

Section 5

COMPREHENSIVE ANNUAL MAINTENANCE (AMC) CONTRACT (INCLUDING THE COST OF SPARES and MANPOWER)

5.1 DEFINITION

The comprehensive annual maintenance contract (AMC) means that the contractor has to carry out preventive maintenance of crane and grabs (as per the manufacturers' schedule) and breakdown maintenance/repairs, if any, inclusive of supply of spares and labour, as per the quoted cost in schedule of prices.

5.2 AMC DURATION

The contract covers a mandatory AMC period of 2 years which would be coterminous with the Defect Liability Period.

5.3 Extension of AMC

Beyond the period of 2 mandatory years of AMC, IPGPL shall have the sole right to decide whether to continue AMC for the remaining period of 3 to 10 years for which the quotation is received in the Schedule 11, part 3. In case IPGPL decides to award the AMC for the duration to be determined solely by them, it shall be mandatory and binding for the bidder to provide such AMC services.

It shall be mandatory for the bidder to provide quotation for AMC for the period of 3 to 10 years in Schedule 11, part 3.

5.4 Authorized Agency

The Contractor shall have the option to appoint an authorized agency for providing AMC services, however, no separate contract shall be signed with the Authorized Agency and the responsibility for AMC lies with the Contractor.

5.5 CONTRACT PRICE

The rate for the AMC shall be quoted in USD as per Schedule-11 Part 3 in the price bid document for each year from the time of commencement of AMC and remain frozen and will not be subject to any escalation for any reason whatsoever. The contract price for AMC shall be in USD.

The rate of AMC beyond the mandatory period of 2 years shall NOT be considered for the purpose of evaluation of tender.

5.6 PERFORMANCE GUARANTEE

Contractor shall submit Bank Guarantee from a Bank for 10% of quoted amount for the corresponding period for which extension of AMC as per clause 5.3 of this section has been awarded. The validity of the guarantee

shall be till the completion of AMC period with 30 days of claim period thereafter.

5.7 CONTRACT AGREEMENT

The contract covers mandatory AMC period of the first two years. In case, the employer exercises the option of extension of AMC services beyond 2 mandatory years as per clause 5.3 of this section, Contractor shall enter into a separate agreement for carrying out AMC for a corresponding period.

The contractor shall carryout all the functions as per the provisions of the agreement & in accordance with the laws of the Government of India and Iran wherever applicable as well as local Safety Rules and Regulation and all other applicable laws, rules and regulations from time to time and in accordance with prudent work practices.

5.8 CONTRACTOR OBLIGATIONS

- i. Replacement cost of spares required for maintenance/ faulty spares/components, consumables during the tenure of Guarantee period, first two years of mandatory AMC period and during any extension of AMC period will be at suppliers account.
- ii. Consumable like Cotton-waste, Soap, Cleaning cloths, Detergent, Solutions, Taps, Anti- corrosion-fluid, cleaners, Liquid, CTC, Lub. Oil, Grease, Hyd., oil, lamps, luminaries, chokes, fuses etc., shall be included in the AMC. IPGPL will only supply fuel oil required for operation of the cranes, except that no other material will be supplied.
- iii. Sufficient stock of necessary spares like Filters, V-belts, valve seals, Hydraulics seals, Hydraulic Hoses, Oil separators, oil seal kit etc. required during the preventive, breakdown maintenance shall be included in the AMC
- iv. Contractor shall carry out all Preventive Maintenance as the Manufacturers Service Schedule/ Maintenance plan. The Maintenance shall be carried out as per the Manufacturers standard procedure and according to the instruction manuals. The equipment has to be cleaned externally and internally by proper means, at least once in a month.
- v. Contractor has to keep and submit all records of the daily/preventive/breakdown inspection and maintenance of the equipment and at end of each month the contractor will submit the computerized log book, record of maintenance/repairs formats duly filled up as required by the Employer.
- vi. Recognize that all the assets covered under AMC system, tools, test equipments, manuals and other documents which are handed over to IPGPL while taking over/handing over of the cranes will be the property of the employers and not to dispose without the approval of the employer or any of the properties of the owner, unless such property shall be of no material value and not required for the AMC.

- vii. Prepare and submit to the employer a mobilization plan including Staffing, Materials Management Plan (MMP), Maintenance Management Plan covering condition-monitoring techniques, list of spares required.
- viii. Periodical Review of quantity in stock and adequacy of spares and arrange to procure the required spares, as per the MMP.
- ix. Review to update maintenance plans periodically, with intimation to owner and refrain from using cranes for purposes other than handling cargo at berths and to and from ships without prior intimation and permission of the owner.
- x. Install, run and update computerized inventory and maintenance control systems.
- xi. Establish emergency procedures, which shall include action during cyclone, fire, natural calamities and such exigencies etc.
- xii. As per requirement, calibrate and set meters, safety devices, protection devices, measuring instruments, gauges etc. periodically to ensure accuracy
- xiii. Make the cranes available timely for inspection by owner or other competent authorities
- xiv. Critical Spares shall be restored to original level at the time of completion of AMC or termination due to unsatisfactory performance
- xv. Assets handed over to the AMC contractor for any improvement in operation shall revert back to owner free of cost, subject to normal wear and tear
- xvi. The contractor shall engage duly qualified team (skilled and unskilled), any sub-contractor, etc, required for carrying out maintenance comprising of at least one engineer apart from others. The contractor has to post enough staff so that the cranes are looked after properly round the clock, the employer has got the right to request the contractor to increase the staff if not found sufficient. The contract Engineer will report to the Engineer In Charge for day to day activity.
- xvii. The responsibility of the AMC Contractor includes procurement, stocking and use of maintenance spares as well as consumables required for satisfactory performance.

5.9 EMPLOYER OBLIGATION

- a. On completion of erection work & commissioning of cranes adequate space for storage of spares, tools & tackles shall be provided by IPGPL free of cost at convenient location during guarantee period as well as for period of AMC. However additional accommodation for office purpose if required shall be provided on chargeable basis as per approved scale of rates.

- b. Water and electricity power will be provided by IPGPL FREE OF COST. However, all the arrangement for tapping the source of electricity and water at convenient point shall be made by the contractor.
- c. Cargo handling by these Cranes will be carried out by the Crane drivers/operators of IPGPL or its local SPV. During maintenance, if required, Crane driver/operator will be provided, subject to availability.
- d. Residential accommodation at Iran for maintenance staff of the AMC contractor shall not be provided by the IPGPL.

5.10 PAYMENT TERMS FOR AMC

- 1. Payment of AMC will be in USD and will be released on satisfactory completion of each quarter subject to submission of required documents like log books, reports, data, amount due, deduction/s if any, etc.
- 2. Contractor is liable to pay all applicable taxes, duties, levies, VAT etc.

5.11 AVAILIBILTY OF EQUIPMENTS

The contractor is responsible for delay in making the Equipment available for operation during any failure/ breakdown of crane. During AMC period, each crane should be available up to 90% of total hours per quarter (3 months).

5.12 PENALTY

The penalty, if any, shall be deducted from the bill due in favour of AMC contractor at the time of payment, at the prescribed rate.

Any shortfall below 90% availability for each crane per quarter, a penalty of USD 150 per hour will be levied. Downtime of each crane shall be counted from the time crane is reported to be in-operational due to any defect/fault in any system or component till it is handed over for cargo-handling operations.

5.13 SPECIAL CONDITONS OF AMC CONTRACT

- a. The contractor is liable to carry out all maintenance work including any failure/break down during operation with immediate intimation to the Engineer In charge of IPGPL and make the crane ready for operation expeditiously by keeping all the maintenance staff round the clock

- b. No telephone communication etc will be provided by the IPGPL. Contractor has to arrange their own
- c. No vehicles/conveyances will be arranged for the maintenance staff/officials of contractors by the IPGPL. Contractors has to arrange a vehicle for his staff at his cost.
- d. All other condition of the Contract shall be as per GCC to be read with SCC

5.14 DISPUTES

In the event of the two parties not agreeing on the repairs necessary, the question will be treated as a dispute and will be referred to a classification society such as LRS/IRS/Bureau Veritas and their decision shall be final and mandatory on the parties. The cost towards such expenses shall be borne by the Contractor as well as the Employer half each.

5.15 INSURANCE

- I. The contractor shall be responsible to insure all his assets at site against damages including break downs, theft etc.
- II. No claim/compensation whatsoever will be entertained by the IPGPL for any loss of property or injury or loss of life during the occurrence of any accident to the contractor's maintenance staff/officials. Contractor has to have his own arrangement of insurance for their staff and property at their own.

5.16 TERMINATION OF CONTRACT

In case of the performance of the contractor is not found satisfactory; IPGPL reserves the right to terminate the AMC with one month notice. In such event Performance Bank Guarantee of the Contractor shall be encashed by the Employer.

5.17 TAKING OVER ON COMPLETION OF AMC

Six months prior to the closure of AMC, the owner and the contractor along with third party Inspection agency, shall meet to undertake upfront inspection to access the condition of the cranes and the repairs necessary to bring them to satisfactory working condition. The AMC contractor shall carry out all the repairs necessary for this purpose at his cost, provided the repairs are resultant to lack of proper maintenance or negligence on part of AMC contractor. However, Employer will bear the cost of repairs only if the repairs are resultant to normal wear and tear, expiry of the life of the component in natural way and also resultant to accidental damage caused by the operator during operation of the crane. However, operator's negligence will not be loaded on contractor warranty. Both employer and the contractor will respect third party Inspection agency recommendation/s.

5.18 DRAWINGS.

The drawing of jetty layout is attached as Annexure – I.
