

HINDUSTAN URVARAK & RASAYAN LIMITED



SPECIAL CONDITIONS OF CONTRACT (VOLUME-IC)

**CONSULTANCY SERVICES FOR 2200 MTPD AMMONIA & 3850 MTPD
UREA PLANTS AND ASSOCIATED OFFSITES & UTILITIES AT BARAUNI**

BIDDING DOCUMENT NO : HURL/HQ/04/101/1

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The provisions contained herein **SPECIAL CONDITIONS OF CONTRACT (Vol.-IC)** (hereinafter called **SCC**) shall supplement the **General Conditions of Contract (Vol.-IB)**. Wherever there is a conflict, the provision contained herein shall prevail over those in the **General Conditions of Contract**.

1.0 TIME SCHEDULE

- 1.1 Bidder shall be required to ensure that the Consultancy Services covered under this Bid shall be performed in such a way so as to enable HURL achieve the following milestones:

Ammonia Plant, Urea Plant and Associated Facilities	
a) Mechanical Completion	32 Months from Effective Date of LSTK Contract (i.e date of issue of Letter of Award of LSTK Contract)
b) Commissioning and Performance & Guarantee Test Run (PGTR)	36 Months from Effective Date of LSTK Contract (i.e date of issue of Letter of Award of LSTK Contract)

- 1.2 The basic consideration and essence of the Contract is the strict adherence to the Time Schedule for performing the specified services as stipulated in the Bidding Documents/Contract.

2.0 METHODOLOGY OF EXECUTION OF CONTRACT

- 2.1 The Consultant shall include in the proposal, its organization chart and the methodology intended to be followed for successful execution of the assignment. This shall include the Project leader, Recognized Qualified Person (RQP) and key personnel and their bio data having requisite experience in various areas as specified in Technical Specifications, who will be associated with the Assignment and with whom HURL would interact from time to time in connection with this assignment. The Consultant shall get the methodology approved from E.I.C.
- 2.2 To review the progress of work and to resolve various outstanding issues, contract review meetings (CRM) shall be held periodically either at office of HURL or the office of the Consultant. Both HURL and the Consultant shall depute their key personnel for the CRM. During the Review Meetings the progress of work will be reviewed, constraints & their corrective actions will be identified. The Consultant shall use his best endeavor to implement the corrective actions so identified.

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3.0 PROGRESS REPORT

- 3.1 The Consultant shall prepare and submit to the Engineer-in-Charge daily / weekly / monthly progress report (as per Technical Specifications) showing the progress and status of the Works being performed by him including such materials as charts, networks and photograph (if any) as per the directives of the Engineer-In-Charge. Draft formats of progress reports shall be finalised in consultation with the Engineer-In-Charge.
- 3.2 It is understood that submission of such reports and reviews thereof by HURL shall not absolve the Consultant of his responsibility of timely completion of the Assignment as per the time schedule indicated herein.

4.0 TERMS OF PAYMENT

The terms of payment shall be as under:

- 4.1 10% (Ten Percent) of total Lumpsum Fee (i.e Fee for Post-Award PMC Services for LSTK Package; Fee for Pre-Award PMC Services for Non-LSTK Packages and Post Award Services for Non-LSTK Packages; and Fee for EPCM services for balance offsites & utilities) as an interest free advance payment shall be made on fulfillment of the following conditions:

- i) Signing of Formal Contract Agreement.
- ii) Finalization of Methodology for Execution of the Contract and approval thereof by E.I.C.
- iii) Submission of an unconditional Bank Guarantee (BG) for the advance amount issued from any Bank listed at **Annexure-D1** and in the prescribed format placed at **Annexure-C** to General Conditions of Contract, which shall be initially kept valid upto ninety (90) days beyond the schedule date for completion of commissioning and Performance & Guarantee Test Run (PGTR) identified under the package. However, in case of delay in completion of the contract for the reasons attributable to the consultant, the validity of this Bank Guarantee shall be extended by the period of such delay by the consultant at their expenses.
- iv) Submission of an unconditional Bank Guarantee (BG) towards Contract Performance Security as stipulated in Clause No. 7.0.0 of General Conditions of Contract, Volume-IB.

4.1.1 Balance payment of of Lumpsum Fee shall be released as follows:

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Sl No.	Particulars	Percentage (%)
1	Post-Award PMC Services for LSTK Package as per technical specifications)	<p>a) 77% Progressive Payment against submission of monthly invoices based on the progress achieved during the previous month as per LSTK Progress Report certified by CONSULTANT.</p> <p>b) 3% (Five Percent) on Mechanical Completion of the LSTK Package.</p> <p>c) 3% (Three Percent) on Commissioning of the LSTK Package.</p> <p>d) 5% (Two Percent) on the acceptance of the PGTR of LSTK Package. In case PGTR is delayed for the reasons not solely attributable to Consultant, then this due payment shall be released to Consultant on submission of a Bank Guarantee (BG) of equivalent amount. This BG shall be kept initially valid for 6 months and its validity shall be extended by additional days until PGTR is accepted.</p> <p>e) Balance 2% (Two Percent) on Contract Closure of LSTK Package.</p>
2	Pre-Award and Post-Award PMC Services for Non-LSTK Packages (as per technical specifications)	<p>a) 77% Progressive Payment against submission of monthly invoices based on the progress of Non-LSTK Packages achieved in the preceding month.</p> <p>b) 3% (Five Percent) on Mechanical Completion of the Non-LSTK Packages of Offsite facilities</p> <p>c) 3% (Three Percent) on Commissioning of the Non-LSTK Packages of Offsite facilities.</p> <p>d) 5% (Two Percent) on the acceptance of the PGTR of Non-LSTK Packages of Offsite facilities. In case PGTR is delayed for the reasons not solely attributable to Consultant, then this due payment shall be released to Consultant on submission of a Bank Guarantee (BG) of equivalent amount. This BG shall be kept initially valid for 6 months and its validity shall be extended by additional days until PGTR is accepted.</p> <p>e) Balance 2% (Two Percent) on Contract closure of Non-LSTK Packages of Offsite facilities.</p>
3	EPCM services for balance offsites & utilities viz. Non-Packages (as per technical specifications)	<p>a) 77% Progressive Payment against submission of monthly invoices based on the progress of Non Packages achieved in the preceding month.</p> <p>b) 3% (Five Percent) on Mechanical Completion of the Non Packages Section of Offsite facilities</p> <p>c) 3% (Three Percent) on Commissioning of the Non Packages Section of Offsite facilities.</p> <p>d) 5% (Two Percent) on the acceptance of the PGTR of Non Packages Section of Offsite facilities. In case PGTR is delayed for the reasons not solely attributable to Consultant, then this due payment shall be released to Consultant on submission of a Bank Guarantee (BG) of equivalent amount. This BG shall be kept</p>

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		initially valid for 6 months and its validity shall be extended by additional days until PGTR is accepted. e) Balance 2% (Two Percent) on the contract closure of Non Packages Section of Offsite facilities.
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4.1.2 Additional Fee (Part-B of SOR) i.e. Man day charges/Man month charges shall be released as follows:

- i) Payments for additional visits, if any, within and outside India shall be paid on quarterly basis on submission of consolidated quarterly claim based on the visits undertaken during the quarter under consideration.
- ii) Payment for the Inspection Services shall be made against monthly invoices prepared based on the actual Inspection carried out in the preceding month.
- iii) Payment for the Expediting Services shall be made against monthly invoices prepared based on the actual Expediting carried out in the preceding month.
- iv) Payment of the fee/ charges for rendering Construction Management Services during Construction & Erection and Assistance during Pre-Commissioning, Commissioning and Performance Test Run/Guarantee Test Run shall be made 100% against monthly invoices prepared based on actual manpower deployment in the preceding month.
- v) Payment of the fee/ charges for arranging Project Monitoring Software for Project Monitoring as mentioned in Technical specifications shall be made 100% against monthly invoices.

4.2 These payments shall be released on certification by Engineer-in-charge for having received the deliverables, as applicable and having completed the activities linked with a particular payment.

4.3 If the Consultant does not claim the initial advance amount as mentioned above, the same shall be released on pro-rata basis along with subsequent progressive stage payments and final payment of each part of the Assignment.

4.4 **Price Escalation:** The lumpsum fee mentioned at Sl. no. 1 to 3 (Part A) of the SOR and the Manday / Manmonth Rates mentioned at Sl. no. 5 to 9 (Part B) of the SOR shall remain firm and fixed till execution & completion of the assignment. However, in the event, the completion of the project(s) gets delayed beyond 8 months from the stipulated date of Mechanical Completion in LSTK Contract for reasons not attributable to CONSULTANT, CONSULTANT shall be entitled to price adjustment in rates of mandays/ manmonths for Sl. no. 5 to 9 (Part-B) of the SOR, as per the escalation formula brought out at Annexure-A2 to GCC of the bidding document. However, this price adjustment shall be applicable on these services rendered after the above date.

5.0 Consultant's Actions Requiring HURL's Prior Approval

5.1 The Consultant shall obtain the HURL's prior approval in writing before taking any of

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the following actions:

- (a) Any change or addition to the Personnel listed as key professionals under the Request for Proposal.
- (b) Subcontracts: HURL will not permit sub contracting of any part of the assignment as per the Request for Proposal. In special circumstances that may require the consultant to subcontract work relating to the Services to an extent and with such experts and entities, HURL may at its sole discretion consider such subcontracting. The Consultant shall have to obtain HURL's prior approval for such subcontracting. Notwithstanding such approval, the Consultant shall retain full responsibility for the Services. In the event that any Sub-Consultants are found by the HURL to be incompetent or incapable in discharging assigned duties, the client may request the Consultant to provide a replacement, with qualifications and experience acceptable to the HURL, or to resume the performance of the Services itself.

6.0 Documents Prepared by the Consultant to be the Property of the HURL

Except as otherwise stated elsewhere in the Contract, All plans, drawings, specifications, designs, reports, other documents and software prepared by the Consultant for the HURL under this Contract shall become and remain the property of the HURL, and the Consultant shall, not later than upon termination or expiration of this Contract, deliver all such documents to the HURL, together with a detailed inventory thereof. The consultant may retain a copy of such documents and software, and use such software for their own use with prior written approval of the HURL. Not Used

7.0 Equipment and Materials Provided by the Consultants

Equipment or materials brought by the Consultant and the Personnel and used either for the Project or personal use shall remain the property of the Consultant or the Personnel concerned, as applicable.

8.0 Working Hours, Overtime, Leave, etc.

- (a) The consultant and his professional staff at the project site shall work as per the work schedule agreed with the HURL.
- (b) The Key Personnel shall not be entitled to be paid for overtime nor to take paid sick leave or vacation leave, the Consultant's remuneration shall be deemed to cover these items. All leave to be allowed to the Personnel is included in the man-months of service set forth in Request for Proposal. Any taking of leave by Personnel shall be subject to the prior approval by the Consultant and the HURL. Consultant shall ensure that absence for leave purposes will not delay the progress and adequate supervision of the Services.

9.0 Removal and/or Replacement of Personnel

- (a) No changes shall be made in the Key Personnel. If, for any reason beyond the reasonable control of the Consultant, such as retirement, death, medical incapacity, among others, it becomes necessary to replace any of the Key Personnel, the Consultant shall provide as a replacement a person of equivalent or better qualifications.

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- (b) If the HURL finds that any of the Personnel have (i) committed serious misconduct or have been charged with having committed a criminal action, or (ii) have reasonable cause to be dissatisfied with the performance of any of the Personnel, then the Consultant shall, at the HURL's written request specifying the grounds thereof, provide as a replacement a person with qualifications and experience acceptable to the HURL.

10.0 Acceptance of Consultant's Work:

10.1 CONSULTANT's Liability for its GUARANTEES, as provided in the AGREEMENT, shall terminate and WORK shall be accepted when following conditions are fulfilled:-

- a) Guarantee Test Run of PROJECT has been declared being successfully carried out by HURL; or
- b) The liquidated damages, if any, as set out in AGREEMENT, has been paid to HURL; or
- c) HURL notifies CONSULTANT in writing that HURL does not require the Guarantees to be proved by the carrying out of a Performance Test;

10.2 Upon CONSULTANT discharging liabilities as provided in this Article -10.1, CONSULTANT shall send to HURL a Certificate of Acceptance of PROJECT for APPROVAL. HURL shall within 45 (Forty Five) DAYS from the date of receipt of above Certificate either convey APPROVAL or reasons for non-acceptance of such Certificate. If within the above period of 45 (Forty Five) DAYS, HURL does not communicate objection for not accepting such Certificate then the same shall be deemed to have been accepted.

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