



## **TENDER FOR SHIP CHARTERING TO TRANSPORT PETROLEUM PRODUCTS TO LAKSHADWEEP**

**Tender No : S/TPP/2012-LDCL**

ISSUE OF TENDER DOCUMENT	16 <sup>TH</sup> FEBRUARY - 15 <sup>TH</sup> MARCH 2012
PRE BID MEETING	1 <sup>ST</sup> MARCH 2012 AT 15 .00 Hrs
LAST DATE OF RECEIPT OF TENDER	16 <sup>TH</sup> MARCH 2012 AT 14.00 Hrs
DATE OF TENDER OPENING	16 <sup>TH</sup> MARCH 2012 AT 14.30 Hrs

**LAKSHADWEEP DEVELOPMENT CORPORATION LIMITED  
(A GOVERNMENT OF INDIA UNDERTAKING)**

**27/1038 B, PANAMPILLY NAGAR  
ERNAKULAM, KOCHI – 682 036.**

**[www.ldcl.gov.in](http://www.ldcl.gov.in)**

**Important Note:**

Bidders who downloaded tender document must attach Demand draft for Rs. 1000/- payable at Ernakulam towards cost of tender document along with technical bid.

## TENDER NOTICE

Lakshadweep Development Corporation Limited (LDCL) is a Government of India undertaking established to promote developmental activities in the Lakshadweep Islands. The company's main business is technical management of passenger and cargo barges owned by UTL Administration

The Union Territory of Lakshadweep has authorized the LDCL to charter a suitable ocean going vessel to transport petroleum products and other essential commodities from mainland ports to Lakshadweep Islands so as to stock up sufficient items before commencement of monsoon period.

Lakshadweep Development Corporation Limited (LDCL) invites sealed tenders in two cover system from the eligible firms for chartering of cargo vessels on time charter basis to transport petroleum products and other essential commodities from mainland ports to Lakshadweep Islands

The tender document can be purchased from Lakshadweep Development Corporation Ltd,27/1038B Panampilly Nagar Ernakulam Kochi-682036 by paying Rs 1000. on any working day during office hours between 9.30 to 17.00 hours from 16.02.2012 to 15.03.2012. The tender document can also be downloaded from the LDCL's website "[www.ldcl.gov.in](http://www.ldcl.gov.in)"

The tenderer is expected to fully understand the scope of work while submitting the tender

A pre bid meeting is scheduled at Lakshadweep Development Corporation Ltd,27/1038B Panampilly Nagar Ernakulam Kochi-682036 on 01.03.2012 at 15:00 hours. Last date of receipt of tender is 16.03.2012 upto 14:00 hours at Lakshadweep Development Corporation Limited Kochi and technical bids will be opened on the same day at 14.30 hours

**For Lakshadweep Development Corporation Ltd.**

Sd/-  
**V.C. Pandey**  
**Managing Director**

**TENDER FOR TRANSPORTATION OF PETROLEUM PRODUCTS**  
**TENDER NO. S/TPP/2012-LDCL**

**SECTION : 1**

**A. INSTRUCTIONS TO BIDDERS:**

1. Lakshadweep Development Corporation Ltd., invites bids in two bid system (Technical and Price bid) for the Services, as described in the Appendix A.

<b>2. Qualification of the Bidder</b>	<p>2.1 All bidders shall include the following information and documents with their bids in Section III</p> <ol style="list-style-type: none"><li>(a) copies of documents defining the constitution or legal status, place of registration, and principal place of business; written power of attorney of the signatory of the Bid to commit the Bidder;</li><li>(b) total monetary value of Similar Services performed for each of the last three years; Copy of last three years of Balance Sheet should be enclosed.</li><li>(c) experience in Services of a similar nature and size for each of the last three years, and details of Services under way or contractually committed; and names and address of clients who may be contacted for further information on those contracts;</li><li>(d) Specification of vessel(s) which the bidder proposed to carry out the work</li><li>(e) Qualifications and experience of key site personnel and technical personnel of the firm</li><li>(f) information regarding any litigation, current or during the last five years, in which the Bidder is involved, the parties concerned, and disputed amount; and</li><li>(g) Proposals for subcontracting components of the Services amounting to more than 10 percent of the Contract Price, if any.</li></ol> <p>The firms interested in offering vessel(s) must have a good track record and must not have been black-listed by any Government Organization/ PSUs / Statutory Body / Major Ports in course of last 5 years. Bids of such black listed firms will not be considered. The intending tenderers must have positive networth as on 31.03.2011. This fact should be certified by a Chartered Accountant. The tenderer must also submit banker"s certificate along with the</p>
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	<p>offer regarding the financial credibility/solvency of the firm.</p> <p>2.2 To qualify for award of the contract Bidder shall meet the following minimum qualifying criteria:</p> <p>(a)The intending bidder shall either have experience in similar operation or they may have tie-up with firms who have experience in similar vessel operation</p> <p>(b) Bidder should be ship owner or charterer or a ship management agency.</p> <p>(c) Successful bidder should have an office or agency in Kochi/Calicut.</p>
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<b>3. One Bid per Bidder</b>	<p>3.1 Each Bidder shall submit only one Bid, either individually or as a partner in a joint venture. A Bidder who submits or participates in more than one Bid (other than as a subcontractor or in cases of alternatives that have been permitted or requested) will cause all the proposals with the Bidder's participation to be disqualified.</p>
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<b>4. Earnest Money Deposit</b>	<p>4.1 Bidder shall submit an amount of Rs. 1,00,000/- (Rupees One Lakh only) by Demand Draft towards EMD in favour of Lakshadweep Development Corporation Ltd. payable at Kochi.</p> <p>4.2 . E.M.D. of successful bidder will be returned after execution of the Bank Guarantee. EMD to the other bidders will be returned on finalization of the bid/ technical disqualification.</p>
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## **B. Bidding Documents**

<b>5. Content of Bidding Documents</b>	<p>5.1 The set of bidding documents comprises the documents listed in the table below and addenda issued in accordance with Clause 10:</p> <p>Section I Instructions to Bidders</p> <p>II Bidding Data</p> <p>III Qualification informations</p> <p>IV Form of Contract</p> <p>V Model Contract</p> <p>VI Price Bid</p> <p>5.2 The Bidder is expected to examine all instructions, forms, terms, and specifications in the bidding documents. Failure to furnish all information required by the bidding documents or to submit a bid not substantially responsive to the bidding documents in every respect will be at the Bidder's risk and may result in the rejection of his bid. Sections III, IV, V, and VI should be completed and returned with the Bid. Price Bid and Technical Bid should be submitted in separate sealed covers.</p>
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<ul style="list-style-type: none"> <li>• <b>6. Pre bid meeting</b></li> </ul>	<ul style="list-style-type: none"> <li>• For clarifying doubts, queries a pre-bid meeting will be held on 01.03.2012 at 1500Hrs at LDCL office, Kochi.</li> </ul>
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### C. Submission of Bids

<b>7. Sealing and Marking of Bids</b>	<p>7.1 Tenders shall be submitted in two separate sealed covers super scribed in capital letters as PART-I (TECHNICAL) and PART-II (PRICE) along with the tender number, and name &amp; address of the tenderer.</p> <p>PART-I (TECHNICAL) shall contain the following details:</p> <ul style="list-style-type: none"> <li>a. Demand Draft for Rs. 1,00,000/- (Rupees One Lakh Only) towards EMD</li> <li>b. Duly Filled up and signed TECHNICAL BID as per Section-III</li> <li>c. Form of Contractor as per Section – IV</li> <li>d. Model Contract as per Section – V</li> <li>e. Copy of audited balance sheet for the last 3 years as per Section – VI</li> <li>f. Bankers certificate regarding financial credibility/solvency of the firm</li> <li>g. Un-priced price format (the complete price bid without showing the price details but covering all conditions, if any, included)</li> <li>h. Description of services as per Section – VII</li> <li>i. List of deviations, if any</li> <li>j. Any other details</li> </ul> <p>PART-II (PRICE BID) shall contain the details required in the format and the charter charges should be quoted for each vessel as given in the Price Bid format.</p> <p>7.2 <b>The inner and outer envelopes shall</b></p> <ul style="list-style-type: none"> <li><b>(a) Be addressed to the LDCL at the address provided in the Bidding Data;</b></li> <li><b>(b) Bear the name and identification number of the Tender.</b></li> </ul> <p>7.3 If the outer envelope is not sealed and marked as above, the LDCL will assume no responsibility for the misplacement or premature opening of the Bid.</p>
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<b>8. Deadline for Submission of Bids</b>	<p>8.1 Bids shall be delivered to the LDCL at the address specified above not later than the time and date specified in the Bidding Document.</p>
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## D. Bid Opening and Evaluation

<b>9. Bid Opening</b>	9.1 Technical bid will be opened on 16 <sup>th</sup> March 2012. Bidder can nominate one representative during Tender opening
<b>10. Clarification of Bids</b>	10.1 To assist in the examination, evaluation, and comparison of bids, the LDCL may, at the LDCL's discretion, ask any Bidder for clarification of the Bidder's Bid, including breakdowns of the prices in the Activity Schedule, and other information that the LDCL may require. The request for clarification and the response shall be in writing, but no change in the price or substance of the Bid shall be sought, offered, or permitted except as required to confirm the correction of arithmetic errors discovered by the LDCL in the evaluation of the bids.
<b>11. Examination of Bids and Determination of Responsiveness</b>	11.1 Prior to the detailed evaluation of bids, the LDCL will determine whether each Bid meets the eligibility criteria defined in Clause 2.2 by analyzing the information provided in Section – III. 11.2 A substantially responsive Bid is one, which conforms to all the terms, conditions, and specifications of the bidding documents, without material deviation or reservation. A material deviation or reservation is one (a) which affects in any substantial way the scope, quality, or performance of the Services; (b) which limits in any substantial way, inconsistent with the bidding documents, the LDCL's rights or the Bidder's obligations under the Contract; or (c) whose rectification would affect unfairly the competitive position of other bidders presenting substantially responsive bids. 11.3 If a Bid is not substantially responsive, it will be rejected by the LDCL, and may not subsequently be made responsible by correction or withdrawal of the nonconforming deviation or reservation. 11.4 LDCL will open only the Price Bids of the technically qualified bidders. Date and Time of Price Bid opening will be intimated to the respective Bidders.

<p><b>12. Correction of Errors</b></p>	<p>12.1 Bids determined to be substantially responsive will be checked by the LDCL for any arithmetic errors. Arithmetical errors will be rectified by the LDCL on the following basis: if there is a discrepancy between unit prices and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail, and the total price shall be corrected; if there is a discrepancy between the amounts in figures and in words, the amount in words will prevail.</p> <p>12.2 The amount stated in the Bid will be adjusted by the LDCL in accordance with the above procedure for the correction of errors and, with the concurrence of the Bidder, shall be considered as binding upon the Bidder. If the Bidder does not accept the corrected amount, the Bid will be rejected, and the Bid Security may be forfeited.</p> <p>12.3 Power to relax - LDCL reserves the power to relax the qualifications prescribed in the tender in appropriate cases as found to be fit and proper.</p> <p><b>12.4</b>  <b>AMENDMENT OF TENDER DOCUMENT:</b> At any time prior to the deadline for the submission of Tenders, the LDCL for any reason, whether at their own initiative or in response to a clarification requested by a prospective tenderer, may modify the tender document by amendments. The amendment in the form of addendum will be sent in writing to all prospective tenderers who have collected the tender document, to arrive not later than 3 days prior to deadline for submission of tender. The tenderer should promptly acknowledge the receipt by Fax / E-mail. The amendment will also be posted on the website. All the bidders who have down loaded the Tender Document shall verify if any such amendment / modification has been issued, before submitting their bid and shall take cognizance of and include such amendment(s) in their submission. In any case, the amendment(s) / modification (s) if any shall be binding on the bidders. No separate notice / intimation of amendments / modifications will be sent to those who have downloaded the document from the web. The LDCL at their discretion extend deadline for the submission of Tenders to enable prospective tenderers to take the amendment into account while preparing the Tender.</p>
<p><b>13. Evaluation and Comparison of Bids</b></p>	<p>13.1 The LDCL will evaluate and compare only the bids determined to be substantially responsive</p> <p>13.2 In evaluating the bids, the LDCL will determine for each Bid the</p>

	<p>evaluated Bid price by adjusting the Bid price as follows:</p> <ul style="list-style-type: none"> <li>(a) Making any correction for errors</li> <li>(b) Making an appropriate adjustment for any other acceptable variations or deviations submitted</li> </ul> <p>13.3 The LDCL reserves the right to accept or reject any variation or deviation. Variations or deviations and other factors, which are in excess of the requirements of the bidding documents or otherwise result in unsolicited benefits for the LDCL will not be taken into account in Bid evaluation.</p>
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**E. Award of Contract**

<p><b>14. Award Criteria</b></p>	<p>14.1 LDCL will award the Contract to the Bidder whose Bid has been determined to be substantially responsive to the bidding documents and who has offered the lowest price.</p>
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<p><b>15. LDCL’s Right to Accept any Bid and to Reject any or all Bids</b></p>	<p>15.1 The LDCL reserves the right to accept or reject any Bid, and to cancel the bidding process and reject all bids, at any time prior to the award of Contract, without thereby incurring any liability to the affected Bidder or bidders or any obligation to inform the affected Bidder or bidders of the grounds for the LDCL’s action.</p>
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<p><b>16. Notification of Award and Signing of Agreement</b></p>	<p>16.1 The Bidder whose Bid has been accepted will be notified of the award by the LDCL . This letter (hereinafter and in the Conditions of Contract called the “Letter of Acceptance”) will state the sum that the LDCL will pay the Service provider in consideration of the execution, completion, and maintenance of the Services by the Service provider as prescribed by the Contract (hereinafter and in the Contract called the “Contract Price”).</p> <p>16.2 The notification of award will constitute the formation of the Contract.</p> <p>16.3 The Contract, in the form provided in the bidding documents, will incorporate all agreements between the LDCL and the successful Bidder. It will be signed by the LDCL and Bidder along with the Letter of Acceptance. Within 10 days of receipt of the Contract, the successful bidder shall sign the Contract and return it to the LDCL, together with the required performance security pursuant to Clause 10 of Section-II. The signing of contract will be at LDCL office at Kochi.</p>
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<p><b>17. Performance Security</b></p>	<p>17.1 Within 10 days after receipt of the Letter of Acceptance, the successful Bidder shall furnish to the LDCL a Performance Security amounting to 5% of total quoted cost in the form of Bank Guarantee stipulated in the Bidding document, denominated in the type and proportions of currencies in the Letter of Acceptance and in accordance with the General Conditions of Contract. Performance Security is to be provided by the successful Bidder in the form of a Bank Guarantee issued by a scheduled bank.</p> <p>17.2 The Contractor shall take necessary insurance coverage for the quality of cargo loaded at each voyage.</p> <p>17.3 Failure of the successful Bidder to comply with the requirements of Sub-Clause 16.3 of this Section shall constitute sufficient grounds for cancellation of the award and forfeiture of EMD.</p>

## **SECTION II. Bidding Data**

### **Instructions to Bidders Clause Reference**

<b>CLAUSE 1</b>	L.D.C.L. means LAKSHADWEEP DEVELOPMENT CORPORATION LIMITED.
<b>CLAUSE 2</b>	The Intended Date of commencement of contract is 10 days from the date of signing contract to one year (extendable by one more year).
<b>CLAUSE 3</b>	The contract period shall be for one year from 10 days of signing the contract (extendable by one more year)
<b>CLAUSE 4</b>	The qualification criteria is as per 2(2) of Section-I.
<b>CLAUSE 5</b>	The experience required to be demonstrated by the Bidder should include sufficient years of service he has executed. Enclose Experience details separately.
<b>CLAUSE 6</b>	The essential equipment to be made available for the Contract by the successful Bidder. Enclose details separately
<b>CLAUSE 7</b>	The period of Bid validity shall be 90 days after the deadline for Bid submission specified in the Bidding Data.
<b>CLAUSE 8</b>	The amount of Bid Security shall be 1,00,000/- (Rupees One Lakh only).
<b>CLAUSE 9</b>	Bids will be opened at 14.30 pm on 16.03.2012 at the following address: Lakshadweep Development Corporation Limited, 27/1038B, Panampilly Nagar, Cochin – 682 036
<b>CLAUSE 10</b>	The Performance Security acceptable to the LDCL shall be in the Standard Form of <i>Bank Guarantee</i> for an amount equivalent to 5% of the annual contract value.

### Section III

#### TECHNICAL BID

1	Name of the Tenderer firm	
2	Address of the Registered office of the Tenderer (Attached Proof)	
3	Office address at Kochi / Calicut with Fax & Te. Nos. (Attached Proof)	
4	Status of Tenderer firm (Public Ltd., /Pvt. Ltd., Proprietary/Partnership)	
5	Name and address of Partners/Managing Director/Proprietor as the case may be	
6	Total No. of years of experience in similar work (Attached Proof)	
7	Permanent Account No. of the Tenderer (Attached copy of PAN)	
8	Quality Management certificate (ISO) details if any (Attached Proof)	
9	Name, designation and address of the authorized signatory on the tender documents (attach power of attorney as the case may be)	
10	Earnest Money Deposit details	
11	Other shipping related activities carried out if any (Attached Proof)	
12	Name of the Bank and branch with which the Tenderer has dealings	

13. Experience of the bidder

Project name	Name of employer and contact person	Type of Services provided and year of completion	Value of contract
(a)			
(b)			

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**Particulars of vessel offered (Attach copy of statutory certificate of the vessel offered )**

Type and Name of Vessel(s)	Description, make, and age (years)	Particulars					Speed & Fuel consumption at sea /day	No. of cargo holds	No. of barrels that can be accommodated in each hold	No. of crane/derricks	Owned/ leased
		L	B	GT	DWT	Draft					
Vessel											
I											
II											
III											
IV											

Certified that the details and documents given are true and correct. Further details, if any, needed shall be submitted for verification, if so desired at any stage.

Signature-----

Name-----

Designation-----

**LIST OF DEVIATION ( IF ANY)**

Signature-----

Name-----

Designation-----

#### **SECTION IV - Model Agreement**

This CONTRACT (hereinafter called the “Contract”) is made on the *[date]* day of the month of *[month]* *[year]* between Lakshadweep Development Corporation (hereinafter called the “LDCL”) and *[name of Contractor]* (hereinafter called the “Contractor”).

#### WHEREAS

- (a) The LDCL has requested the contractor to make available ocean going vessels for certain trade as defined in the General Conditions of Contract attached to this Contract (hereinafter called the “Services”); (Refer Appendix A)
- (b) The Contractor, having represented to the LDCL that they have the required ships professional skills, personnel and technical resources, have agreed to provide the Services on the terms and conditions set forth in this contract.

NOW THEREFORE the parties hereto hereby agree as follows:

1. The following documents attached hereto shall be deemed to form an integral part of this Contract:
  - (a) Instructions to bidders
  - (b) Bidding Documentation
  - (c) Technical Bid
  - (d) Model Agreement
  - (e) Model Contract
  - (f) Price Bid
  - (g) Description of Services
2. The mutual rights and obligations of the LDCL and the Service Provider shall be as set forth in the Contract, in particular:
  - (a) The Contractor shall carry out the Services in accordance with the provisions of the Contract; and
  - (b) the LDCL shall make payments to the Contractor in accordance with the provisions of the Contract.

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be signed in their respective names as of the day and year first above written.

For and on behalf of Lakshadweep Development Corporation Limited

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Authorized Representative

For and on behalf of *[name of Contractor]*

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*[Authorized Representative]*

## **SECTION-V**

### **MODEL CONTRACT**

#### **ARTICLE 1**

##### **DEFENITIONS.**

**1.1 CONTRACT:** Shall mean the agreement including the articles schedules etc forming part of contract executed by authorized signatories on behalf of parties thereto.

**1.2 DATE OF CONTRACT:** shall mean the date on which contract is signed by the parties.

**1.3 WORK:** shall mean the duties and responsibilities of contractor (as defined in Section - VII– Description of Services)

**1.4 EQUIPMENTS / VESSELS:** shall mean ocean going self propelled vessels, containers, mountings and accessories required for transportation of Petroleum Products as well as essential dry cargo required to carry out the work.

**1.5 LDCL:** shall mean Lakshadweep Development Corporation Limited.

#### **ARTICLE : 2**

**PEFORMANCE BOND. : AS PER CLAUSE 10 OF BIDDING DATA  
5% of the annual contract value**

#### **ARTICLE : 3**

**SCOPE OF WORKS & SERVICES : AS PER SECTION-VII**

#### **ARTICLE ; 4**

**PERIOD OF CONTRACT : AS PER CLAUSE3 OF BIDDING  
DOCUMENT**



## **ARTICLE : 5**

### **TIME SCHEDULE:**

- 5.1** CONTRACTORS equipments shall be deemed ready to commence the contract of transport of Petroleum Products on the occurrence of the following events :
- a) Delivery of equipments with full operating staff and crew at Cochin Port / Beypore Port / Mangalore Port with all required licenses, route permits, test certificates, calibration certificates, registration certificate, etc and establishments of all supporting and ground facilities
  - b) Inspection of equipment and all verification of all relevant documents by LDCL and acceptance of readiness for transportation, and this date will be considered as date of commencement of contract which will be not later than 10 days from the date of signing of the contract.
- 5.2** Contractor shall get organized to undertake the transportation of Petroleum Products from above instructed ports to various islands in Lakshadweep in conformity with the programme issued by LDCL.
- 5.3** Time is the essence of the contract and the contractor understands the necessity and Importance of transporting Petroleum Products for the use of various islands in Lakshadweep and hereby undertakes to mobilize the required resources and obtain the necessary equipments and facilities such as barges, containers, and fulfill the statutory obligations in respect of their manufacture, acquisition, ownership and operation in the related navigational routes and Ports/Jetties, all in consonance with the provisions of the contract. During the implementation of contract, LDCL may issue to contractor instructions/ requirements in respect of the priorities and sequence, in the overall interest and requirements of LDCL, and contractor shall fully co-operate with LDCL in following these instructions and submit to LDCL detailed working programme to achieve these, for review and approval.
- 5.4** Contractor recognizes the possibility of inclement weather sea conditions and agrees to take reasonable precautions and safety measures necessary to ensure the transportation of Petroleum Products as per agreed programme despite such adverse conditions and the contractor shall not be entitled for any additional payment whatsoever, on this account.
- 5.5** The Contractor shall not be entitled for any extension of time fixed for commencement of transportation unless LDCL is satisfied that sufficient grounds exists to extend the stipulated time frame.

## **ARTICLE - 6**

### **LDCL REPRESENTATIVE**

6.1 ALL obligations of LDCL under this contract shall be carried out through officer(s) nominated for the purpose by LDCL, who shall be LDCL representative and shall represent LDCL for all matters concerning the contract except as otherwise provided herein.

6.2 LDCL may change the representative at any time after notifying the contractor.

## **ARTICLE – 7**

### **CONTRACTORS REPRESENTATIVE**

A competent and experienced representative whose name shall be intimated to LDCL before commencement of contract shall represent contractor during the contract period.

## **ARTICLE – 8**

### **CONTRACTOR TO INFORM HIMSELF**

8.1 CONTRACTOR is to have a clear idea about the area of operation including factors such as sea / weather conditions, depths, tidal forces, navigational works, safe entry/exit paths to jetties and such other information that may have relevance to the work.

8.2 Contractor is to examine the specifications and schedules and is also to satisfy himself about the nature and quantum of work to be executed before entering into Contract.

## **ARTICLE – 9.**

### **LOADING & UNLOADING OF CARGO**

9.1 Loading of petroleum products in Barrels / LPG Cylinders from the loading ports to the contractor's vessel will be done by LDCL or UTL authorities nominated through LDCL. Vessel's loading equipments shall be made available by the contractor for this purpose.

9.2 Unloading the petroleum products from the vessels to either along side berths or dumb barges (as applicable) at islands using the vessels loading / unloading equipments will be done by the contractor (no other loading / unloading facilities are available in the Lakshadweep islands).

- 9.3 Loading of empty barrels / L.P.G cylinders using ships gear from alongside berths / dumb barges (as applicable) from islands and their transportation to mainland ports will be done by the contractor.
- 9.4 Unloading of empty barrels / LPG cylinders using ships gear at mainland ports will be undertaken by LDCL. Vessels unloading equipments and operators shall be made available by the contractor for this purpose.

#### **ARTICLE – 10**

#### **FACILITIES BY CONTRACTOR**

- 10.1 Contractor shall position the required barges/containers at his own cost and make available for the transportation of the required quantity of Petroleum Products as per the scope of services shown in the **Section-VII Scope of Works and Services. Contractor should be in a position to commence operation within 10 days from the date of signing of the contract.**
- 10.2 The equipments, components and accessories provided by contractor shall conform to operating conditions as per applicable rules and regulations and as specified by LDCL, applicable design codes and statutory regulations in vogue and good engineering practice and shall be subject to inspection by authorized and recognized statutory inspection agencies. Contractor shall be responsible to obtain approval of statutory and third party inspection agencies for the designs, drawings and equipments as applicable and shall produce the related documents for verifications by LDCL. Further, LDCL shall also have access for inspection of equipments deployed at any stage.
- 10.3 Contractor shall obtain the necessary navigation certificates, licenses, clearances etc. from the concerned authorities such as Director General of Shipping, Mercantile Marine Department and other statutory agencies.
- 10.4 Contractor shall renew the Licenses, certificates, clearances etc from time to time as stipulated by authorities concerned.
- 10.5 Contractor should ensure that his equipments and employees have adequate coverage under the statutory obligations including Workmen compensation Act, Payment of Wages Act, Statutory Regulations etc as may be applicable and expenditure for these will have to be met by contractor at his own risk and cost. No extra payment will be made by LDCL on this account and contractor shall indemnify LDCL against such expenditure if incurred.
- 10.6 Contractor shall ensure that the transportation system is operated without causing any environmental hazards or pollution and that no danger is caused to men, materials and facilities belonging to third parties and public. The transportation system proposed is fully incorporated in **Section-VII- Scope of works and services.**

## **ARTICLE – 11**

### **QUALITY OF WORK**

Contractor shall execute works diligently and according to appropriate specifications consistent with the provisions of this contract. In the event the LDCL representative is not satisfied with the progress of work, Contractor will take expeditious action to rectify the defect.

## **ARTICLE- 12**

### **PRICES**

**12.1** For all services rendered by contractor in connection with transportation of Petroleum Products LDCL shall pay the contractor a consideration determined as per terms specified in **Section-VI- Price Bid.**

The Contractor can submit bills on 1<sup>st</sup> and 15<sup>th</sup> of every month and which will be settled within 10 working days and for the remaining items on monthly basis.

**12.2** The consideration specified in Section-VI (A) is all inclusive daily fixed charges but excluding taxes, levies and duties. LDCL shall have no obligation to make any payment in addition to the same to CONTRACTOR, CONTRACTOR'S employees, sub – Contractors, Statutory Agencies or any other agencies involved directly or indirectly in the performance of WORK by CONTRACTOR, provided that if at any time after the date of CONTRACT any new tax or levy (other than on the CONTRACTOR'S income and on materials/services purchased/used by CONTRACTOR) such as turnover tax, Sales Tax, VAT, Octroi, Canal, Dues, Levy/ Charge on Cargo carried by barges, Environmental Levy, Dredging Levy, or any Customs Charges on Petroleum Products carried by the barges, is imposed by Central/State Governments, Local Authorities, or any other Statutory Bodies (excluding Cochin Port Trust), LDCL shall reimburse on the CONTRACTOR the amount of the Taxes/Levies so newly imposed on production of required documents, in addition to the consideration provided for, in Section-VI(A) (Excluding penalties, fines).

**12.3** All prices shall remain firm for the duration of CONTRACT except for any price variation provided for in Section-VI and reimbursement provided in 12.2 hereof.

**12.4** Payments due to CONTRACTOR as per Section-VI are subject to deduction of Income – tax if any due at rates prevailing at the time of payment and LDCL shall remit the amount so recovered to the concerned Income tax authorities to the account of CONTRACTOR and CONTRACTOR with appropriate certificates of tax deduction.

## **ARTICLE - 13**

### **VARIATIONS AND OMISSIONS**

- 13.1** CONTRACTOR shall fully co-operate with LDCL in planning and scheduling the operating cycles consistent with the needs of LDCL and the quantities mentioned in Section-VII and any variation shall not be treated as a CHANGE IN WORK. In the event of any delay in loading or unloading or necessity for extended service beyond normal working hours, LDCL shall not have to pay CONTRACTOR any compensation whatsoever other than those expressly provided for in Section-VI – SCHEDULE OF PRICES.
- 13.2** CONTRACTOR is fully responsible for organizing the appropriate transportation facility and operating it for the purpose covered by the CONTRACT and any omission or error in the information given by LDCL except in respect of LDCL'S facility, shall not relieve CONTRACTOR of his responsibility.

## **ARTICLE – 14**

### **INSURANCE AND LIABILITY FOR DAMAGES**

- 14.1** CONTRACTOR indemnifies and saves LDCL harmless of any claims from Third-parties and/or the employees of CONTRACTOR or of agencies or sub – Contractor's engaged by CONTRACTOR consequent to any omission, commission, neglect, act, failure to act by CONTRACTOR or his employees of Sub – Contractors or due to non – observance of Statutory Rules and Regulations by any of them.
- 14.2** CONTRACTOR shall take and maintain appropriate insurance policies for the following purposes:
- Appropriate third-party liability against loss of life, injury or damage to properties belonging to third-party due to any action/omission/accident resulting from the operation of CONTRACT.
  - Loss or damage to equipments used in transportation due to any reason whatsoever.
  - Any other insurance required under statutory regulations pertaining to WORK other than that required to be taken and maintained by LDCL under the terms of this CONTRACT.
- 14.3** CONTRACTOR shall ensure that his sub-contractors or other agencies engaged by him in connection with performance of WORK are obliged to take similar insurance policies to the extent applicable to their position of work.

- 14.4** LDCL shall take and maintain in force appropriate insurance policies to cover loss or damage to cargo in transit only. This however shall not be applicable in any loss or damage caused to cargo on account of any negligence, act, omission etc. on the part of the CONTRACTOR. Contractor should handover certified copy of insurance cover on Hull & Machinery, P&I, etc., to LDCL for getting insurance coverage for cargo immediately on signing of the contract.

## **ARTICLE 15**

### **SAFETY**

- 15.1** The transport facility organized by CONTRACTOR shall conform to all requirements of safety needed for water transport in high seas and handling of Petroleum Products at high pressure/low temperature including the situations of build – up of pressure due to any delay in unloading. CONTRACTOR shall observe all application rules and procedure in respect of design, manufacture, up-keep and operation of the barges/ equipments.
- 15.2** The operating staff/crew engaged by CONTRACTOR shall be properly and adequately trained & instructed, about the cargo, its properties, its storage conditions, consequence of any exposure to it in the event of leakage and procedure to be followed in the event of any unexpected disaster-situation.
- 15.3** The equipments shall be provided with appropriate fire and safety appliances for personal safety and facilities for safe escape of the crew in the event of any unexpected and uncontrollable situation.
- 15.4** CONTRACTOR indemnifies LDCL against any claim whatsoever from Contractor's employees, public or any Third-party due to any accident consequent to negligence or otherwise or due to sabotage of transport equipment or for any other reason.
- 15.5** In the event of Contractor's barge not having been appropriately certified by concerned authorities, LDCL reserves the right to reject any Barge brought by CONTRACTOR due to its unsound condition or being not worthy of water transport or found unsuitable for the transportation of Petroleum Products.

## **ARTICLE 16**

### **STATUTORY REGULATIONS**

- 16.1** CONTRACTOR shall in all matters arising out of contract conform at his own expense with all Acts, Orders, Rules, Regulations and Bye Laws of Government

of India, State Government, Ports, Local Bodies and other authorities there under in force and applicable to work.

- 16.2** Contractor shall exercise care, diligence and promptness in the transportation work and adhere to all rules and regulations, navigation regulations, statutory regulations and all other laws and rules that have a bearing on work . Any damage or action, legal or otherwise, arising out of or on account of contractors failure or wrong ship handling or negligence or breach of statutory obligations, shall be to contractors account.

#### **ARTICLE – 17.**

#### **MAINTENANCE OF EQUIPMENTS**

The contractor is expected to maintain the equipments scheduled for working in good condition. If any of the equipment is to be removed from service due any reason, the same be discussed with LDCL well in advance so that such interruptions do not affect the transportation schedules.

#### **ARTICLE – 18**

#### **GUARANTEE AND TIME SCHEDULE**

- 18.1** Contractor agrees that the barge/equipments shall be ready in a seaworthy condition for commencement of transportation of Petroleum Products according to the programme and that the regular transportation requirements will be carried out in accordance with the relevant provisions of the contract.
- 18.2** If contractor fails to commence the transportation of Petroleum Products and/or after commencement fails to maintain the same in accordance with the agreed schedule, contractor shall at own cost, make alternative arrangements of transportation to meet the full requirements of LDCL and LDCL shall have to make payments for such transportation only in accordance with the terms provided for in this contract.
- 18.3** In the event contractor fails to make promptly such alternative arrangements, LDCL may, at their option, make such alternative arrangements directly, and shall be entitled to receive from the contractor any expenditure incurred by LDCL in excess of the payments due to the contractor, under the provisions of the contract, LDCL may realize such payments either by recovery from payments due to the contractor or from the security deposit of the contractor or from any other amount due to the contractor, if sufficient or the contractor will reimburse if not sufficient.
- 18.4** In the event of breach of contract by the contractor, resulting in failure of or delay in transportation of Petroleum Products as per provisions of this contract and subject to LDCL making available facilities as per Article- 9 of the contract, the contractor shall be liable to pay LDCL by way of liquidated damages at the rate of 1.5 times the daily rate per day or part thereof. The Barge should leave the Port

within 2 hours of completion of loading / unloading as applicable, failing which penalty will be levied at the rate mentioned above.

- 18.5** If contractor neglects work or neglects to comply with any instructions given by LDCL representative to contractor in writing in connection with the work or contravenes any of the provisions of contract, LDCL may give notice to contractor requiring him to make good the failure, neglect or contravention complained thereof, within a reasonable time. If contractor fails to do so, LDCL have the option and be at liberty to take over the equipments partly or fully and use the same for the purpose covered by the contract in which case LDCL shall pay the contractor the balance amount if any, after meeting the operational expenses including those on repairs and maintenance incurred by LDCL on the barges/equipments of the contractor.
- 18.6** In the event that LDCL anticipate any delay in the commencement of the use of the contracted equipments, LDCL shall notify the contractor in advance about such delay. If contractor is ready for transportation before such delay is intimated by LDCL, then LDCL shall pay the contractor as standing charges at the daily fixed charges as provided in Section-VI(A) until LDCL is ready for commencement of transportation.

## **ARTICLE – 19**

### **SUB LETTING AND ASSIGNING**

- 19.1** Contract shall be binding and ensure to the benefit of the parties hereto and to the successors in right and shall not be assignable by either, unless the other party has given its consent in writing to such assignment.
- 19.2** The barge / equipment employed by contractor shall be free of any encumbrances.
- 19.3** Contractor shall not sublet or sub contract any or all of its obligations under the contract to any other party without prior written consent of LDCL. If the contractor proposes to use barges not owned by him, the contractor may do so only with prior consent of LDCL subject to producing written undertaking from the lawful owners permitting the use of their barges for the purpose covered by the contract including their specific agreement.

## **ARTICLE - 20**

### **CLAIMS**

Claims by contractor, if any, shall be lodged with LDCL within 30 days of the claim arising, failing which the claim shall be deemed to have been waived.



**ARTICLE – 21**  
**FORCEMAJEURE**

**21.1.1** Neither the contractor nor LDCL shall be considered in default in performance of contract if such performance is prevented or delayed due to circumstances of forcemajeure, provided that the party so affected notifies the other party in writing promptly, in any case with in 10 (ten ) days of its occurrence, of the existence of a situation of ‘Forcemajeure” giving evidence thereof. For the purpose of this article, forcemajeure means the following:

- a) War or hostilities.
- b) Riot or civil commotion or insurrections or blockades
- c) Earthquake, flood, tempest, lightning, epidemics, or other natural calamities.
- d) Accident, fire or explosion, not caused by willful negligence of contractor or his workforce.
- e) Labour strike or lock out not caused by any deliberate act or indiscretion by contractor or his workforce.
- f) Act of State, enactment of Law, order or proclamation by Government.

**21.2** If the situation of Force majeure extends to a period exceeding 15 (Fifteen) days, the parties shall meet together and discuss the further cause of action provided that the performance of the contractor is affected, LDCL may, without prejudice to its rights under Article 18 hereof, at its option and at any time remove from the scope of contractor the work and have it executed by any other agency as LDCL may deem fit.

**21.3** Contractor shall not be entitled to any financial compensation during such periods.

**ARTICLE – 22**  
**LAW AND LEGAL JURISDICTION**

**22.1** Any legal proceedings relating to CONTRACT shall be limited to Courts of Law under the jurisdiction of the High Court of Kerala.

**ARTICLE – 23**  
**ARBITRATION**

**23.1** Except where it has been provided for otherwise, any difference of opinion or any dispute between the parties here to arising out of or in connection with CONTRACT, shall if not amicably settled, be finally settled by arbitration by a sole arbitrator as approved by both parties and the decision of the Arbitrator shall be binding on the parties. The arbitration procedure will be conducted as per provisions of Arbitration and Conciliation Act 1996. In the event of LDCL and CONTRACTOR failing to agree upon a single arbitrator, within two months of notice of the dispute, arbitration shall be held by a panel of two Arbitrators, one selected by each party and an umpire selected jointly by the Arbitrators.

**23.2** The decision of the Arbitrator/Arbitrators/Umpire shall be final and binding on both parties.

**23.3** Notwithstanding any dispute that may be referred to arbitration the transport of Petroleum Products shall continue as normal and payment shall be made as per terms of the CONTRACT for the quantities transported and there shall be no interruption in the WORK under the CONTRACT on account of the fact that any claims of either party are pending before the Arbitrators or otherwise.

## **ARTICLE – 24**

### **SUSPENSION AND TERMINATION**

**24.1** If CONTRACTOR becomes insolvent or in the event of his going into liquidation or winding up his business as the case may be or if in the opinion of LDCL, CONTRACTOR fails to fulfill his obligations in the execution of the WORK to LDCL's satisfaction consistent with the provisions of the CONTRACT, LDCL may, at its option, either exercise the right vested in LDCL under the provisions of ARTICLE 18.5 hereof or terminate CONTRACT in whole or in part and employ any other Agency or Agencies to continue WORK or get it done departmentally. In either of the situations the CONTRACTOR's Security Deposit will be forfeited without prejudice to LDCL's further rights to claim compensation from CONTRACTOR for losses and damages suffered by LDCL as a result of the above arrangements. LDCL shall not be liable to pay any compensation to the CONTRACTOR for any loss he may incur consequent to the above measures of LDCL.

**24.2** If any other work entrusted to other parties by LDCL is obstructed to, interested with or caused to be interfered with to the detriment of LDCL's interest by CONTRACTOR or his employees, CONTRACTOR shall be liable to be terminated with due notice and the work for the unexpired period of CONTRACT will be arranged by LDCL through other parties at CONTRACTOR's risk and cost. The decision whether LDCL's work has been interfered with or obstructed to shall be that of LDCL.

## **ARTICLE – 25**

### **NOTICES AND ADDRESSES**

**25.1** All notices under CONTRACT shall be in writing.

**25.2** Except as otherwise specified in CONTRACT, it shall be sufficient in all respects if notices are either delivered at or sent by registered post to the following addresses :

**Lakshadweep Development Corporation :**

**The Managing Director,  
Lakshadweep Development Corporation,  
27/1038 B, Panampilly Nagar,  
Kochi – 682036, Kerala**

**Contractor :**

**ARTICLE 26**

**ENTIRE AGREEMENT**

- 26.1** CONTRACT, to the exclusion of all prior agreements, statements or representation whether oral or written, constitutes the full agreement between parties hereto relating transportation of Petroleum Products.
- 26.2** No variations to the terms of CONTRACT shall be valid unless it is made in writing and signed on behalf of both LDCL and CONTRACTOR by their respective authorized representatives.

## Section-VI Price Bid

Name & Address of intending Tenderer -----  
 (To be filled in BLOCK CAPITAL LETTERS)-----

Having examined and understood the bidding documents including addendum, We offer the vessel(s) at the following monthly Charter charges. against each vessel / vessels as mentioned

**A) Fixed Cost:** (Time Charter Cost)

	Vessel-I(Name of the vessel) -----	Vessel-II (-----)	Vessel-III -----	Vessel-IV -----
A Monthly Hire charges <b>including fuel,</b> lubricant charges and all other operating expenses like survey expenses, workmen compensation , etc. ** ( Inclusive of all expenses				

\*\* LDCL will reimburse only port dues charged by the concerned Port authorities on production of bills and additional taxes and levies as provided at 12.2.

Authorized Signature: \_\_\_\_\_

Name and Title of Signatory: \_\_\_\_\_

## **Appendix A**

### **Section-VII—Description of the Service**

1) **Scope of work:** Transportation of petroleum products in 210 Ltrs. barrels, LPG cylinders and carrying essential commodities( dry cargo) to various islands in Lakshadweep from Cochin / Beypore / Mangalore by Sea.

2) The most likely specification of sea going vessel(s) to be engaged for the above work is as follows:

Vessel type	General cargo flat deck / All weather
Length overall (max)	50 - 60 Mtrs
Flag	Indian flag (preferred)
Breadth (max)	11.0Mtrs
Draft (Max)	Less than 2.5m
D.W.T	800 – 1200 MT
GT	750
Cargo to be carried in one voyage	1000-1200 Nos Oil barrels(210Ltr) 1500 Nos. filled LPG Cylinders
Speed	Around 11 knots &
Age	Below 25 years
Cargo handling Equipment	Crane / derrick 5T capacity

3) Duration of the contract is one year from the date of signing the contract, extendable by one more year at the discretion of UTL Administration.

4.1) Loading of petroleum products from the loading ports Cochin, Beypore and Mangalore) to the contractor's vessel will be done by LDCL or UTL nominated agents. Vessel's cargo gear and manpower shall be provided by the contractor for this purpose.

4.2) Unloading the petroleum products from the vessels to either along side berths or dumb barges (as applicable) at islands having the vessels loading / unloading equipments will be done by the contractor. No loading / unloading facilities are available in islands.

4.3) Loading of empty barrels / LPG cylinders using ships gear from alongside berths / dumb barges (as applicable) from islands and their transportation to mainland ports will be done by the contractor.

4.4) Unloading of empty barrels / LPG cylinders using ships gear at mainland ports will be undertaken by LDCL. Vessels loading equipments and operators shall be made available by the contractor for this purpose.

5) Contractor may take the following facts into consideration, while deciding the number of barges.

i) Varying shallow depth in and around the island recommended draft is not more than 2.5 meters.

ii) Cargo will be made available on a phased manner.

iii) LDCL prefer to go for a time charter arrangement and the contractor has to provide information regarding fuel consumption at sea and at port, speed, carrying facility per trip (number of barrels / LPG cylinders). It is estimated that an average of 900 nautical miles vessel has to operate in a month

iv) Dues to Port and additional taxes and levies as provided at 12.2 alone will be reimbursed by LDCL on production of original documents. All other expenditure has to be met by the contractor.

v) Port, Customs, Director General of Shipping/ Mercantile Marine Department approvals, statutory certification, manning of vessels will be the responsibility of contractor.

vi) LDCL reserve the right to award the contract in full or part thereof and for engaging more than one contractor for the work specified.