Special Conditions of Contract

ANNEXURE-II

1.0 General

The special conditions of contract (SCC) cover supply, storage at site, erection, testing, flushing, painting and commissioning of Comprehensive Industrial gases pipelines, i.e. (1) Oxygen Gas Pipelines (2) CO2 Gas Pipelines & (3) DA Gas Pipelines including safety fittings and other features in Carriage Repair Shop, Heavy Repair Shop and Light Repair Shop of East Central Railway.

SCC shall be read in conjunction with EPI’s General Conditions of Contract and other documents as enclosed.

2.0 Scope of work

Supply, erection, testing flushing, painting and commissioning of Comprehensive Industrial Gas Pipelines in Oxygen, CO2 & DA Gas pipelines including safety fittings and other features as per enclosed specification (Annexure – III) and Bill of Material (Annexure – IA) & providing of workmanship performance to the complete satisfaction of Railways.

3. Coverage of contract

The tender for the work is one, covering labour, material and workmanship including all temporary works and the provision of all construction equipment, tools & tackles, consumables etc. The contractor shall make his own arrangement for all the materials required for the satisfactory performance of the contract.

Except where it is expressly provided that the cost will be borne by EPI, the various obligations of contractor under the contract shall be at the cost of the contractor.

4. Civil Engineering Works

The contractor shall check the position/sizes of the various supports, connections etc. and satisfy himself regarding the suitability/correctness of the structures before placing the items on the supports. If any discrepancy is observed in the structures, it must be brought to the notice of the purchaser so that necessary corrective measures are taken by purchaser for rectification of the same.

Any damage caused to the structure due to negligence on the part of the contractor shall be made good by him at his own cost.
5. **Inspection of site**

The contractor is required to inspect and survey the site and working conditions etc. before making his offer and having submitted an offer shall be deemed to have fully acquainted himself with the site conditions and obtained all information.

6. **Quality**

Materials and workmanship shall satisfy the relevant Indian Standards. In absence of relevant Indian Standard, specification/code of practice covering any part of the work, the instructions of Engineer-in-Charge will be binding on the successful contractor.

Regarding tolerances, methods of work and other technical details, contractor shall strictly follow the technical specification, manufacturer’s instruction, approved drawings and manuals etc.

7. **Time of completion**

The entire work shall be completed within 60 (sixty) days from the date of work order. Supply should be completed in all respect within 30 days while the erection and commissioning including painting, testing, flushing etc to be completed in all respect within the balance 30 days.

8. **Mobilization at site**

The successful contractor shall mobilize all the required input resources including manpower, machines, tools & tackle, etc., at site within 7 days of receipt of work order for mobilisation.

9. **Security-cum-Performance Guarantee**

The successful tenderer is required to furnish security-cum-performance guarantee equal to 10 % (ten percent) amount of total order value within 5 (five) days from the date of LOI/work Order for due and proper fulfillment of the contract. The Security cum Performance Guarantee is to be deposited in the form of an unconditional irrevocable Bank Guarantee from a Scheduled Bank in EPI’s proforma, valid upto twelve months after taking over of the site by East Central Railway or 24 months from the date of commissioning duly certified by Engineer-in-charge whichever is later.

10. **Liquidated Damages for Delay**

Delivery period is the essence of contract. In the event of delay on the part of the successful contractor in completing the work in all respects the successful contractor shall pay to EPI, compensation towards delay at the rate of ½ % (half percent) of the total order value for every week of delay or part thereof subject to a maximum of 5% of the total order value.
11. **Price**

Price is inclusive of supply, erection, testing & commissioning and all related works as specified for the complete system.

The price is inclusive of all kinds of taxes, duties, VAT, Labour cess, Levies Octroi, Entry Tax, Royalties, Works Contract Tax, Turn over Tax, Service Tax and other expenses etc. or any other taxes as flexible what so ever during the entire tenure of this contract till all the obligation as per the contract are fulfilled to all respect and aspect..

Deduction of Income Tax at source will be made as per rules.

12. **Price Basis**

Price of individual item shall remain fixed and firm during entire tenure of the contract..

13. **Payment Terms:**

   (a) 80% payment shall be released pro-rata basis on completion of erection duly certified by Engineer-in-Charge.

   (b) 15% payment shall be released pro-rata basis on completion testing & commissioning duly certified by Engineer-in-Charge.

   (c) Balance 5% shall be released after taking over by client (Railway) and duly certified by Engineer-in-Charge.

Payment basis

Pro-rata payment shall be released to the party based on actual measurement on completion of total work of each individual line in totality and in all respect and aspect as per the provisions and ambit of scope of work as per the contract for individual workshop.

14. **Escalation, idle time, etc.**

Escalation, idle time and interest charges on any account and reason whatsoever shall not be entertained and not payable to the successful contractor.
15. **Insurance**

The contractor shall take a composite insurance covering Transit, Project Insurance and Marine cum Erection Insurance Policy (MCE) covering erection, testing, commissioning till completion.

16. **Construction facilities at East Central Railway, Harnaut site**

No facilities / utilities including supply of water and electricity will be provided to the successful contractor. All these are to be arranged by the successful contractor at his own expense. Any compensation in time for arrangement of water and electricity by the contractor will not be entertained.

17. **Defects liability period**

a) Defects liability period is 12 months from the date of taking over of site by East Central Railway or 24 months from the date of commissioning whichever is later.

b) During the defects liability period defined above, the contractor will be liable to make good any defect/replace defective parts whether arising from faulty materials or workmanship or erection or from any act of commission or omission of the contractor. All such rectification/replacement shall be done at site and return of the defective parts shall be arranged by the contractor at his own expense.

c) Warranty for any defective parts or material requiring replacement or rectification by successful contractor shall extend until the expiry of 6 (six) months from the date of replacement or rectification by contractor or until the end of the period as per sub-clause (a) above, whichever is later and moreover the warranty period for the entire scope of work of the successful contractor under this order shall be extended by a period equal to the period during which the plant is out of action as result of defect covered by warranty.

18. **Tests & Inspection**

a) All materials and works shall be subject to EPI’s inspection and approval as per drawings / relevant IS and successful contractor shall give notice to EPI well in advance.

b) Inspection or approval by EPI shall not relieve the successful contractor of any of his obligation under this contract. No certificate of EPI shall by itself be conclusive evidence that any work or materials to which it relates are in accordance with the contract.

c) Issue of inspection certificate will in no way exempt the contractor from his
obligations.

19. Labour wages

The contractor shall comply with all requirements regarding labour as laid down at relevant clauses of GCC. The contractor shall submit regularly documents related to payment of wages, P.F. Insurance under Workmen’s Compensation Act / ESI as may be applicable, duly certified by EPI.

20. Safety

The successful contractor shall comply with all requirements regarding safety as detailed at clause at page no. 54 Sl. No. 5 of GCC.

All statutory safety rules and regulations prevailing in the area and as prescribed by the company shall be observed by the contractor. The contractor shall be responsible for paying strict attention to statutory regulations for prevention of accidents and to other safety rules. The regulation for prevention of accidents shall be strictly followed.

The contractor shall acquaint himself with all the relevant statutory regulations such as Indian Electricity Rules etc. and comply with the regulations.

The contractor shall be responsible for safety arrangements and protective clothing for all operatives on the site whether or not engaged in actual operation or supervision. The contractor shall also be responsible for safety arrangements of all equipment used for erection / construction and shall employ trend workmen conversant with safety regulation. The contractor shall use only tested equipment and tools and shall periodically renew tests. All test certificates shall be made available at the site of work. No cost shall be borne by EPI.

21. Labour Laws

The contractor shall arrange labour license as applicable and also comply with all statutory requirements as per various labour laws in force and to be enforced during the work at his own cost and no cost shall be borne by EPI.

22. Watching & Lighting

The contractor shall provide and maintain at his own expense all lights, guards, fencing and watching when and where necessary or required by EPI for the protection of the works or for the safety and convenience of those employed on the work or others.

23. Timing, Gate Pass Procedures, etc.
Timing, gate pass procedures, safety precautions, materials entry procedures etc. have to be observed by the contractor as applicable under the East Central Railway / Govt. Rules & Regulations.

Security pass and tokens issued by East Central Railway shall be returned to the security office immediately after completion of work and certificate to this effect shall be obtained from East Central Railway office by contractor which will have to be produced for claiming balance payment / final payment.

24. **Accommodation**

Any kind of accommodation in whatsoever furniture and accessories will not be provided by EPI. It has to be arranged by the contractor of their own and EPI shall be in no way responsible for anything whatsoever in this regard.

25. **Clearance of site on completion**

On completion of work all construction plants, vats, tanks, materials/rubbish and temporary structure of any sort or kind used for the purpose of or connected with construction are to be removed by the successful contractor and all pits and excavations filled up and the site handed over in a tidy and workmanlike condition.

Final payment in settlement of the accounts for the works shall be held up to the contractor till such site clearance shall have been certified by Engineer-in-Charge.

In the event of the contractor failing the comply with this provision within 7 days after receiving notice in writing from EPI to the effect such clearance may be made by EPI at the expense of the successful tenderer and EPI shall under no circumstances be held liable for any loss or damage to such contractor’s property as may be on site due to removal there from.

26. **Patent Right and Secrecy**

Any information, data, specifications, drawings, documents, instructions relating to the process of work performed under this order shall be regarded as confidential and successful contractor will not reveal their contents to any unauthorized party.

The contractor shall defend any claim which alleges in a suit or proceeding against EPI that the materials / or any part thereof or any process of manufacture constitute an infringement of any patent, if notified in writing and given authority, information and assignments for the defense and the manufacturer/contractor shall keep EPI indemnified in this regard.

Contractor, on completion and take over of the executed work or discontinuation of work shall return all the drawings/ document, issued by EPI to the contractor.
27. **Discontinuation of work**

In case of any disputes attributable to the contractor which may lead to discontinuation of disruption of work at any stage of execution of contract. EPI shall have the authority to terminate the contract after issuing proper notice to the contractor. Thereafter, EPI shall place a fresh order to other agency and get the remaining portion of the work completed at the risk and cost of the contractor. In case any defect / liability noticed during warranty period which is attributable to the contractor the same shall be attended by the contractor within 48 hours EPI’s notice, failing which the rectification shall be carried out by EPI at the risk & cost of the contractor.

Contractor should furnish the following along with invoices otherwise the same will not likely to be processed for payment.

Up to date PF statement of contractor labour  
Up to date ESI statement of contractor labour.

The contractor shall return to EPI all crates, packing cases and packing materials and all returnable supplies including excess commissioning spares, oil and lubricants etc. at a place designated by EPI.

28. **Quantity variation** :

Quantity may vary upto the extent of ± 25% of the total value of the work order. There is no limit for variation of any individual item.

30. All other terms and conditions not mentioned above shall be as per the General Conditions of Contract (GCC) of EPI (enclosed at Annexure – V)

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