWNER** is not satisfied with the tests, he shall within seven days of his witnessing the tests, inform the **CONTRACTOR**, in writing, of any objection with regard to any equipment and workmanship with reference to the contractual provisions. The **CONTRACTOR** shall give due consideration to such objections and shall either make the modification that may be necessary to meet the said objections or shall confirm in writing to the **OWNER** giving necessary reasons, that no modifications are necessary to comply with the contract. However, any defect noticed at the time of installation or after installation and commissioning shall be rectified by the **CONTRACTOR** free of cost.

2.6.3 The extent of **OWNER's** inspection could be mutually discussed and agreed between the **OWNER** and the **CONTRACTOR.**

## 2.7 Time schedule

2.7.1 Timely installation and commissioning of the plant and equipment shall be the essence of the contract. The **CONTRACTOR** shall so organize their resources and perform this work as to complete it not later than the date given in the following clause. The schedule of the equipment delivery by the equipment supplier will be furnished to the **CONTRACTOR** two (2) months before the first consignment is ready for dispatch. The **CONTRACTOR** shall mobilize their resources for the transportation of the deliverables from the **SUPPLIER**'s or their **SUB-SUPPLIER**'s works to the site and carefully store the equipment and materials at the site prior to the starting of the erection work.

2.7.2 The following shall be the schedule for the completion of various milestone activities for this package. The **CONTRACTOR'S** time schedule shall strictly conform to this schedule.

| Milestone activity | Completion date |
|---|---|
| 1. Engineering Activities<br>2. Completion of Supply<br>3. Commencement of erection<br>4. Completion of commissioning | To suit commissioning in 09-months |

2.7.3 If the situation warrants, on account of any delay in the performance of the services, the **CONTRACTOR** shall air lift the equipment to meet the delivery commitment. All expenditure towards such air lifting, including tax implication if any, shall be to the **CONTRACTOR's** account, in case the delay in performance of services is directly attributable to the **CONTRACTOR**.

2.7.4 Time schedule network/bar chart

2.7.4.1 The **CONTRACTOR** shall submit to **OWNER / CONSULTANT**, their time schedule regarding the erection and commissioning of the equipment and materials as well as information on their sub-contracts to be placed with third parties, including the dates on which the **CONTRACTOR** intends to issue such sub-contracts.

2.7.4.2 The time schedule will be in the form of a network or a bar chart clearly indicating all main or key events regarding transportation, erection and commissioning.

2.7.5 Progress trend chart / monthly report

2.7.5.1 **CONTRACTOR** shall report monthly on the progress of the execution of contract and achievement of targets set out in time bar chart.

2.7.5.2 The progress will be expressed in percentages as shown in the form of progress trend chart.

2.7.5.3 The monthly reporting will be the updating of the progress trend chart.

2.7.5.4 The progress reports shall be submitted once in every fortnight till the completion of the contract.

2.7.5.5 The progress report shall further compare actual versus projected completion dates as well as describe current and anticipated problems and delaying factors, if any, and corrective action taken or proposed to be taken without in any way relieving or affecting the **CONTRACTOR's** responsibility to complete the services within the stipulated dates.

## 2.8 Liquidated damages for delay in time schedule

The **CONTRACTOR** shall endeavour to complete their scope of work within the time specified in the contract. It may be noted that "time is the essence of this contract", subject to clauses-1.11 and 1.17 of the General Conditions of Contract. If the **CONTRACTOR** fails to install and commission any or all of the goods within the time period(s) specified in the contract for services, the **OWNER** shall, without prejudice to the other remedies under the contract, deduct from the contract price, as liquidated damages, a sum equivalent to 0.5% of the total contract price for weekly of delay until actual performance, up to a maximum deduction of 5% of the total contract price, the total contract price being inclusive of subsequent modifications and price escalation, if contractual. Once the maximum is reached, the OWNER may consider termination of the contract.

## 2.9 Indemnity

2.9.1 The **CONTRACTOR** shall indemnify and hold harmless the **OWNER / CONSULTANT** from all claims, losses, demands, causes of action or suits arising out of the services and the labour furnished by them.

2.9.2 The **CONTRACTOR** shall indemnify the **OWNER** in respect of all actions, suits, claims and demands brought or made against **OWNER** by the workmen of the **CONTRACTOR** or any other person or persons or government authorities whomsoever, in connection with the work or in respect of any matter or thing done or omitted to be done by the **CONTRACTOR** in the execution of or in connection with the work, notwithstanding that all reasonable and proper precautions may have been taken by the **CONTRACTOR,** and against any loss or damage to **OWNER** in consequence of any action or suit being brought against **OWNER** for anything done or committed to be done in connection with the execution of the work.

2.9.3 The **CONTRACTOR** shall reinstate all damages of every sort, so as to deliver the whole of the contract work complete and perfect in every respect, within the stipulated time.

2.9.4 The **CONTRACTOR** shall ensure compliance with all statutes, laws, rules and regulations of the Central or State governments or any other authority, such as the Workmen Compensation Act, 1923, Payment of Wages Act, Minimum wages Act, 1948, Employees State Insurance Act, Employees Provident Fund Act, etc., and any of the statutory modifications thereof in connection with employees engaged by them or their SUB-**CONTRACTORs** in the work.

2.9.5 **CONTRACTOR** shall conform to the provisions of Indian Boiler Regulations (as applicable), Indian Factories Act, Indian Electricity Rules etc. relating to the work and to the regulations and by laws of any authority, if required.

## 2.10 Insurance

2.10.1 The CONTRACTOR is responsible for comprehensive risk, insurance including storage-cum erection insurance charges of all machinery and equipments, other consumables, handed over by the owner to the CONTRACTOR. The insurance policies in respect thereof shall be arranged by the CONTRACTOR at such premium rates with such insurance companies as may be approved by the OWNER and kept in full force and effect until commissioning of the said plant.

2.10.2 The CONTRACTOR shall also lodge claims for damage / loss of material or equipments during storage, erection and commissioning. All realization of claims from the insurance company, whether in the name of the **OWNER** or the CONTRACTOR, shall be to the account of the CONTRACTOR.

2.10.3 The **CONTRACTOR** shall also maintain an insurance policy against all claims which may be made upon the **OWNER** whether under the Workmen's Compensation Act or any other statute in force during the currency of the contract or at common law in respect of any employee of **CONTRACTOR** or their **SUB-CONTRACTO Rs.**

## 2.11 Licenses and permits

The **CONTRACTOR** shall procure or render all the assistance to the **OWNER** to procure, as the case may be, necessary permits, certificates and licenses such as from the Chief Inspector of Boilers (as applicable), Electrical Inspectorate, Inspector of Factories, and such other statutory bodies required by virtue of all applicable laws, regulations, ordinances and other rules in effect at the place where any of the work is to be performed and the **CONTRACTOR** shall further agree to hold the **OWNER** harmless from liability or penalty which may be imposed by reason of asserted or established violation of such laws, regulations, ordinances or other rules.

**Securing required PESO approval will be entirely in CONTRACTOR Scope.**

## 2.12 Arbitration

If at any time there should be any question, dispute, difference between the parties in respect of any matter arising out of or in relation to the contract, either party may give to the other party notice in writing of the existence of such question, dispute or difference, and the same shall be referred to the arbitration of panel of 5 Engineers mutually appointed by each party as per prevailing arbitration act.

The award of the Arbitrator shall be final and binding of the parties and be accepted by them. This reference to the Arbitrator shall be deemed to be reference, under the provisions of the Arbitration Act, 1996 and the rules made there under and any statutory modifications or recent amendment thereof that may be made from time to time and actually in force at the time of the reference. The cost of arbitration shall be borne by the parties as may be decided upon by the Arbitrator.

## 2.13 Instructions, Directions and Correspondence

2.13.1 The services described in this contract are to be provided according to the specification and conditions specified in the contract.

2.13.1.1 All instructions and orders to **CONTRACTOR**, excepting what is herein provided shall be given by **OWNER** and/or **CONSULTANT**, in writing.

2.13.1.2 All the services shall be provided under the direction of and to the satisfaction of OWNER/**CONSULTANT**.

2.13.1.3 All communications from **CONTRACTOR**, including technical/commercial clarifications and/or comments shall be addressed to **OWNER** with a copy to **CONSULTANT** and shall always bear reference to the contract.

2.13.2 Correspondence on technical and commercial matters shall be dealt in separate letters and each copy of the letter shall be complete with all annexures.

## 2.14 Excess Materials

2.14.1 To expedite work, the **CONTRACTOR** may keep extra consumable materials in quantities at their cost more than that required for erection, installation and commissioning of the plant and equipment. Such excess material shall be treated as the property of the **CONTRACTOR**.

2.14.2 The **CONTRACTOR** has to take all care for the safety of such materials and the **OWNER** is not responsible for any loss or damage to such materials.

## 2.15 Contract coordination procedure

2.15.1 The **CONTRACTOR** shall identify one of their senior executives as the contract coordinator. The contract coordinator shall liaison closely with **OWNER**'s executives and **CONSULTANT**S for the effective completion of the services within the stipulated time schedule.

## 2.16 Trial run and provisional take-over

2.16.1 After all the systems have been erected and commissioned and completely stabilized and proved safe, the **CONTRACTOR** in consultation with the **OWNER** / **CONSULTANT** shall offer 30 KLPD Distillery with Raw Spent Wash Evaporation & Balance of Plant as a whole for continuous and safe operation as a "trial run" for 7-days. A "reliability run" at rated design load for 24-hours of uninterrupted operation shall also be undertaken during such "trial run".

2.16.2 In case the trial operation is interrupted by default of the **CONTRACTOR** at any time then, and excepting any trivial tripping, it will be repeated from the beginning, after modification / adjustments / verifications by the **CONTRACTOR** as required and agreed by the **OWNER** / **CONSULTANT**.

2.16.3 After such safe, stable and successful trial run, the package shall be considered operationally reliable and commissioned, and be provisionally taken over by the **OWNER**.

## 2.17 Performance tests and final take over

The performance test on the unit shall be conducted within six (6) weeks from the date of commissioning. Upon successful completion of performance tests required by the **OWNER** as well as fulfillment of all other obligations by the **CONTRACTOR**, taking over certificate as a proof of final acceptance of the equipment/system will be issued by the **OWNER**. The taking over certificate shall not be unduly delayed without assigning any acceptable reason.

If the performance test could not be conducted within the five (5) month's period owing to an intervening off-season, the test shall be conducted immediately after the starting and stabilization of the next cane crushing season, applying the internationally accepted ageing factors, failing which the conducting of performance test and any extension of performance bank guarantee will be mutually discussed.

## 2.18 Co-ordination with other agencies

Work shall be carried out in such a manner that the work of other agencies operating at the site is not hampered due to any action of the **CONTRACTOR**. Proper co-ordination with other agencies shall be the **CONTRACTOR**'s responsibility. In case of any dispute, the decision of the Engineer-in-charge shall be final and binding on the **CONTRACTOR**.

## 2.19 Setting out and leveling

The **CONTRACTOR**, wherever applicable, shall set out and level the works from the general grid of plot and bench marks furnished by the Engineer-in-charge and will be responsible for the accuracy of the same. The **CONTRACTOR** shall provide all instruments and proper qualified staff for checking their work. The **CONTRACTOR** shall protect survey benchmarks, reference lines and control points from damage or movement during work.

## 2.20 Loss due to non-compliance of instructions

Losses or damages occurring to the **OWNER** owing to **CONTRACTOR**'s failure to adhere to any of the instructions given by the Engineer / **OWNER** in connection with the contract execution shall be recoverable from the **CONTRACTOR**. The decision of the **OWNER** as to the compensation recoverable shall be final and binding on the **CONTRACTOR**.

## 2.21 Suspension of work & idle time extension

The **CONTRACTOR** shall, if ordered in writing by the **OWNER** or their representative, temporarily suspend the work or any part thereof for such period and such time as so ordered and shall not after receiving such written orders, proceed therewith. In the event of suspension of work for a prolonged time by the **OWNER** and the consequent idle time for the **CONTRACTOR**, the **CONTRACTOR** shall be compensated based on mutual agreement. The **CONTRACTOR** shall not be responsible for the same, provided that the suspension was not consequent to any default, failure on the part of the **CONTRACTOR** and the contractual time schedule shall be suitably extended after mutual discussions.

## 2.22 CONTRACTOR's site office

**OWNER** will provide available open space for the construction of their site office to the **CONTRACTOR** and such office shall be kept open by the **CONTRACTOR** at all reasonable hours to receive instructions, notices or other communications.

## 2.23 Site organization

The **CONTRACTOR** shall deploy adequately qualified and skilled personnel on the work, and the **CONTRACTOR** shall augment the site personnel as decided by the Engineer-in-charge depending on the exigencies of work.

## 2.24 Construction equipment

The **CONTRACTOR** without prejudice shall bear the overall responsibility to execute and complete the work as per specification and time schedule, progressively deploy adequate equipment and tools and tackles and augment the same as decided by the Engineer-in-charge depending on the exigencies of work so as to suit the construction schedule. No construction equipment shall be supplied by the **OWNER**.

All tools, tackles and consumables besides items like furniture's etc., shall be accounted for at the site's entrance and also at the **OWNER's** stores, by handing over a spare copy of the delivery challan by the **CONTRACTOR**.

## 2.25 CONTRACTOR's work force

2.25.1 Registration of contract and labour license

2.25.1.1 The **CONTRACTOR** shall have the responsibility to register the contract with local authorities as per the statutory requirement and shall also obtain necessary license from Factory Inspectorate in respect of the labour force employed by them.

a. No child labour employment is permitted. No female worker will be permitted to work beyond 6.00 P.M. on any day.
b. Every worker shall be given a weekly day of rest. Any work done on weekly rest days shall be duly compensated, by the **CONTRACTOR.**
c. The CONTRACTOR shall maintain a register of wages-cum-muster roll.

2.25.1.2 The **CONTRACTOR** shall furnish adequate courteous and competent labour, (skilled, semi-skilled and un-skilled), watchmen, supervisors and engineers of all class for the duration of the work, to maintain the progress of erection in accordance with the requirement of the schedule of completion.

2.25.1.3 It is important that the **CONTRACTOR** shall employ men known to be reliable and competent for the work

2.25.1.4 **CONTRACTOR** shall be personally present or employ at least one competent representative (whose name shall have been previously communicated in writing to the **OWNER**) to supervise the erection of the equipment and carrying out of the work under the contract. This representative shall have full technical capability and complete administrative and financial powers to expeditiously and efficiently execute the work under the contract. The **OWNER** or **CONSULTANT** shall normally communicate directly with the said representative at site.

In case the above representative is found to be incompetent and / or non-coordinating by the **OWNER** / **CONSULTANT**, the **CONTRACTOR** shall replace him with a more competent person.

2.25.1.5 **CONTRACTOR**'s employees shall be provided with identification badges showing employee's name, **CONTRACTOR**'s name and project identification. All employees will be required to wear the badge during the time they are at project site. All workers, watchmen, supervisors, engineers and other staff at the work site shall be provided with safety helmets by **CONTRACTOR** and they shall wear it all the time they are at the work site.

2.25.1.6 **CONTRACTOR** shall ensure that they pay their men regularly their wages, overtime and other compensations. **CONTRACTOR** shall also furnish the **OWNER** at fortnightly intervals, a certificate that they have paid all the dues to their workmen.

2.25.1.7 In case, such payment is not regularly made by the **CONTRACTOR**, **OWNER** will be in the right to make such payments and deduct it from **CONTRACTOR**'s progress payment.

2.25.2 Registration of contract

If the number of workmen employed by the **CONTRACTOR** is more than nineteen (19), they are required to obtain a license from the competent authority as required under the contractors' and Labour (Regulations and Abolition) Act, after obtaining a certificate from the principal employer, to the effect that they have been awarded the contract. They are also required to give to the principal employer, the number of workmen proposed to be employed and produce the license for verification.

2.25.3 E.S.I

All workmen employed by the **CONTRACTOR** shall be covered under ESI immediately on appointment, by the **CONTRACTOR**.

2.25.4 Requirement under Factories Act

All workmen should be allowed to work not more than 9-hours a day and forty eight (48) hours a week. Weekly off on 1st day of the week (Sunday) or a substitute weekly off within 3-days before the 1st day of the week or after the 1st day of the week should be allowed to all the workmen. Overtime wages for working beyond the normal working hours should be given as per labour laws in force. Also overtime for the work on company's declared holidays should be given at the same rate. All the workmen should be allowed leave as per the Factories Act. In case the workmen have not availed leave during the period of their work, they should be given wages in lieu of leave accrued to their credit at the time of leaving. The **CONTRACTOR** should maintain the Muster Roll, Register of Adult Workers, Overtime Register, Leave Register and submit the Registers to the principal employer for verification, and to the Factories Inspector, if applicable, for inspection, whenever he visits the factory.

2.25.5 Accident register If any accident occurs in the course of and arising out of employment, the **CONTRACTOR** should immediately inform **OWNER**'s representative with the details of the workmen. He should maintain the present and permanent addresses of all the workmen and the name of the person to whom information is required to be given in case of emergencies.

## 2.26 Safety code

2.26.1 General

**CONTRACTOR** shall adhere to safe construction practices and guard against hazardous and unsafe working conditions.

2.26.2 First aid and industrial injuries

2.26.2.1 The **CONTRACTOR /** their **Sub-CONTRACTORS** shall make arrangements for the treatment of their workmen for injuries sustained while on duty.

2.26.2.2 All major accidents shall be reported promptly to **OWNER**, and a copy of **CONTRACTOR**'s report covering each personal accident requiring the attention of a physician, shall be furnished to **OWNER** for their information.

2.26.3 **CONTRACTOR**'s barricades

2.26.3.1 **CONTRACTOR** shall erect and maintain barricades required in connection with their operation to guard or protect especially the following areas, if applicable with the scope of **CONTRACTOR**.

a. Excavations
b. Hoisting areas
c. Areas considered hazardous by **CONTRACTOR** or **OWNER** or Engineer.
d. **OWNER**'s existing property likely to be damaged by **CONTRACTOR**'s / their **SUB-CONTRACTOR's** operations.

2.26.3.2 Barricades and hazardous areas with the battery limits, adjacent to normal routes of travel shall be marked by red flasher lanterns at nights.

2.26.4 Scaffolding

2.26.4.1 Suitable scaffolding shall be provided for workmen for all work that cannot safely be done from the ground or from solid construction except for such short period work as can be done safely from ladders. When a ladder is used, a helper shall be engaged for holding the ladder and if the ladder is used for carrying materials as well, suitable footholds and handholds shall be provided on the ladder. The ladder shall be given an inclination not steeper than 1 in 4 (1 horizontal and 4 verticals).

2.26.4.2 Working platform, scaffolding or staging more than 4-metres above the ground level or floor level shall be closely boarded, shall be of adequate width and shall have a guard rail properly attached, at least one metre high above the floor or platform of such scaffolding or staging and extending along the entire length and the sides with only such openings as may be necessary for the entry of workmen and for handling of materials. Such scaffolding or staging shall be so fastened as to prevent it from swaying from the building or structure.

2.26.4.3 Every opening in the floor of a building or in a working platform shall be provided with suitable fencing whose minimum height shall be one metre to prevent the fall of persons or materials.

2.26.4.4 Safe-means of access shall be provided to all working platforms and other working places. Every ladder shall be securely fixed. No portable single ladder shall be over 9-metres in length while the width between the side rails in rung ladder shall in no case be less than 30-cms for ladder upto and including 3-metres in length. For longer ladder this width should be increased at least by 5-mm for each additional 300-mm of length. Spacing's of steps shall be uniform and not exceeding 30-cms.

2.26.4.5 Providing all the scaffoldings, staging, ladders etc., shall be the sole responsibility of the **CONTRACTOR**.

2.26.5 General safety rules

2.26.5.1 The **CONTRACTOR** shall use only tested equipment, tools, chains, ropes, etc. and shall periodically test them to ensure good working condition of such equipment, tools, chains, ropes, etc. Whenever required, valid test certificates shall be produced by the **CONTRACTOR** to the **OWNER**.

2.26.5.2 All necessary personnel safety appliances shall be kept available for the use of the persons employed at the site and maintained in conditions suitable for immediate use, and the **CONTRACTOR** shall take adequate steps to ensure proper use of safety appliances by those concerned.

(i) All labour and supervisory personnel engaged in the erection work shall use safety helmets. All persons working at heights above 2-meters shall use safety belts and/or life lines.

(ii) Workers employed on mixing asphaltic materials, cement and lime concrete/mortars shall use protective footwear and protective gloves.

(iii) Those engaged in white washing and mixing or stacking of cement bags or any materials which are injurious to the eyes shall use protective goggles and hand gloves.

(iv) Those engaged in welding and cutting work shall use protective face/eye-shields, hand gloves etc.

(v) Stone breakers shall be provided with protective goggles and protective clothing, and seated at sufficiently safe intervals.

(vi) Wherever men are employed on the work of lead painting, the following precautions should be taken:

a. No paint containing lead or lead product shall be used except in the form of paste or ready made paint.
b. Overalls and suitable face masks shall be provided for use by the worker when paint is applied in the form of spray or when a surface having lead paint dry is being rubbed or scraped.

2.26.5.3 Use of hoisting machines and tackles including their attachments, anchorage and supports shall conform to the following standard or conditions:

(i) These shall be of good mechanical construction, sound material and adequate strength and shall be kept in good working order.

(ii) Every rope used in hoisting or lowering materials or as means of suspension shall be of durable quality and adequate strength and free from defects.

(ii) Every crane driver or hoisting appliance operator shall be properly trained and shall be conversant with safety regulation for using such equipment and appliances.

(iii) In case of every hoisting machine and of every chain ring hook, shackle swivel and pulley block used in hoisting or lowering or as means of suspension, the safe working load shall be ascertained. Every hoisting machine and all gears referred to above shall be clearly marked with the safe working load.

2.26.5.4 All work areas shall be kept reasonably clean for easy movement of men and material.

2.26.5.5 All approach roads shall be kept reasonably free for easy movement of vehicles.

2.26.5.6 Temporary water line shall be so routed as to avoid road crossing and wherever necessary, shall be laid underground. Temporary water storage tank built for construction use shall be properly fenced, wherever necessary. All such temporary water lines and water storage shall be the responsibility of the **CONTRACTOR**.

2.26.5.7 Temporary electrical sub-station, equipment, switchgear, cable and wire, lighting, etc. should be installed in accordance with standard electrical practices and regulations.

2.26.5.8 Temporary cable and wire, including welding cable, shall be so routed as not to clutter the work area. Temporary electrical line for power and lighting shall be run overhead and shall be high enough as not to hinder movement of men, materials and vehicles.

2.26.5.9 Temporary substation equipment, switchgear and distribution boards shall be adequately enclosed, duly protected against rain water, suitably earthed and properly identified with caution boards

.

2.26.5.10 All joints in the temporary wires and cables shall be properly insulated.

2.26.5.11 All supervisors, welders and electricians engaged in the work shall possess necessary and valid license / certificate of permit to carry out such work and shall be adequately skilled and acquainted with standard rules, regulations, codes and practices.

2.26.5.12 All operators of construction equipment and all tradesmen engaged in different construction activities shall be adequately qualified, experienced and proficient to carry out all their jobs in a safe manner.

2.26.5.13 First aid kits and personnel adequately trained to administer first aid shall be kept readily available for emergencies.

2.26.5.14 Portable hand-lamps being used by construction crew shall be preferably connected on 24-V supply. If 230-V hand lamps are used, the cables shall be heavily insulated and adequately protected, earthed and bulbs should be protected with safety shields.

2.26.5.15 **CONTRACTOR** shall not use any structure or equipment erected or under erection for fastening, lifting or tying tackles or guy-ropes, which may impose loads which the structure or equipment are not designed to carry safely.

2.26.5.16 The **CONTRACTOR** shall not in the performance of the contract in any manner endanger safety or unlawfully interfere with the convenience of the Public.

2.26.5.17 All areas used for storing and installing inflammable materials shall be adequately identified and shall carry no smoking signs.

2.26.5.18 Motors, gearing, transmission, electric wiring and other dangerous parts of hoisting appliances shall be provided with efficient safeguards. Hoisting appliances shall be provided with such means as to prevent the accidental descent of the suspended load. When workers are employed on electrical installations which are already energized, insulating mats, wearing apparel, such as gloves, sleeves and boots as may be necessary shall be provided. The workers shall not wear any rings, watches and carry keys or other materials which are good conductors of electricity.

2.26.5.19 All scaffolds, ladders and other safety devices mentioned or described herein shall be maintained in safe conditions and no scaffold, ladder or equipment shall be altered or removed while it is in use.

## 2.27 OWNER's Right to Withhold Payment

**OWNER** shall have the right to withhold or nullify the whole or a part of any application of **CONTRACTOR** for payment to such extent as may be necessary to protect **OWNER** from sustaining any loss on account of defective work not remedied / replaced by **CONTRACTOR** and to release the amount withheld after fulfillment by **CONTRACTOR.**

## 2.28 OWNER's Responsibilities

2.28.1 The **OWNER** shall provide free of cost to the **CONTRACTOR** suitable open space for putting up the storage for equipment and materials, the **CONTRACTOR**'s equipment, tools and tackles etc. brought to the site by the **CONTRACTOR** for the said erection, installation and commissioning work. The **CONTRACTOR** shall arrange for their own covered storage in the space provided to them. The transportation to the site, from the storage, shall be borne by the **CONTRACTOR**.

2.28.2 The **OWNER** shall also provide to the **CONTRACTOR** open office space (levelled, consolidated and with approach road) and drinking water at one point at site free of cost. Power (415-V AC, 4-W) and Telephone with STD facility also shall be provided as far as possible, but on chargeable basis.

2.28.3 The **OWNER** shall provide to the **CONTRACTOR** the required electrical power (415-V AC, 4-W) for erection & commissioning activities only, at one point free of cost. For fabrication activities the power will be provided on chargeable basis.

2.28.4 The **OWNER** shall provide free of cost to the **CONTRACTOR** adequate water supply at one point at factory site.

2.28.5 The **OWNER** declares that they have a clear and valid title free of encumbrances, to the site handed over to the **CONTRACTOR** for erection and commissioning of the said plant and that the **CONTRACTOR** shall have uninterrupted access to the use of the site to carry out the erection and commissioning services under this contract. Any breach of this warranty by the **OWNER** shall entitle the **CONTRACTOR** for extension of time proportionately for completion of the erection and commissioning services.

2.28.6 Accommodation for the **CONTRACTOR's** executives shall be provided, if available.

2.28.7 Open space, duly levelled, consolidated with approach roads and drinking water at one point for labour sheds shall be provided by the **OWNER**.

2.28.8 Permission to use special tools and tackles supplied along with the equipment for erection and commissioning are to be returned in good working condition. In case these tools and tackles are damaged during erection, and becoming worn-out, they shall be replaced free of cost by the **CONTRACTOR**.

2.28.9 Supply of service water shall be the **OWNER's** responsibility.

2.28.10 **OWNER** shall provide engineers and staff including skilled, semi-skilled and unskilled manpower for getting training in operation and maintenance during pre-commissioning and commissioning activities under the supervision of competent engineers and staff of the **CONTRACTOR**.

2.28.11 Workshop / lab facilities shall be extended to the **CONTRACTOR** by the **OWNER,** against written requests by the **CONTRACTOR** on chargeable basis, without affecting the **OWNER's** work.

2.28.12 Firefighting assistance, as available with **OWNER**, shall be provided when necessary.

2.28.13 Provision of all lubricants and chemicals required until commissioning shall be SUPPLIER's responsibility.

2.28.14 Purchaser shall make all arrangements and provide all facilities and materials, adequate technical staff and labor, including skilled and unskilled for carrying out steam and water trial, commissioning and Performance Test.

2.28.15 Purchaser shall pay the statutory inspection and other fees and charges payable in respect of the installation, testing and commissioning including IBR fees.

2.28.16 Purchaser shall ensure supply of all chemicals, fuels, electric power, water etc. as required for erection and commissioning of 30 KLPD Distillery with Raw Spent Wash Evaporation & Balance of Plant except for first fill or flushing which will be in Supplier's scope.

2.28.17 Purchaser shall ensure proper drainage and sewage facilities at site, adequate space for construction material, equipments, labor hutment, etc., open store and covered storage space for tools and tackles, machinery and equipment and for storage of delicate items like instruments and motors etc.

2.28.18 Purchaser shall ensure that all required permissions, licenses and approvals such as site clearance, approvals for set up of Distillery plant, pollution clearance and any other approval not specifically within the scope of the contractor are taken in such a manner so that site activities of the contractor are not stacked for want of these approvals etc.

2.28.19 Wherever approvals are required from Purchaser / Engineer the same shall be granted within 7 days except in the case of otherwise provided in the contract.

# IV. PROJECT INFORMATION

| | | |
|---|---|---|
| 1. PROJECT TITLE | : | EPC of Molasses based Distillery plant along with Raw Spent Wash Evaporation, Condensate Polishing Unit & Balance of Plant |
| 2. PURCHASER | : | M/s Shri Vridheshwar Sahakari Sakhar Karkhna Limited |
| 3. REGISTERED OFFICE | : | Adinathnagar, Taluka -Pathardi, Dist –Ahmednagar, Maharashtra |
| 4. PURCHASER'S ADDRESS FOR COMMUNICATION | : | Same as above |
| 5. CONSULTANTS | : | MITCON Consultancy & Engineering Services Limited (MITCON). |
| 6. CONSULTANT'S ADDRESS FOR COMMUNICATION | : | First Floor, Kubera chambers<br>Shivajinagar, Pune - 5<br>Attn.: Mr. C.P. Nasalapurkar<br>Asst. Vice President,<br>Tel : 020-25533309, 66289172<br>Email : cpn@mitconindia.com |
| 7. PLANT LOCATION | : | Adinath Nagar, Taluka - Pathardi |
| 8. NEAREST RAILWAY STATION | : | Ahmednagar |
| 9. NEAREST AIRPORT | : | Aurangabad |
| 10. PORT OF DISEMBARKATION | : | Mumbai |
| 11. AMBIENT TEMPERATURE (°C) | : | |
| MAXIMUM | : | 45 |
| MINIMUM | : | 5 |
| PERFORMANCE DESIGN | : | 40 |
| ELECTRICAL DESIGN | : | 50 |

## IV. PROJECT INFORMATION (CONTD…)

12. RELATIVE HUMIDITY (%)

| | | |
|---|---|---|
| A. MAXIMUM | : | 80 |
| B. MINIMUM | : | 50 |
| C. DESIGN | : | 60 |

13. RAINFALL

| | | |
|---|---|---|
| (ANNUAL AVERAGE) | : | 689 mm |

| | | |
|---|---|---|
| 14. ALTITUDE | : | 567 M above M.S.L. |
| 15. SEISMIC COEFFICIENT | : | As per IS: 1893. |

16. WIND

| | | |
|---|---|---|
| A. DIRECTION | : | SW & W |
| B. DESIGN WIND VELOCITY | : | As per IS: 875 |

| | | |
|---|---|---|
| 17. CLIMATIC CONDITIONS | : | Tropical, dry & arid |

18. Construction power : 415V (±10%), 3 Phase, 4 Wire, 50 (47 to 51.5) Hz AC with effectively earthed neutral will be made available at only one point for free of cost. (E&C Only)

Power for fabrication purpose will be on chargeable basis. Bidder's scope shall include complete distribution beyond this point including hardware required for the same.

# V. SCOPE OF WORK

Note :

The detailed scope of plant and machinery to be supplied and services to be provided by the bidder is given in Volume -II of the bid documents.

# VI. SPECIFICATION AND DRAWINGS

- The technical specification of the entire distillery plant including raw spent wash evaporation, Condensate Polishing Unit & Balance of Plant, the general engineering requirement layout of this bid package is given in Volume II of the tender documents.

- Volume II of the tender document gives blank data sheets to be filled in by the bidder and submitted along with the technical offer. These data sheets shall be filled in without any omission by the bidder so that the technical evaluation of the offer could be carried out by the purchaser. Soft copy of the data sheets to be submitted to cpn@mitconindia.com & vridheshwar@gmail.com in word or excel format.

# VII. ANNEXURES

## A. DRAFT BANK GUARANTEE FORMAT

This Guarantee made on the day of by the having its Branch at (hereinafter called "The Guarantor" which expression shall unless repugnant to the context or contrary to the meaning thereof, include its successors and assigns) of the one part.

IN FAVOUR OF M/s Shri Vridheshwar Sahakari Sakhar Karkhana Limited (SVSSKL), a company, registered in the state of Maharashtra under the companies act 1956, having its registered office at Adinathnagar, Taluka - Pathardi, District – Ahmednagar, Maharashtra State (hereinafter called "The Purchaser" which expression shall unless repugnant to the subject or context, include their successors and assigns) of the other part.

WHEREAS M/s. (hereinafter called "The Seller" which expression shall unless repugnant to the subject or context include their legal representatives, administrators, successors or permitted assigns) had entered into an agreement vide letter of Intent dt. (hereinafter called "The said Agreement") with the purchaser to design, prepare, supply, erect and commissioned the entire Distillery Plant project for purchasers site at Adinathnagar, Taluka - Pathardi, District – Ahmednagar, Maharashtra State (hereinafter called the Site) in accordance with the terms and conditions therein contained (hereinafter referred to as "The Said Plant").

AND WHEREAS under the said agreement, the Purchaser required to pay to the sellers against security of a Bank Guarantee an advance payment of Rs. (Rupees: ) representing of the contract price for the purpose of procurement of materials / equipments for the said plant. Such guarantee to be valid till the full advance amount is adjusted against the base price of the actual deliveries of machinery and equipment received at site.

AND WHEREAS before advance payment as aforesaid is made the Guarantor has, at the request of the Sellers, agreed to give the Guarantee as hereinafter contained.

NOW THIS DEED WITNESSES AS FOLLOWS

1) In consideration of the premises the Guarantor, hereby undertake to pay to the Purchaser within 30 days of demand and without demur such a sum not exceeding Rs.

The Purchaser may demand representing of the contract price, and if the Guarantor shall fall to pay the same within the said period, the Guarantor, shall also pay on the sum demanded interest at the Bank lending rate then prevailing reckoned from the date of demand till the date of payment. Provided that the liability of the Guarantor hereunder shall reduce to the extent of the advance adjusted according to of the said agreement.

2) The Guarantor shall pay to the Purchaser on demand the sum under Clause 1 above without demur and without requiring the Purchaser to invoke any legal remedy that may be available to them. it being understood and agreed FIRSTLY that the Purchaser shall be the sole judge of and as to whether the Sellers have committed any breach(es) of any of the terms and conditions of the said agreement and SECONDLY that the right of the Purchaser to recover from the Guarantor any amount due to the Purchaser shall not be effected or suspended by reasons of the fact that any dispute or disputes have been raised by the Sellers with regards to their liability or that proceedings are pending before any Tribunal, Arbitrator(s) or Court with regards thereto or in connection therewith, and THIRDLY that the Guarantor shall immediately pay the aforesaid guaranteed amount to the Purchaser on demand, it shall not be open to the Guarantor to know the reasons of or to investigate or to go into the merits of the demand or to question or to challenge the demand or to know any facts affecting the deemed, and LASTLY, that it shall not be open to the Guarantor to require proof of the liability of the Sellers to pay the amount, before paying the aforesaid guaranteed amount to the Purchaser.

3) This Guarantee shall come into force from the date release of payment hereof and shall remain valid till the full advance amount is adjusted under the said Agreement, which according to the terms and conditions of the said Agreement is stipulated to be adjusted against actual deliveries of the machinery and equipment at site, but if the actual deliveries as aforesaid have not been completed by the seller within the said period for any reasons whatsoever the Guarantor, hereby undertakes that the Sellers shall furnish a fresh or renewed guarantees on the Purchaser's Proforma for such further period as the Purchaser may intimate failing which the Guarantor shall pay to the Purchasers a sum not exceeding Rs. /-(Rupees: ) or the residual amount of balance advance left after proportion to adjustment in accordance with Clause 1 above as the Purchaser may demand.

4) This Guarantee is in addition to and not in substitution for any other guarantee executed by the Guarantor in favour of the Purchaser on behalf of the Sellers.

5) The Sellers and Purchaser will be at liberty to vary and moodily the terms and conditions of the said agreement without effecting this guarantor is, hereby waived and the same shall be deemed to have been done with the assent of the Guarantor.

6) This Guarantee shall not be effected by any change in the constitution of the Guarantor or of the Seller nor shall the guarantee be effected by any change in the constitution of the Purchaser or any amalgamation or absorption with any other body corporated and this guarantee will be available to or enforceable by such body corporate.

7) This Guarantee is irrevocable except with the written consent of the Purchaser.

8) The neglect or forbearance of the Purchaser in enforcing any payment of moneys, the payment whereof is intended to be hereby secured or the giving of time by the Purchaser for the payment thereof, shall, in no way, release the Guarantor from its liability under this Deed.

9) The invocation of this guarantee shall be by a letter signed by the Purchaser

10) Notwithstanding anything stated herein before the liability of the Guarantor under this guarantee is restricted to Rs. /- (Rupees : ) and interest as provided in Clause 1. This guarantee shall remain in force upto / / unless a demand or claim under this guarantee is presented to the Guarantor in writing within Six Months from the date, all rights of the Purchaser under the guarantee shall be forfeited and the Guarantor shall be released and discharged from all liability hereunder.

IN WITNESS WHEREAS for any on behalf of the Guarantor has signed this Deed on the day and year above written.

for and on behalf of

## B. PROFORMA FOR PERFORMANCE STATEMENT (For the last Five Years)

Bid No..... date of opening
..... Time..... Hours

Name of the bidder
.....
.....

No. of years in service……**

| Order placed by (full address of purchaser) | Order No. and date | Molasses based entire distillery, Raw spent Wash Evaporation, & BoP project capacity (KLPD/TPD) | Value of order | Date of completion of delivery | | Remarks indicating reasons for late delivery, if any | Has the Distillery been satisfactorily functioning ? (Attach a cert. From the Engineer incharge) |
|---|---|---|---|---|---|---|---|
| | | | | As per Contract | Actual | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | | | | | | | |

Signature and seal of the bidder .....
.....

Note : **- Indicate the number of years in the line of business.

# APPENDIX - I

## BID FORM AND PRICE SCHEDULES

To
M/s Shri Vridheshwar Sahakari Sakhar Karkhana Limited
Adinathnagar, Taluka - Pathardi, District – Ahmednagar,
Maharashtra State.

Gentlemen,

Having examined the Tender Document, including the Specifications, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to engineer, design, manufacture, supply, deliver, install and commission the specified 30 KLPD Distillery with Raw Spent Wash Evaporation, & Balance of Plant on EPC basis in conformity with the said Tender Document, for the sum of (Sum of Total Bid Amounts for Goods and Services in Words and Figures), or such other sums as may be ascertained in accordance with the Price Schedules attached hereto and made part of this Bid.

We undertake, if our Bid is accepted, to commence delivery within (60) days, and to complete installation and commissioning of all the items specified in the Contract within (420) days, calculated from the date of receipt of your Notification of Award.

If our Bid is accepted, we will provide the performance security, equal to 15 percent of the Contract price, for the due performance of the Distillery Plant & auxiliaries and required bank guarantees for advances.

We agree to abide by this Bid for the period of 90 days from the date fixed for bid closing and it shall remain binding upon us and may be accepted at any time before the expiration of that period. Until a formal Contract is prepared and executed, this Bid, together with your written acceptance thereof in your Notification of Award, shall constitute a binding contract between us.

We understand that you are not bound to accept the lowest priced or any Bid that you may receive.

Dated this _____ day of _____ 2020

_____

(Signature)

_____

(In the Capacity of)

Duly Authorized to sign Bid for and on behalf of _____

_____

_____

(Signature of Witness)

Witness

Address

Note:

- All bids are to be only firm price bids.
- Purchaser may award separate contracts for supply and E&C
- Civil works are excluded from scope. However, all structural steel, insert plates, pipe sleeves, foundation bolts, templates, fixtures, required to be embedded in RCC works, are in the bidders scope.

**Price Schedule**

The bidder agrees to engineer, design, procure, manufacture, supply, erect and commission excluding civil works of 30 KLPD Distillery with Raw Spent Wash Evaporation, & Balance of Plant on EPC basis as specified in and forming part of this tender document at a Total Price as mentioned below, exclusive of taxes & duties, hereinafter referred to as the "Contract Price", subject to terms and conditions as hereinafter provided, as per the break-up given below:

| | | |
|---|---|---|
| **A** | **Supply Ex-works (Ex-bidders or their sub-contractors workshop or place of supply) price in Lakhs, of :** | |
| (1) | EPC of 30 KLPD Distillery with Raw Spent Wash Evaporation, & Balance of Plant according to specifications and details given | |
| (2) | **Price of following necessary facilities in respect of above**<br>➢ Final painting (it shall include primer and final painting as per colour scheme to be given by the Purchaser / Consultant).<br>➢ Packing, forwarding charges<br>➢ Freight up to the site<br>➢ All consumable items such as welding electrodes, gases, emery papers, etc. required for erection purposes.<br>➢ All insurance charges applicable | |
| (3) | **Spares as mentioned in Volume II** | |
| | **Subtotal in Rs Lakh :** | |
| | **Sub total of A** | |
| | | |
| **B.** | **Indicative Taxes & duties :**<br>Custom duty @ ____<br>Excise duty @ ____<br>VAT @ _____<br>GST@---------<br>Any other taxes & duties | **Extra at actual** |
| **C.** | **Price for Erection** | |
| | **(including all loading, unloading & handling at site), commissioning and trial run and supervision thereof including supply of all consumables, Rs. In Lakhs:** | |

The above price is firm & final. There is no provision for escalation in the cost of this project, for which both the parties have agreed to between as per scope of supply described herein.

The total contract price offered above is exclusive of GST /Central / State VAT, Excise duty, Special Excise Duties, Custom Duties, works contract tax, local taxes and any other duties at the site only imposed by law, leviable on the plant and machinery supplied to the purchaser at total price offered and is also exclusive of single point Sales Tax, Excise Duties and special excise duties on finished bought items supplied

directly to site from sub-contractors work. Bidder to quote with break-up of all applicable taxes & duties.

The increase or decrease in the amount of taxes and duties due to change in the rate / structure in the taxes and duties will be on Purchaser's Account, provided the material is supplied as per delivery / dispatch schedule.

Signature of Bidder with seal _____

Note :

a. In case of Discrepancy between UNIT PRICE and total cost, the unit price shall prevail.
b. Bidder to give a statement of all taxes and duties and their rates applicable.
c. Bidder to include description of goods being quoted, along with data sheet requested in Appendix I of Volume II.

# APPENDIX - II

# PAYMENT SCHEDULE

The PURCHASER shall pay the contract price in the following manner free of interest:

1. The payment terms will be as indicated below :

**Supply:**

- 2.0% of contract value for supply as advance on signing of the contract and submission of advance bank guarantee.
- 3.0% of contract value for supply on submission / approval of mutually agreed key drawings / information / documents/ civil load data (to be paid within 45 days of contract date) and against bank guarantee of requisite amount.
- 5.0% of contract value for supply on submission of copies of unpriced purchase orders for mutually agreed major bought out items / equipment (to be paid within 90 days of contract date) and against bank guarantee of requisite amount.
- 75% of contract value for supply against proforma invoice, payable pro-rata on receipt of material at site, as per mutually agreed billing / delivery schedule, duly certified by Purchaser / Consultant
- 15% of contract value for supply on receipt of all material at site duly certified by Purchaser / Consultant and on submission of performance bank guarantee of requisite amount and valid for two year, after successful commissioning of the plant and date of Commercial Operation.

**Erection & Commissioning:**

- 10% on signing of E&C contract and against submission of bank guarantee of requisite amount.

- 75% of contract value for E&C pro-rata on completion of erection as per mutually agreed E&C schedule, duly approved by Purchaser / Consultant

- 15% of contract value for E&C on successful commissioning and performance proving and on submission of performance bank guarantee of requisite amount and valid for two year, after successful commissioning of the plant and date of Commercial Operation.

2. All Payments shall be made in Indian rupee only. In case of imports, the terms of payments will be as per standard International practice

3. Prices charged by the SUPPLIER for goods under the contract shall not vary from the prices agreed by the SUPPLIER and given in the price schedule. This is the firm price contract for SUPPLY.

4 Taxes and duties, transportation, shall be reimbursable at actuals. Based on the production of documents by the SUPPLIER.

# APPENDIX - III

# NO DEVIATION LETTER

**(On Bidders Letter Head)**

**Ref No. :**
**Date :**

**To,**
**The Managing Director**
**Shri Vridheshwar Sahakari Sakhar Karkhana Limited (SVSSKL)**
Adinathnagar, Taluka - Pathardi, District – Ahmednagar,
Maharashtra

Subject: Declaration of No Deviation for Technical & Commercial Bid Submission for EPC of 30 KLPD Distillery with Raw Spent Wash Evaporation,& Balance of Plant

Dear Sir,

We refer the bid document Volume - I (Commercial) & Volume-II (Technical) for above package, queries raised by us & clarifications received, discussion held on ---------- & MOM.

We hereby confirm that, there are no commercial & technical deviations in our bids & our bids shall comply with the Commercial (Volume I, Doc. No.: ----------) & Technical (Volume II, Doc. No.: ----------) bid documents, clarifications & MOM of Pre-bid meeting.

Regards,

(Authorized signature)