

**Request for Proposal
for**

**Boiler and ESP Package for Overhaul of GMDC's 2X125 MW
Akrimota Thermal Power Station (ATPS), Gujarat**

Answer to Pre-Bid Queries and Corrigendum – VI



**Gujarat Mineral Development Corporation Limited
Khanij Bhavan, 132-Ring Road, Gujarat University Ground,
Vastrapur, Ahmedabad- 380052**

Pre-Bid Meeting Date: 23rd August 2023

Responses to pre-bid queries

Sr. No.	Clause No	Description of clause	Pre-bid query/clarification	Response / Addendum / Corrigendum (If any)
1.	1.5, Part 2	Commencement of Contract	The Effective Date of Contract (EDC) shall be the date of technically and commercially clear order along with Advance. Advance shall be released within 7 days of submission of Advance Bank Guarantee. In case of delay in releasing advance, suitable delivery extension and cost compensation shall be provided, and completion schedule shall be revised accordingly. Completion schedule shall be reckoned from EDC. Adherence to Completion Schedule shall be subject to Customer fulfilling all his contractual obligations in time as per agreed schedule and further subject to Force Majeure conditions.	As per RfP
2.	1.2, Part 2	Interpretation	The same shall be as per Incoterms 2020	<p><u>Revised clause 1.2, Part 2:</u></p> <p>Words importing Persons or Parties shall include related firms and corporations and any organization having legal capacity. Words importing the singular also include the plural and vice versa where the context requires. Words importing one gender also include other genders.</p> <p>Unless inconsistent with the provisions of the Contract, the meaning of any shipping terms and the rights and obligations of the Parties there under shall be as set forth in the latest International Chambers of Commerce (ICC) official rules for interpretation of trade terms as per "INCOTERMS 2020"</p>
3.	2.2, Part 2	Duration of	Contractor would like to mutually discuss and	As per RfP

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		Contract	agree to acceptable completion schedule prior to order finalization.	
4.	3.1.1.3, Part 2	Statutory Approvals	Contractor shall provide the required documents as per the requirement of Statutory Approval Authority. Contractor shall assist the Owner for the same. However, liaising and getting approval shall not be part of Contractors Scope except IBR formalities.	As per RfP
5.	5, Part 2	Quantity Variance Mechanism	Noted. However, Contractor may require additional time to Supply and Erect at site for the additional quantities. The same shall be discussed mutually.	As per RfP
6.	7.1, Part 2	Performance Guarantee Testing (PGT)	<p>The following shall be added:</p> <p>The details of Performance Testing shall be as mentioned in the technical portion of the Contractor's offer. Carrying out of Performance Testing shall be subject to Buyer fulfilling all his contractual obligations in time as per agreed Completion Schedule.</p> <p>Performance Testing shall be conducted within three months from the scheduled date of Commissioning. In the event the Performance Testing could not be conducted up to completion of three months from such date for reasons not attributable to the Contractor, it shall be deemed to have been completed and the Contractor shall be absolved from all his responsibilities and liabilities under the Contract thereafter. Guarantee provided by the Contractor shall stand discharged on the Machinery and Equipment achieving the Guaranteed Performance.</p>	<p>For carrying out the Performance Guarantee Tests, the Owner shall</p> <ol style="list-style-type: none"> 1. Provide raw material, utilities, fuel, power supply at all consuming points, and consumables at no additional cost to the Successful Bidder 2. Ensure that the machinery and equipment being procured from other sources not covered in the Battery Limits for the Boiler and ESP Package shall work satisfactorily and shall achieve the desired outcome parameters to enable the Successful Bidder's supplied Machinery and Equipment achieve its Guaranteed Performance <p>The results of the Performance Testing as jointly recorded and signed between the Owner, PMC, and Successful Bidder in</p>

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			<p>Guaranteed Performance shall be deemed to have been achieved upon three days of continuous working of the Plant at the rated Capacity.</p> <p>For carrying out Performance Testing, Buyer shall:</p> <p>a) Provide the following free of cost: a regular supply of raw material, inputs, utilities, fuel, and power supply at all consuming points required for its operation, oils and greases, chemicals, consumables, supplies etc. required for the operation of Plant.</p> <p>b) Ensure that the Plant is operated and maintained in the manner recommended by the Contractor, by sufficient, competent, qualified, experienced staff/personnel of the Buyer.</p> <p>c) Ensure that the Plant is kept under good maintenance by the Buyer during operation.</p> <p>d) Ensure that the machinery and equipment being procured from other sources by the Buyer not covered in the scope of the Contractor shall work satisfactorily and shall achieve the desired Guaranteed Performance parameters to enable the Contractor's supplied Machinery and Equipment achieve its Guaranteed Performance.</p> <p>If the Buyer fails to make necessary arrangements for carrying out the Performance Testing, it shall be deemed to have given Guaranteed</p>	<p>respect of technical performance and efficiencies shall be final.</p>

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			<p>Performance, the Performance Guarantee shall stand discharged, and the Contractor shall be absolved from their obligations of Performance Testing thereafter.</p> <p>The results of the Performance Testing as jointly recorded and signed between the Buyer and Contractor in respect of technical performance and efficiencies shall be final.</p>	
7.	9.1.1, Part 2	Time-based KPIs	<p>LD shall be levied after Complete Schedule and not on milestone basis.</p> <p>The levy of LD is subject to Buyer fulfilling all its contractual obligations in time and further subject to Force Majeure conditions. Any decision by the Buyer for levy of LD shall be after giving prior written notice to the Contractor. In the event of delay in commissioning for reasons solely attributable to the Contractor, the Contractor will be liable for LD at the rate of 0.5% (half percent) of the Contract Price per completed fortnight of delay subject to a maximum of 5% (five percent) of the Contract Price.</p>	As per RfP
8.	9.1.2, Part 2	Performance-based KPIs	<p>The performance parameters and gradation for levy of LD for shortfall in performance will be as specified in the Technical Offer of the Contractor. However, the maximum LD for Shortfall in Performance on all counts shall be limited to 5% (five percent) of the Contract Price.</p>	As per RfP
9.	9.2, Part 2	Overall ceiling on Liquidated Damages and incentives	<p>The maximum liability of the Contractor towards LD on all counts i.e., towards delay in Commissioning and for Shortfall in Performance shall be limited to 7.5% (seven and a half percent) of the total Contract Price. LD shall be the sole</p>	As per RfP

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			and exclusive remedy available to the Buyer.	
10.	10, Part 2	Defect Liability	<p>Contractor's Warranty/Defects Liability Period for defects in design, material and/or workmanship shall remain for a period of 12 months from the scheduled date of Commissioning or 18 months from the date of last major dispatch, whichever is earlier.</p> <p>Any liability of the Contractor for defects on whatever legal basis shall end upon the expiry of the Warranty/Defects Liability Period.</p> <p>Any rectification, repair or replacement during such Warranty/Defects Liability Period shall be carried out by the Contractor within the mutually agreed time schedule. In spite of all efforts on the part of the Contractor, if any items or portion of Machinery and Equipment is found defective, the Contractor shall replace such defective part within a reasonable period of time as mutually discussed and agreed between the parties.</p> <p>For purposes of Warranty/Defects Liability, following causes shall not be considered as defects and shall be exclusions from the Warranty/Defects Liability:</p> <p>a) Decomposition by chemical action, ordinary wear and tear, damage caused by presence of abrasive material, mishandling, mal-functioning, mal-operations or improper use;</p> <p>b) Damage that may have been caused by inadequate storage, use or preservation by the Buyer or Buyer's other Sub-Contractor, if any;</p>	As per RfP

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			<p>c) Damage/Defect derived from modifications made to the Machinery and Equipment without written approval of the Contractor;</p> <p>d) Damage/Defect caused by defective assembly and/or erection by the Buyer's personnel while assembling or erecting the Machinery and Equipment, in case Contractor's written approval for the same has not been obtained by the Buyer.</p> <p>e) Damage caused due to continued operation in spite of detection of any defect which is not forthwith informed to the Contractor and has not been rectified.</p> <p>In the event of any modifications, repairs, rectifications or alterations including mishandling, undertaken by the Buyer or any third party without consent of the Contractor, any liability for defects shall not be accepted and Contractor shall be absolved of all related obligations and liabilities.</p> <p>Operation & Maintenance (O&M) Manuals shall be provided by Contractor and Buyer shall operate and maintain the Machinery and Equipment as per the O&M Manuals. Contractor's obligation towards Performance Warranty shall be valid and applicable only if the Machinery and Equipment is operated and maintained in an adequate manner by sufficient, competent, qualified and experienced staff of the Buyer and the Machinery and Equipment is used only for Intended Purpose.</p>	
11.	10, Part 2	Defect Liability	The Warranty of replaced part shall also expire within 18 months from the Original Warranty Period from Commissioning	As per RfP

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12.	10, Part 2	Defect Liability	This being a retrofit Job, the impact on the Supplied material can be form existing machinery also. Hence Contractor requests to delete this clause as same is not applicable.	<p>Revised clause 10, point 12 and 13, remaining clause shall be retained.</p> <p>12. However, if there are recurring (more than once) failures in an equipment or any part thereof supplied by the Successful Bidder within twenty-four (24) months from the beginning of the original Defect Liability Period, the warranty shall be limited to a period of eighteen (18) months from the end of the Defect Liability Period</p> <p>13. At the end of the Defect Liability Period, the Successful Bidder liability ceases except for latent defects. The Successful Bidder's liability for latent defects warranty shall be limited to a period of eighteen (18) months from the end of Defect Liability Period. For the purpose of this clause, the latent defects shall be the defects inherently lying within the material or arising out of design deficiency which do not manifest themselves during the Defect Liability Period</p>
13.	11.2, Part 2	Payment Milestones (Supply of Material)	1. 10% of the Supply Contract Price shall be paid as interest free Advance within 7 days of submission of Advance Bank Guarantee (ABG) for equivalent amount, as per mutually agreed format. ABG shall be on quarterly reduction basis to the extent of supplies effected and advance adjusted in the Contractor's invoices from time to time. ABG shall be valid till completion of supplies.	Revised Payment Milestones (clause 11.2) for supply of material and overhaul execution defined in Annexure 1 of this corrigendum.

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			<p>2. 25% of the Supply Contract Price shall be paid within 7 days against submission of un-priced PO for major bought-out items.</p> <p>3. 55% of the Supply Contract Price on pro-rata basis along with 100% taxes, duties, levies and cesses as well as any other recoverable charges shall be paid within 7 days from the date of receipt of material at site.</p> <p>4. 10% of the supply Contract Price shall be paid within 7 days against Completion of SATs for equipment across both units and issue of certificate by PMC and submission of 5% of Performance Bank Guarantee valid till end of Warranty/Defects Liability Period.</p>	
14.	11.2, Part 2	Payment Milestones (Overhaul Execution)	<p>1. 10% (ten percent) of the Services Contract Price along with applicable taxes, duties, levies and cesses thereon at actuals shall be paid as interest free Advance against ABG for equivalent amount as per mutually agreed format. The ABG shall be on monthly/quarterly reduction basis to the extent of services rendered and Advance adjusted in the Contractor's invoices from time to time.</p> <p>2. 10% (ten percent) of the Services Contract Price along with applicable taxes, duties, levies and cesses thereon at actuals shall be paid within 7 days from the date of Site Mobilization.</p> <p>3. 65% (seventy percent) of the Services Contract Price along with applicable taxes, duties, levies</p>	Revised Payment Milestones (clause 11.2) for supply of material and overhaul execution defined in Annexure 1 of this corrigendum.

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			<p>and cesses and other recoverable charges shall be paid on pro- rata basis within 7 days from the submission of monthly progressive bills.</p> <p>4. 10% of the Services Contract Price along with applicable taxes, duties, levies and cesses and other recoverable charges shall be paid on completion of the Overhaul activities for auxiliary boiler, main boilers, and ESP for both units and issue of Completion Certificate by the PMC.</p> <p>5. 5% (five percent) of the Services Contract Price along with applicable taxes, duties, levies and cesses thereon at actuals shall be paid within 7 days on PG test against submission of Equipment Performance Bank Guarantee of 5% of the Contract price valid till end of Warranty/Defects Liability Period.</p>	
15.	7.3, Part 3	Performance Security	We shall provide ABG for securing the advance against supplies and services equivalent to 10% of the contract price and performance bank guarantee equivalent to 5% of contract value hence we do not envisage separate Performance Security.	As per RfP
16.	11.2, Part 2	Payment Milestones	All taxes, duties, levies, cesses, statutory charges by whatever name called shall be payable by the Buyer extra at actuals at rates prevailing at the time of dispatch. Any statutory variation to the existing taxes, duties, levies and cesses and any new levies shall be to Buyer's account.	As per RfP
17.	12, Part 2	Insurance	The Contractor shall at its cost arrange for necessary Comprehensive Insurance coverage for the Project, which shall be kept valid up to Completion Schedule. Contractor shall arrange for	As per RfP

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			insurance coverage of its personnel deputed at Site for carrying out the services of Erection, Commissioning and Performance Testing. In case of delay in completion of Project, for the reasons not attributable to the Contractor, the cost of extension of Insurance shall be to Customer's account.	
18.	12.8, Part 2	Limitation of Liability	<p>Except in case of willful misconduct, gross negligence and IP infringement, overall liability of the Contractor under the Contract is limited to a maximum of 10% of the Contract Value.</p> <p>Neither party shall be liable to the other party by way of indemnity or by reason of any breach of the contract or of statutory duty by reason of tort, loss of profit, loss of contracts, loss of use, loss of production, loss of interest and for any financial or economic loss and for any indirect and consequential damage whatsoever.</p>	As per RfP
19.	13, Part 2	Non fulfilment of terms and conditions and Termination of Contract	<p>Any Termination of Contract by either party could only be for breach or failure by other party which has not been remedied, or for bankruptcy or insolvency of either party and for causes which are beyond the control of either party.</p> <p>Either party can terminate the contract in case suspension continues for more than 60 days after giving 30 days.</p> <p>Contractor has the right to terminate the Contract if the Customer fails to pay the Contractor the amount due within 60 (sixty) days of suspension of the contract.</p> <p>In the event of such termination, the Contractor</p>	<p><u>Revised clause:</u></p> <p>If at any time during the currency of this contract, if any material breach of the obligations under the Contract occurs due to the reasons attributed to the Successful Bidder, the Owner shall have the right to terminate the Contract with a cure period of 30 days following the Owner's written notification to the Successful Bidder. Any direct damages occurring due to such termination will be borne by the Successful Bidder within the limit of liability stated in the contract.</p>

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			shall be entitled to receive all payments for the supplies effected and for the work in progress including raw material procured up to the date of receipt of such notice.	
20.	14, Part 2	Statutory Obligations	<p>Customer shall obtain from the concerned authorities necessary clearances, approvals, consents, sanctions, certificates in respect of services to be provided under respective Contract for which the Contractor will extend necessary assistance, if required. Customer shall take all necessary precautions for the safety and security of Contractor's personnel being deputed at site.</p> <p>Necessary labour compliances and Government Rules like Minimum Wages, Insurance, Provident Fund, ESI, Labour Contract Laws, for Contractor's personnel and labour engaged by the Contractor will be carried out by the Contractor for which the necessary Forms and documents shall be provided by the Customer as per statutes.</p>	As per RfP
21.	14.6, Part 2	Arbitration	<p>Any dispute in which amicable settlement could not be reached by and between the Parties in connection with or in relation to the Contract shall be referred to arbitration according to the provisions of Arbitration and Conciliation Act, 1996 and any subsequent amendments in force. Arbitration shall be conducted by three arbitrators; each party shall appoint one arbitrator and the two appointed arbitrators shall appoint the third arbitrator who shall act as the Presiding Arbitrator. Venue and seat of arbitration shall be Mumbai, Maharashtra, India and language of arbitration shall be English.</p>	As per RfP
22.	14.7, Part 2	Governing Law	Our offer will be governed in accordance with the	As per RfP

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			laws of India.	
23.	14.8, Part 2	Jurisdiction	Any dispute shall be subject to the exclusive jurisdiction of Courts at Mumbai, India.	As per RfP
24.	14.12, Part 2	Force Majeure	<p>If at any time during the continuance of the Contract, it shall become impossible for either party to complete their obligations in time by reasons which shall include but not be limited to acts of God, any act of Government, fire, war, concerted action of workmen, accidents, power failure, civil commotion, epidemic, coronavirus Covid-19,lockdowns imposed by local, state or central government, impact from the Russia/Ukraine crisis, terrorist attacks / acts of terrorism, Tsunami, volcanic activity, earthquake, storm or flood, trade embargoes, restraints on transportation and shipping, Force majeure prevailing at the sub-contractors place of business and / or all such causes or circumstances beyond control of either party, the affected party shall not during the continuance of the calamity, delay or hindrance, be bound to execute the Contract provided always that the supplies and services will be resumed as soon as possible thereafter and neither party shall be considered in default in the performance of its obligations under the Contract or be responsible for any delay in the carrying out of such obligations.</p> <p>The affecting party due to Force Majeure events specified above shall notify the other party within 15 days of occurrence of the Force Majeure event. Completion Schedule shall be suitably extended and the Cost compensation shall be provided to Contractor.</p>	As per RfP

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			<p>If the conditions constituting Force Majeure last for a continuous period of two months or aggregate period of three months, either party shall be entitled to terminate the Contract and the Contractor shall be paid for the entire work completed as well as work in progress including raw materials procured till the date of such termination.</p>	
25.	7.2, Part 2; Corrigendum IV Sr.no.11	Desired Outcome Parameters	<p>Bidder is not carrying out any design related work and only supplying material as per customer provided specifications / drawings therefore performance related clause is not applicable for Boiler.</p> <p>The replies mentioned by you in corrigendum IV wrt Correction curves for fuel characteristics etc. are applicable only in case of variations of the input fuel and ambient condition as per ASME PTC 4.</p> <p>The bidder shall extend all possible support to the customer to match the expected parameters of the boiler however it should not be linked to issuance of any certificate and resultant payment.</p>	As per S. No. 11 of Corrigendum – IV of this RfP.
26.	3.2.6, Part 2	Factory (FATs) and site acceptance tests (SATs)	<p>Bidder shall be submitting relevant certificates received from the mill as per standard working practice for your record purpose. We do not envisage need of any separate certificate from NABL labs for material of construction (MOC) used for the material/equipment procured</p>	As per RfP

Annexure 1: Payment milestones

Revised Clause 11.2 of Part 2 of the RfP:

Category	Activity	% of value	Timelines
Supply of material	Advance payment for procurement of spares, after submission of Performance Security and submission of item-wise price list	10%	T + 2 weeks
	Placement of POs for procurement of spares	25% (pro-rated) ¹	T + 10 weeks
	Delivery of material on site with physical verification, certification, and sign-off by the PMC	55% (pro-rated) ¹	T + 26 weeks
	Completion of SATs for equipment across both units and issue of certificate by PMC	5%	T + 30 weeks
	Completion of defect liability (warranty period)	5%	18 (eighteen) months from the date of Completion of the Overhaul or 12 (twelve) months from the date of Operational Acceptance of the equipment, whichever first occurs However, in case the overhaul/commissioning gets delayed more than 90 days from the planned overhaul completion date due to reason not attributable to Successful Bidder, the 5% payment shall be released against submission of BG of equivalent amount for the duration of the defect liability period.
Overhaul execution	Mobilization fee	10%	T + 2 weeks
	Completion of overhaul and guarantee of auxiliary boiler (including hydro test and light up) and issue of completion certificate by PMC	10%	T + 15 weeks
	Monthly payments against progressive installation of equipment on site	15% (per month)	Monthly payments in equal installments for 3 months during Overhaul execution
	Completion of the Overhaul activities	10%	T + 44 weeks

¹ Bidders to provide detailed item wise price for the required spares detailed in Annexure 2 (Boiler) and Annexure 3 (ESP) of this document within 14 days from date of acceptance of LoA. The payment on delivery of material on site shall be prorated as per the items delivered against the required spares, upon certification by the PMC.

Category	Activity	% of value	Timelines
	for auxiliary boiler, main boilers, and ESP for both units and issue of Completion Certificate by the PMC		
	Completion of Guarantee Tests for both units and issue of Operation Acceptance Certificate by the PMC	10%	T + 48 weeks However, in case the overhaul/commissioning gets delayed more than 90 days from the planned overhaul completion date due to reason not attributable to Successful Bidder, the 10% payment shall be released against submission of BG of equivalent amount, to be released upon successful completion of the performance guarantee test.
	Submission of final 'Overhaul Completion Report' approved by Authority	10%	T + 50 weeks
	Completion of defect liability (warranty period)	5%	18 (eighteen) months from the date of Completion of the Overhaul or 12 (twelve) months from the date of Operational Acceptance of the equipment, whichever first occurs However, in case the overhaul/commissioning gets delayed more than 90 days from the planned overhaul completion date due to reason not attributable to Successful Bidder, the 5% payment shall be released against submission of BG of equivalent amount for the duration of the defect liability period.