

**MINUTES OF TECHNICAL PRE-BID MEETING HELD ON FEBRUARY 17, 2021 AT MITCON OFFICE,  
PUNE FOR EPC OF MODERNIZATION OF EXISTING EVAPORATION SUITABLE FOR RAW SPENT  
WASH TREATMENT TO ACHIEVE 60% W/W SOLIDS, UF FOLLOWED BY UV FOR EXISTING CPU AND  
ADD ON EQUIPMENT IN FERMENTATION SECTION & BALANCE OF PLANT  
M/S. HPCL BIOFUELS LTD., SUGUALI & LAURIYA (BIHAR)  
*(Prepared by MITCON Consultancy & Engineering Services Ltd.)***

**A) General Points:**

1. All bids to be submitted as per instructions provided in Commercial & Technical unpriced bid document on or before March 5, 2021 by 14:30 hrs at the address provided in the bid
2. In Price bid, Bidders to submit separate price ( Supply + E&C ) for 3 nos sludge decanter for raw spent wash of 15 m<sup>3</sup>/hr capacity and 01 no. of sludge decanter of 5 m<sup>3</sup>/hr capacity.
3. Bidders to submit no deviation letter as per the format provided in the tender
4. HBL advised that any bid which does not adhere to the required procedure in the tender document or does not contain the documents required as per the tender will be rejected.
5. Technical bid opening will be informed shortly
6. Date of financial bid opening will be informed to all eligible bidders.
7. Autocad copy of plant layout for both Suguali & Lauriya site enclosed for reference only.

**B) Additional Technical Points required to be considered by the bidders:**

1. Replies to queries raised by bidders during and prior to the technical pre-bid meeting are provided in annexure enclosed herewith. These clarifications will be applicable to all bidder

## ANNEXURE

### Commercial

Sr. No.	Chapter / Clause No. / Page No.	Title	Bidders Comments / Deviations / Clarifications	Reply
1	II/1.8/21  III/1.7/47	Bank Guarantee  Contract Performance Security (Retention Money)	Contract Performance Bank Guarantee (CPBG) for 10% of the Basic Contract Price, shall be provided on mutually agreed date and format, valid upto the end of Maintenance Warranty period.  This Guarantee is intended to secure timely completion of supplies as per Contract, shortfall in Performance Parameters of equipment supplied and for non-fulfillment of Warranty obligations only.	HBL informed all bidders to presently proceed as per commercial terms and conditions as per tender. Select bidder may raise request for minor revisions with justifications for the same for consideration.
2	II/1.11/22	Transfer of Title	<b><u>Following shall be added:</u></b>  All risks in goods shall pass on to the Purchaser upon arrival of goods at site under Supply Contract and on Commissioning under E&C Contract.	
3	II/1.13/22	Maintenance Warranty	<b><u>This clause shall be modified to include the following:-</u></b>  a. Warranty period shall be for a period of two crushing season from the date of Commissioning of plant including the season in which the plant is commissioned or 18 months from the date of dispatch of last major consignment necessary for Commissioning, whichever is earlier.  b. The replaced/ repaired part, if any, will be covered for a period of 6 months or the remaining warranty period, whichever is later.  c. The Supplier's Maintenance Warranty shall not cover: i. Normal wear and tear ii. Damages/defects arising out of mal operation of the plant by the Purchaser and accidents,	

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			<ul style="list-style-type: none"> <li>iii. not following other instructions of the Supplier, damages/ loss due to acts of God and natural disasters like fire, earthquake etc. and</li> <li>iv. Any other damages which are not attributable to the Supplier.</li> </ul> <p>d. The Supplier/ Contractor is warranting the goods for any defects in material and workmanship and there are no warranties whatsoever, by Vendors / Sub-Contractors appointed by the Supplier/ Contractor.</p> <p>e. Supplier's warranty obligations are subject to receipt of full payment from the Purchaser as per the terms of the contract.</p>	
4	II/1.14/23  Appendix – II	Payment  Payment Schedule	<p><u>Our offer is based on the following Payment Terms:</u></p> <p><b>A. FOR SUPPLY</b></p> <ol style="list-style-type: none"> <li>1. 10 % of the Contract Price as interest-free advance within 7 days of submission of reducing type Advance Payment Bank Guarantee as per the mutually agreed format, to secure advance payment, valid upto the date of completion of supplies. The value of the security shall automatically reduce with the adjustment of advance in the invoices of the Supplier against dispatch of Machinery and Equipment.</li> <li>2. 10 % of the Contract Price as first Milestone Payment within 7 days of submission of the Layout Drawings, GA drawing, loading data and P &amp; I drawings.</li> <li>3. 10 % of the Contract Price as second Milestone Payment within 7 days of submission of un-priced agreed Purchase Order from the sub-vendors of the Supplier for major items like pumps, motor, tubes.</li> </ol>	

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	III/1.10/48	Payment	<p>4. 70% of the Contract Price shall be released by Purchaser on prorata basis against dispatch of machinery and equipment along with applicable taxes, duties and levies.</p> <p><b>B. <u>For Erection and Commissioning</u></b></p> <p>1. 10% of the Contract Price plus applicable taxes as interest free advance within 7 days of submission of reducing type Advance Payment Bank Guarantee as per mutually agreed format valid till Commissioning. The value of the Advance Payment Guarantee shall automatically reduce with the adjustment of advance in the bills for carriage of work at site.</p> <p>2. 10% of the Contract Price as Milestone Payment along with applicable taxes within 7 days of mobilization at site.</p> <p>3. 80% of the Contract Price on prorata basis against joint certification of completion of work along with applicable taxes, duties and levies against submission of fortnightly running bills.</p> <p><b>C. <u>General Terms of Payment</u></b></p> <p>1. Other than the advance payment and milestone payments, all other payments to the Supplier/Contractor shall be released by the Purchaser/ Owner through irrevocable, without recourse to drawer, Letters of Credit (LC) to be arranged by Purchaser as per the text acceptable to the Supplier. LC shall be established within 90 days from the signing of the contract, through a Bank acceptable to the Supplier, permitting payments at sight at the counter of the Supplier's Bank at New Delhi.</p> <p>2. Bank charges for arranging the LC, its amendments, reimbursing bank's charges and overdue interest, if any, shall be to the account of Purchaser</p>	

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			<p>and all negotiation charges of the Supplier's Bank shall be borne by the Supplier.</p> <p>3. All advances and milestone payments shall be payable at par value at New Delhi and advance and milestone payments shall be adjusted in the invoices on Pro Rata basis.</p>	
	II/1.15/24	Extension in the Supplier's Performance	<p><b><u>This clause shall be modified to the following extent.</u></b></p> <p>The reasons for delay shall also include delay(s) which is/are not attributable to the Supplier and such other circumstances i.e. delay in timely fulfilment of payment obligations by the Purchaser. In the event of delay, Supplier shall be entitled to extension of time completion period for performance of the work at least for corresponding period. Cost implication due to delays shall be payable on mutually agreed basis.</p> <p><b>Sub-clause 1.15.3:</b> Supplier to notify the Purchaser within a "reasonable time".</p>	
6.	II/1.24/27 III/1.20/51	Taxes and Duties	<p>Reference to old tax regime should be deleted.</p> <p>Our offer price is exclusive of GST, TCS, BOCW Cess and all other taxes, duties and levies which shall be reimbursed at actual to the Supplier by the Purchaser over and above the Contract Price as applicable at the time of dispatch.</p>	
7.	II/2.1/30 III/2.1/53	Definitions	<p><b><u>We would like to modify the following definitions:-</u></b></p> <p><b>s/z: "THE ZERO DATE OF THE CONTRACT"</b> shall be the date of issuance of the LOI or the date of receipt of full payment against first installment of interest free advance by the Supplier, whichever is later. The scheduled date of completion shall be counted from the Zero Date of Contract.</p>	

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			z/aa/x/y: <b>“COMMISSIONING” / “SATISFACTORY COMMISSIONING”</b> : shall mean initial operation of the equipment after mechanical completion.	
8.	II/2.4/32	Codes and Standard	If no codes and standards are mentioned in the Contract then the codes and standards applicable on the date of submission of offer shall be applicable. Any change in codes and standard required, subsequent to submission of our offer, shall be subject to cost and time implications.	
9.	II/2.7/33	Testing and Inspection	<p><b><u>This clause shall be modified to the following extent.</u></b></p> <p>List of equipment/materials requiring inspection by Purchaser shall be jointly agreed. In case at the appointed date and time the Purchaser’s representative is not present to witness the test, the Supplier shall be free to dispatch the material.</p> <p>All costs of travelling, boarding, lodging etc. of the Inspection Agency or Representative of the Purchaser who will come for inspection will be to the account of the Purchaser only.</p>	
10.	II/2.8/33  III/2.7/55	Work Schedule  Time Schedule	<p>The Supplier shall organize its resources to complete the supplies to suit commissioning within 8 months from the Zero Date of the Contract. It is however subject to timely fulfillment of obligations by the Purchaser and Force Majeure.</p> <p><b>Clause 2.8.3</b> of Supply Contract and <b>Clause 2.7.3</b> of E&amp;C Contract need to be deleted as we have not envisaged airlifting of the equipment.</p>	
11.	II/2.9/35	Invoices and Payments	Since Transit Insurance is in the scope of the Supplier, our Insurance Company does not require any intimation for each dispatch. Accordingly, this clause needs to be suitable modified.	

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12.	II/2.12/38  III/2.8/56	Liquidated Damages for Delay in Delivery  Liquidated Damages for Delay in Time Schedule	The liquidated damages for delay in delivery of equipment to suit commissioning may be payable in the event of commissioning being delayed beyond the time for completion for the reasons for delay attributable to the Supplier only calculated at Basic Contract Price. In case of delay LD shall be sole remedy to the Purchaser.	
13.	II/2.13/38  III/2.9/56	Indemnity	The Parties shall Indemnify each other on viz-a-viz basis w.r.t. breach /gross negligence in performance of their obligations under the Contract.	
14.	II/2.14/39  III/2.10/57	Insurance	We have considered in our scope Comprehensive Marine Cum Erection and Commissioning Insurance Policy till Commissioning including Insurance for our workmen, our staff/officers and tools and tackles. The Supplier / Contractor shall be free to take insurance from any of the Insurance Company, operating in India.	
15.	II/2.15/39	Performance Guarantee	Sub clause 2.15.4 to 2.15.7 needs to be deleted as Maintenance Warranty clause is self-sustaining	
16.	II/2.18/41  III/2.12/57	Arbitration	This clause needs to be modified for inclusion of provisions of sole arbitrator instead of panel of Engineers. Further, the seat of Arbitration should a neutral place like New Delhi.	
17.	II/2.22/42  III/2.17/59	Performance Tests and Guarantee  Performance Tests and Final Take Over	<b><u>Gist of performance Guarantee Tests:</u></b>  a. On completion of Commissioning the Purchaser shall within 15 days thereof issue a Commissioning Certificate failing which it will be deemed to have been commissioned.	

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			<p>b. Within two months from the date of Commissioning of the plant, the Contractor shall conduct the Performance Guarantee Test in the presence of the Supplier and the Purchaser. The findings of the Test shall be recorded and shall be binding on both the parties. In case the Performance Guarantee test doesn't takes place within two months, it shall be carried out within three months from the date of Commissioning.</p> <p>c. However, if this is also not possible, for the reasons not attributable to the Supplier, the machinery and the equipment shall be deemed to have passed the Performance Test.</p> <p>d. The capacity and efficiency of the machinery and equipments shall be deemed to have been fulfilled if within one month or thereafter from the start of operations, the performance parameters are achieved on each day during 3 consecutive days with all the items of machinery and equipments of plant working as per capacities and efficiencies.</p> <p>e. If, for any reasons during the PGT, guaranteed parameters are not achieved, the Supplier shall correct the equipment within a reasonable period to set the equipment right and thereafter the PG Test shall be repeated again in the similar manner, LD shall only be payable in respect of the Equipment which has failed in achieving guaranteed performance despite availing reasonable opportunities to set right.</p> <p>f. During the Commissioning and Performance tests of retests, all necessary fuels, power, water, chemicals, other inputs like adequate sugar cane and utilities shall be made available by the Purchaser to the Contractor free of cost.</p>	

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			g. After completion of PG Test or deemed PG Test, the only obligation with the Supplier shall be with respect to Warranty obligation.	
18.	II/2.23/43	Penalty for Shortfall in Performance	<p><b><u>Performance Liquidated Damages</u></b></p> <p>We would discuss and agree to the penalties for shortfall in Performance as proposed in the contract. However, the maximum Liquidated Damages payable for shortfall/ nonperformance shall be on grade scale and shall not exceed 5% of the Basic Contract Price which shall be sole remedy to the Purchaser.</p>	
19.	II/2.27/44  III/2.21/59	Suspension of Work & Extension of Time  Suspension of Work & Idle Time Extension	<p><b><u>This clause shall be amended to include the following:</u></b></p> <p>If suspension under this clause continues for more than 7 days, the Supplier shall be compensated as provided. In the event of non-payment, the Supplier shall be entitled to suspend the work.</p>	
20.	II/2.28/45	Sequence of Delivery	We shall dispatch the Machinery and Equipment in a sequential manner as far as possible. No payment is to be withheld by the Purchaser in case some small or critical items are received at site in non-sequential manner.	
21.	III/1.8/48	Indemnity	Delete words “except losses ..... and installation.”	
22.	III/2.16/58	Trial Run and Provisional Take Over	a) After commissioning, the Contractor shall carry out Trial Run for 3 days and Reliability Test Run within 30 days of Commissioning. Any interruption upto 2 hours shall not be considered as interruption. However, any interruption caused by Purchaser will be treated as uninterrupted. On Commissioning a joint protocol shall be signed between the Purchaser and Supplier.	

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			b) The plant shall be deemed to be provisionally taken over by the Owner upon Commissioning.	
23.	III/2.28/65	Owner's Responsibilities	<p>The Purchaser / Owner shall discharge its all obligations listed in the clause or elsewhere in the Contract including the following in a timely manner on their due dates free of cost to the Supplier/ Contractor:</p> <ul style="list-style-type: none"> <li>• Motorable approach road from main road to site with culverts wherever required.</li> <li>• Clean and leveled site on due date. Removal of overhead and underground lines, piping etc.</li> <li>• Adequate security and first aid available at the site for Contractor's employees/ labour and equipment.</li> <li>• Ensure civil work, foundations and other items in the scope are timely provided for carrying out the work at site.</li> <li>• Overall watch, lights, fencing and security personnel for safety of material at site shall be the responsibility of the Purchaser.</li> <li>• Owner shall provide site office with dedicated telephone, fax and email facilities, adequate furnished accommodation for contractor or his sub-furnished accommodation for contractor or his sub-contractor' Engineers/supervisory staff at site.</li> <li>• Owner shall issue required forms, applications including Form- V to enable the contractor/sub-contractors to comply with the labour laws.</li> </ul>	

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			<ul style="list-style-type: none"> <li>To ensure uninterrupted supply of Power at Site enabling Contractor to carry out fabrication, erection, commissioning and other works.</li> </ul>	
24.	<b>New Clause</b>	<b>Costs / Unforeseen Matters</b>	All costs towards the extension of the BGs and insurances shall be borne by the Party responsible for the delays. In case the Zero Date is extended beyond 30 days or LC is not opened within 90 days from contract signing date, then the Contract Price and time for completion shall be equitable adjusted. Any unforeseen situation w.r.t. existing plant and site conditions is encountered by the Contractor shall be to Owner's account.	
25.	<b>New Clause</b>	<b>Limitation of liability</b>	<p>a. The maximum cumulative LD payable under this Contract, including delay and shortfall shall not exceed 7.5% of the Basic Contract Price.</p> <p>b. Under no circumstances the overall liability of the Supplier to the Purchaser under the contract or otherwise shall not exceed 100% of the Basic Contract Price.</p>	

#### TECHNICAL

Sr. No	# Page NO/ Clause no	Tender requirement	ISGEC's comment / clarification / Deviation	MITCON Reply
1.	# 84 / 1.1.10  And other related references in tender	All equipment shall be designed for the matching of existing 60 KLPD Ethanol plant. The additional sections/equipment shall be capable of continuous operation for minimum 300 days.	The equipment and its accessories will be in line with performance as specified the tender bid. Performance guarantee other than above and of existing plant and machinery is NOT considered in the present scope.	Supplier has to give the Performance Guarantee for add on plant and machinery only.

		All pipe work and electrical distribution systems unless otherwise specified, shall be installed for the initial capacity of 60 KLPD Ethanol.		
2.	# 86 / 1.4  And other related references in tender	Capacity and Performance of additional evaporation section / Proposed additional Evaporation Section:  Feed Flow, Concentrated Slop, Process Condensate is measured in m3/day	As the evaporation duty is to be measured on mass basis, the Feed and concentrated Slop also should be defined on the basis of Mass flow in TPD OR (m3/day with specific gravity)	For design of the evaporation all flow rates to be considered on w/w basis.
3.	#94/ 2.5A-3,4,5	Plant has to design consider variation in solid concentration in spent wash composition without affecting the plant performance, steam economy. Bidder shall ensure for consistent steam economy for molasses based spent wash. Bidder shall ensure Optimized power consumption	For fixing the evaporation duty minimum solid concentration in the spent wash needs to be defined. All other performance parameters needs to be fixed on the basis of the same	As per tender consider 27% w/w solids in inlet for new evaporation.
4.	#96/ 14 #98/ 15	All equipment will be designed and manufactured as per ASME section VIII	All pressure vessels like condensate pot, Evaporators, etc. will be generally (shell and dish end thickness) designed as per ASME sec. VIII. Div.1 (Non radiographic).	Wherever thicknesses are mentioned are to be considered and wherever thicknesses are not mentioned to be considered as per ASME Section VIII
5.	#96/ 15 #98/ 17	All heat exchanger will be designed as per TEMA.	Thickness for shell & tube for respective heat exchangers will be as per Bid document. For the tube sheet, baffles, body flange etc. has to design as per GEP.	Thickness for shell & tube for respective heat exchangers will be as per Bid document. For the tube sheet, baffles, body flange etc. has to design as per IS Standard.

6.	#97/ 5	Fire water piping and equipment as per Fire & Safety guidelines for additional sections/equipment.	Fire fighting system needs to be defined with detailed specifications	Wherever if required supplier has to take the tapping from existing nearest fire Fighting header.
7.	#98/ 16	All pumps will designed and manufactured as per ASME.	All pumps will designed and manufactured as per suitable specifications from Pump suppliers to ensure the performance of the plant.	Ok Noted. Successful bidders to be submitted test certificates and curve details for review and confirmation.
8.	#101/ II – 3, 4,5	Equipment List Evaporator Calendria-I (Forced Circulation Type) Tube size- OD mmx Tube thick mm x Tube length (M) 38.1 X 1.6 X 6	Tube length needs to be fixed on the basis of NPSH available for pump and other elevations in detailed engineering stage.	Minimum 6 meter tube length to be considered.
9.	#106/ II – Notes	All SS-304 Piping-Sch. 10.	SS pipes of up to 50 NB should be schedule 10 and above 50 NB should be schedule 5.	As per tender.
10.	#129/7.1	PROCESS/PERFORMANCE GUARANTEE PARAMETERS for Proposed additional Evaporation Section	As the Spent wash feed to Evaporation may have different solid concentration based on the feedstock to distillery, Performance parameter of Evaporation should be Evaporation duty / rate only	Ok Noted.
11.	#130/7.4	SECTION WISE POWER CONSUMPTION : Bidders to provide section wise power breakup	Section wise power break up can be given indicatively. However the performance guarantees should be considered on the basis of total power consumed for new work done in the plant.	Ok Noted.