TENDER DOCUMENT

TENDER No.: DLI/C&E/WI- 675/021

FOR

Tender for Civil and Structural Steel works for Construction of “Augmentation of Fuel & Flux crushing facilities of Bhilai Steel Plant (BSP).” (Package - 64), at Chattisgarh.

VOLUME – I

ENGINEERING PROJECTS (INDIA) LIMITED
(A GOVT. OF INDIA ENTERPRISE)

Core-3, Scope Complex,
Lodhi Road, New Delhi-110003
TEL NO: 011-24361666   FAX NO. 011- 24363426
**Name of work:** Tender for Civil and Structural Steel works for Construction of “Augmentation of Fuel & Flux crushing facilities of Bhilai Steel Plant (BSP).” (Package - 64), at Chattisgarh.

### INDEX FOR VOLUME - I

<table>
<thead>
<tr>
<th>SL.NO</th>
<th>DESCRIPTION</th>
<th>NO.OF PAGES</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>INSTRUCTIONS TO TENDERERS</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>ADDENDUM TO INSTRUCTIONS TO TENDERERS</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>ADDITIONAL CONDITIONS OF CONTRACT</td>
<td>13</td>
<td></td>
</tr>
</tbody>
</table>
Both the envelopes / packets shall be individually sealed and kept in an outer envelope marked as:

TENDER FOR (Name of Work as mentioned in “Notice Inviting Tender”)

NIT No. : _____________________________________________
DUE ON : _____________________________________________
FROM : (Name of the Contractor)

The outer envelope shall be duly sealed and shall be delivered at place of submission of Tender by the date and time fixed for receipt of Tender as mentioned in “Notice Inviting Tender”. The Tenders received after the date and time of Tender receipt shall not be considered and shall be returned to the tenderer unopened. EPI shall not be responsible for any postal or other delays, whatsoever and tenderer should take care to ensure the submission of Tender at place of receipt of Tender by due date and time fixed for Tender receipt. All the envelopes shall be addressed to the authority who has invited the Tender as mentioned in “Notice Inviting Tender”.

1.1 First the Envelope-1 of the tenderer shall be opened. Tenderers who un-conditionally accept the tender conditions, deposit the required Earnest Money and whose Techno-Commercial Bid along with PQ Documents is found suitable shall be considered for the opening of their Price Bid and Envelope-2 of such tenderers shall only be opened. The Tenders not accompanied by requisite Earnest Money and / or not conveying un-conditional acceptance of tender conditions or whose Techno-Commercial Bid and PQ Documents are not found suitable, shall be rejected and such tenderer shall not be allowed to attend Price Bid opening i.e. opening of Envelope-2.

1.2 Once the tenderer has given an unconditional acceptance to the tender conditions in its entirety, he is not permitted to put any remark(s) / condition(s) (except unconditional rebate on price, if any) in / along with the ‘Price-Bid’ / Tender.

1.3 In case the condition 1.2 mentioned above is found violated at any time after opening of Tender, the Tender shall be summarily rejected and EPI shall, without prejudice to any other right or remedy, be at liberty to forfeit the full said Earnest Money absolutely.

2.0 EARNEST MONEY DEPOSIT

Earnest Money Deposit of ₹ 85.00 Lakhs (Rupees Eighty five lakhs only) required to be submitted alongwith the Tender shall be in the form of Crossed Demand Draft payable at New Delhi in favour of Engineering Projects (India) Limited from any Nationalized / Scheduled Bank or in the form of Bank Guarantee from any Nationalized / Scheduled Bank in enclosed format. The EMD shall be valid for a minimum period of 150 (One Hundred Fifty) days from last day of submission of Tender.

3.0 EPI reserves the right to reject any or all the Tenders in part or full without assigning any reason whatsoever thereof. EPI does not bind themselves to accept the lowest Tender. EPI reserves the right to award the work to a single party or to split the work amongst two or more parties as deemed necessary without assigning any reason thereof. The Contractor is bound to accept the portion of work as offered by EPI after split up at the quoted / negotiated rates.
4.0 FOR ITEM RATE TENDERS

4.1 The tenderers should quote the rates for items tendered by them in figures as well as in words and the amounts in figures only. The amount for each item should be worked out and the requisite totals and page totals given.

4.2 All corrections/cutttings should be signed by the tenderer. Each page of the Tender should be signed by the tenderer. In the event of discrepancy between rate in figures and words the rate quoted in words shall be treated as correct. In case there is discrepancy between rate and amount worked out, the rate quoted shall be taken as correct and not the amount.

4.3 Price shall be entered against each item in Bill of Quantities where quantities or LS (lump-sum) has been mentioned. The cost of item against which the Contractor has failed to enter a rate or price shall be deemed to be covered by rates and prices of other items in the Bill of Quantities and no payment shall be made for the quantities executed for items against which rate has not been quoted by Contractor. No rate is to be quoted against items for which no quantity is given. However, the Contractor has to quote rate against “LS” items.

5.0 The Tenders shall be strictly as per the conditions of contract. Tenders with any additional condition(s)/modification(s) shall be rejected.

6.0 The witnesses to the Tender / Contract Agreement shall be other than the tenderer / tenderers competing for this work and must indicate full name, address, status/occupation with dated signatures.

7.0 The acceptance of Tender will rest with EPI. Tenders in which any of the prescribed conditions are not fulfilled or found incomplete in any respect are liable to be rejected.

8.0 Canvassing whether directly or indirectly in connection with Tenders is strictly prohibited and the Tenders submitted by the Contractors who resort to canvassing will be liable to rejection.

9.0 On acceptance of Tender, the name of the accredited representative(s) of the Contractor who would be responsible for taking instructions from Engineer-In-Charge or its authorised representative shall be intimated by the Contractor within 07 days of issue date of telegram / letter / telex / fax of Intent by EPI.

10.0 The tenderer shall not be permitted to Tender for works if his near relative is posted as an Assistant Manager or any higher ranks in the concerned Regional Office of EPI. The Contractor shall also intimate the names of persons who are working with him in any capacity or are subsequently employed by him and who are near relatives to any of the officers in EPI. Any breach of this condition by the tenderer would render him liable to the withdrawal of the work awarded to him and forfeiture of Earnest Money and Security Deposit. This may also debar the Contractor from tendering for future works under EPI.

11.0 No employee of EPI of the rank of Assistant Manager and above is allowed to work as a Contractor or as an employee of a Contractor having interest in EPI for a period of two years after his retirement/relief from the service of EPI, without the prior permission of EPI in writing. This contract is liable to be cancelled if either the Contractor or any of his employee is found at any time to be such a person who had
not obtained the permission of EPI as aforesaid before submission of the Tender or engagement in the Contractor's service.

12.0 The time of completion of the entire work, as contained in contract shall be as mentioned in tender documents.

13.0 The Tender award, execution and completion of work shall be governed by Tender Documents consisting of (including Client's documents) Letter of Intent / Letter of Work Order, Bill of Quantities, Additional Conditions of Contract, Standard Bidding Documents (SBD) of SAIL Bhilai, Specifications, Drawings, etc. The tenderers shall be deemed to have gone through the various conditions and clauses of the Tender and visited the Site and satisfied itself with Site conditions including sub-soil water conditions, topography of the land, drainage and accessibility etc. or any other condition which in the opinion of Contractor will affect his price / rates before quoting their rates. No claim whatsoever against the foregoing shall be entertained by EPI.

14.0 The Drawings given with the Tender Documents are TENDER DRAWINGS and are indicative only.

15.0 Transfer of bid documents purchased by one intending bidder to another is not permissible.

16.0 Tenders must be duly signed with date and sealed. An attested copy of power of attorney/affidavit/Board Resolution executed as under shall accompany the ‘Tender Documents’.

a) In case of Sole Proprietorship, an affidavit of Sole Proprietorship and if the Tender is signed by any other person Power of Attorney by the Sole Proprietor in favour of signatory.

b) In case of Partnership firm, if Tender is not signed by all the partners, Power of Attorney in favour of the Partner/person signing the tender/documents by all the partners authorizing him to sign the tender/documents.

c) In case of Company, copy of the Board Resolution authorizing the signatory to sign on behalf of the Company.

17.0 Tenders with following discrepancies are liable for rejection:-

a) Tenders with over-written or erased rates, percentages, amounts or rates, percentages not written in both figures and words.

b) Tender that is incomplete, ambiguous, and not accompanied by the documents asked for or submitted without EMD or with inadequate EMD.

c) Tender received after specified date/time whether due to postal or other delays.

d) Tender in respect of which canvassing in any form is resorted to by the tenderer whatsoever.

e) If the tenderer deliberately gives wrong information in his tender or resorts to unfair methods in creating circumstances for the acceptance of his tender, EPI reserves the right to reject such tender at any stage.
18.0 Submission of a tender by the tenderer implies that he has read the complete tender documents and has made himself aware of the scope, terms & conditions and specifications of the work to be done and of conditions at which stores, tools, plant, etc. will be issued to him by EPI (if any), local conditions and political situations and other factors having bearing on the execution of the works. No claim of Contractor whatsoever, within the purview of this clause, shall be entertained at any stage of the project.

19.0 Tenderer shall submit the following documents along with their Tenders in the first envelope (Techno-Commercial Bid):-

   a) List of works executed during the last 5 years indicating name of the Client, value, date of start and completion.

   b) List of works under execution indicating name of the Client, Total Contract Value, Value of balance work in hand, date of start and completion.

   c) Details of similar works executed.

   d) Audited balance sheets and profit and loss accounts alongwith schedules for the last 3 years.

   e) Copy of latest income-tax returns filed along with PAN.

   f) Details of manpower available.

   g) Details of equipments, tools and plant available.

   h) Credentials and completion certificates.

   i) Registration Certificate/Memorandum and Articles of Association/Partnership Deed / Affidavit.

   j) Copy of Provident Fund Number allotted by PF authorities.

   k) Copy of letters of registration with various authorities like CPWD, State PWD, MES and Public Sector Undertakings, etc.

   l) Latest Solvency certificate from Nationalised/Scheduled Bank.

   m) Latest Sales Tax Registratin and Clearance Certificate.

   n) Any other document as stipulated above and in “Tender Documents’
LETTER OF UNDERTAKING

(TO BE ENCLOSED IN ENVELOPE-1 ALONGWITH EMD)

ENGINEERING PROJECTS (INDIA) LIMITED
(Address of submission as mentioned in “Notice Inviting Tender”)

REF. : TENDER FOR (Name of Work as mentioned in “Notice Inviting Tender”)

NIT No. : DLI/C&E/WI- 675/021

Sir,

UNDERTAKING FOR ACCEPTANCE OF TENDER CONDITIONS

1. The Tender Documents for the work as mentioned in “Memorandum” to “Form of Tender” have been issued to me / us by ENGINEERING PROJECTS (INDIA) LIMITED and I / We hereby unconditionally accept the tender conditions and Tender Documents in its entirety for the above work.

2. The contents of clause 1.2 and 1.3 of the Tender Documents (Instructions to Tenderers) have been noted wherein it is clarified that after unconditionally accepting the tender conditions in its entirety, it is not permissible to put any remark(s) / condition(s) (except unconditional rebate on price, if any) in the ‘Price-Bid’ enclosed in “Envelope-2” and the same has been followed in the present case. In case this provision of the Tender is found violated at any time after opening “Envelope-2”, I / We agree that my/our tender shall be summarily rejected and EPI shall, without prejudice to any other right or remedy be at liberty to forfeit the full said Earnest Money absolutely.

3. The required Earnest Money for this work is enclosed herewith.

Yours faithfully,

(Signature of the Tenderer)

Seal of Tenderer

Dated : __________________
FORM OF TENDER

To,

Engineering Projects (India) Limited
(Address of submission as mentioned in “Notice Inviting Tender”)

REF. : TENDER FOR (Name of Work as mentioned in “Notice Inviting Tender”)

NIT No. : DLI/C&E/WI- 675/021

1. I/We hereby tender for execution of work as mentioned in “Memorandum” to this “Form of Tender” as per Tender Documents within the time schedule of completion of work as per separately signed and accepted rates in the Bill of Quantities quoted by me / us for the whole work in accordance with the Notice Inviting Tender, Conditions of Contract, Specifications of materials and workmanship, Bill of Quantities Drawings, Time Schedule for completion of jobs, and other documents and papers, all as detailed in Tender Documents.

2. It is agreed that the time stipulated for jobs and completion of works in all respects and in different stages mentioned in the “Time Schedule for completion of jobs” and signed and accepted by me/us is the essence of the contract. I/We agree that in case of failure on my/our part to strictly observe the time of completion mentioned for jobs and the final completion of works in all respects according to the schedule set out in the said “Time Schedule for completion of jobs” and stipulations contained in the contract, the recovery shall be made from me/us as specified therein. In exceptional circumstances extension of time which shall always be in writing may, however be granted by EPI at its entire discretion for some items, and I/We agree that such extension of time will not be counted for the final completion of work as stipulated in the said “Time schedule of completion of jobs”.

3. I/We agree to pay the Earnest Money, Security Deposit cum Performance Guarantee, Retention Money and accept the terms and conditions as laid down in the “Memorandum” to this “Form of Tender”.

4. Should this Tender be accepted, I/We agree to abide by and fulfill all terms and conditions referred to above and as contained in Tender Documents elsewhere and in default thereof, allow EPI to forfeit and pay EPI, or its successors or its authorized nominees such sums of money as are stipulated in the Tender Documents.

5. I/We hereby pay the earnest money amount as mentioned in the “Memorandum” to this “Form of Tender” in favour of Engineering Projects (India) Limited payable at place as mentioned in the “NIT/ITT”.

Signature of Contractor
6. If I/we fail to commence the work after issue of Letter of Intent and/or I/We fail to sign the agreement and/or I/We fail to submit Security Deposit cum Performance Guarantee, I/We agree that EPI shall, without prejudice to any other right or remedy, be at liberty to cancel the Letter of Intent and to forfeit the said earnest money as specified above.

7. I/We are also enclosing herewith the Letter of Undertaking on the prescribed proforma as referred to in condition of NIT.

Date the _______________________ day of _______________________________

SIGNATURE OF TENDERER

NAME (CAPITAL LETTERS) : ________________________________

OCCUPATION : ________________________________

ADDRESS : ________________________________

_______________________________________
MEMORANDUM
(ENCLOSURE TO FORM OF TENDER)

REF.: Tender for Civil and Structural Steel works for Construction of “Augmentation of Fuel & Flux crushing facilities of Bhilai Steel Plant (BSP).” (Package - 64), at Chattisgarh.

NIT No. : DLI/C&E/WI- 675/201

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Description</th>
<th>Cl. No.</th>
<th>Values / Description to be applicable for relevant clause(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>i)</td>
<td>Name of work</td>
<td></td>
<td>Civil and Structural Steel works for Construction of “Augmentation of Fuel &amp; Flux crushing facilities of Bhilai Steel Plant (BSP).” (Package - 64), at Chattisgarh.</td>
</tr>
<tr>
<td>ii)</td>
<td>Owner/Client / Employer</td>
<td></td>
<td>Bhilai Steel Plant, SAIL, Bhilai</td>
</tr>
<tr>
<td>iii)</td>
<td>Type of Tender</td>
<td></td>
<td>Item Rate</td>
</tr>
<tr>
<td>iv)</td>
<td>Earnest Money Deposit</td>
<td>NIT</td>
<td>₹. 85.00 Lakhs (Rupees Eighty Five Lakhs Only)</td>
</tr>
<tr>
<td>v)</td>
<td>Estimated Cost</td>
<td>NIT</td>
<td>₹. 75.00 Crores (Rupees Seventy Five Crores Only)</td>
</tr>
<tr>
<td>vi)</td>
<td>Time for completion of work</td>
<td>NIT</td>
<td>Total work to be completed in <strong>14 Months (Fourteen months)</strong> in accordance with the time schedule of completion of work mentioned in the tender documents.</td>
</tr>
<tr>
<td>vii)</td>
<td>Mobilization Advance</td>
<td>-</td>
<td>10% (Ten Percent only) of contract prices excluding taxes and duties.</td>
</tr>
<tr>
<td>viii)</td>
<td>Interest Rate on Mobilization Advance</td>
<td>-</td>
<td>The interest rate shall be 11.75% per annum at monthly rest.</td>
</tr>
<tr>
<td>ix)</td>
<td>Number of Installments for recovery of Mobilization Advance</td>
<td>-</td>
<td>As per Clause no. 9 of ACC</td>
</tr>
</tbody>
</table>
| x)     | Schedule of Rates applicable                    | -       | Civil Works: -NA-  
Sanitary Works: -NA-  
Electrical Works: -NA-                                                                              |
| xi)    | Validity of Tender                              | -       | 90 (Ninety) Days                                                                                 |
xii) Security Deposit cum Performance Guarantee - 5% (Five Percent only) of contract value within 15 days from the date of issue of telegram / letter / telex / FAX of Intent of acceptance of tender.

xiii) Retention Money - -

xiv) Defect Liability Period - 12 (Twelve) Months from the date of taking over of works.

xv) Arbitration -

xvi) Jurisdiction - Courts in DELHI / NEW DELHI

SIGNATURE OF TENDERER

NAME (CAPITAL LETTERS): _________________________________________

OCCUPATION _________________________________________

ADDRESS                         _________________________________________

_________________________________________

SEAL OF TENDERER
ENGINEERING PROJECTS (INDIA) LIMITED
(A Govt. of India Enterprise)

INSTRUCTIONS TO TENDERERS

1.0 MODE OF SUBMISSION
The Tender is to be submitted in two separate sealed covers marked as under:

ENVELOPE-1 :-
This ENVELOPE shall contain the following:

i) Earnest Money Deposit as per clause 2.0 of ‘Instructions to Tenderers’ (ITT).

ii) Letter of Undertaking for un-conditional acceptance of the tender conditions as per proforma given in ITT.

iii) Pre-Qualification Documents and Credentials as per clause 19.0 of ITT.

iv) Complete tender documents comprising of Notice Inviting Tender, ITT, Standard Bidding Documents (SBD) of SAIL Bhilai, Additional Conditions of Contract, Specifications, Drawings and Corrigendum / Addendum, if any, duly filled in, signed and stamped on each page by tenderer. Cutting or over-writing, if any, shall be signed and stamped by the person signing the Tender. All pro-forma forming part of Tender Documents shall be filled in, signed and stamped by the tenderer.

v) Copy of power of attorney / partnership deed, duly attested by Notary Public authorizing the person who signs the Tender.

vi) Any other information as required to be submitted along-with the Tender.

This envelope shall be marked as :

ENVELOPE-1  “TECHNO-COMMERCIAL BID” FOR (Name of work as mentioned in “Notice Inviting Tender”)

NIT No. : 
DUE ON : 
FROM : (Name of the Contractor)

ENVELOPE – 2 :-
This ENVELOPE shall contain only the PRICE-BID.

This envelope shall be marked as :

ENVELOPE-2: ‘PRICE-BID’ FOR (Name of Work as mentioned in “Notice Inviting Tender”)

NIT No. : 
DUE ON : 
FROM : (Name of the Contractor)
PROFORMA FOR BANK GUARANTEE IN LIEU OF
EARNEST MONEY DEPOSIT

In consideration of Chairman & Managing Director, Engineering Projects (India) Limited, (A Govt. of India Enterprise), Core-3, Scope Complex, Lodhi Road, New Delhi Pin-110003. (hereinafter called the EPI) having agreed to accept bank Guarantee of ₹........................................................ in lieu of EARNEST MONEY DEPOSIT from.............................................................. (hereinafter called the Supplier/ Contractor/ Sub-Contractor, which expression shall include its heirs, successors and assignees) in respect of the Tender for.................................................................

We, .................................................................... bank having its registered/head office at................................... (hereinafter referred to as the Bank) do hereby agree and undertake to pay to EPI without demur or protest an amount not exceeding ₹.............................. on demand by EPI.

We the above said Bank further agree and undertake to pay the said amount of ₹.............................. without any demur on demand within 48 hours. Any demand made on the Bank by EPI shall be conclusive as regards the amount due and payable by the Bank under this guarantee.

We the above said Bank further agree that the guarantee herein contained shall be in full force and in effect until ................................................................. date ................................

Unless a demand or claim under this guarantee is made on us in writing on or before ................................................................. date.............................., we shall be discharged from all liabilities under this guarantee thereafter.

We, the above said Bank, further agree that EPI shall have full liberty, without our consent and without affecting in any manner our obligation to verify, modify or delete any of the conditions.

We, the above said Bank, lastly undertake not to revoke this guarantee during its currency except with the prior consent of EPI in writing.

Dated..............................this day of..................20.

For and on behalf of the Bank

NOTE: on a Non-Judicial stamp paper of ₹. 100/- (Rupees One hundred only)
ADDENDUM TO INSTRUCTIONS TO TENDERERS

1.0 CLAUSE NO.1 OF INSTRUCTIONS TO TENDERERS stands amended as below:

(a) The Envelope-1 shall also contain the documents meeting the eligibility criteria mentioned in “Notice Inviting Tender” Clause No. 1.0 (a) to (f) in addition to Clause No.1.0 (i) to (vi) given in Page No.(1) of “INSTRUCTIONS TO TENDERERS”.

(b) The tenderer who shall download the tender documents directly from EPI’s website they have to submit tender fees of ₹.25,000.00 (Rupees twenty five thousand only) (Non-Refundable) by Crossed Demand Draft favouring “Engineering Projects (India) Ltd.”, payable at Delhi along with their bid in Envelope-1.

2.0 CLAUSE NO.1.1 OF INSTRUCTIONS TO TENDERERS stands amended as below:

First the Envelope-1 of the tenderer shall be opened. Tenderers who unconditionally accept the tender conditions, deposit the required Earnest Money, who meets the qualifying criteria mentioned in clause no. 1.0 (a) to (f) of NIT, deposit the tender fees as defined above in Clause 1.0(b) and whose Techno-Commercial Bid along with PQ Documents is found suitable shall be considered for the opening of their Price Bid and Envelope-2 of such tenderers shall only be opened. The Tenders not accompanied by requisite Earnest Money and / or not conveying un-conditional acceptance of tender conditions and / or not meeting the qualifying criteria or whose Techno-Commercial Bid and PQ Documents are not found acceptable shall be rejected and such tenderer shall not be allowed to attend Price Bid opening i.e. opening of Envelope-2.

All other provisions of “Instructions to Tenderers” shall remain unchanged.
Engineering Projects (India) Ltd.

TENDER FOR CIVIL AND STRUCTURAL STEEL WORKS FOR CONSTRUCTION OF “AUGMENTATION OF FUEL & FLUX CRUSHING FACILITIES OF BHILAI STEEL PLANT (BSP).” (PACKAGE - 64), AT CHATTISGARH.

ADDITIONAL CONDITIONS OF CONTRACT (ACC)

1. **Intent:**

   These Additional Conditions of Contract shall be read in conjunction with Standard Bidding Document (SBD) of M/s Steel Authority of India Limited, Bhilai (hereinafter referred to as SAIL or the ‘Employer’). These Additional Conditions of Contract shall supersede the Bidding Documents of Employer wherever they are at variance.

2. **Scope of Work:**

   The Scope of Work of the party shall be Construction of Civil works and structural Steel works for “Augmentation of Fuel & Flux crushing facilities (Pkg.- 064) of Bhilai Steel Plant, Bhilai”, as per Technical Specifications, Designs, Drawings, BOQ, Instructions and Terms and Conditions given in Tender Documents of the Client / Client’s consultant and its amendments / clarifications etc. received from Client.

3. **Commencement and Completion of Project :**

   The Contractual Completion Period shall be 14 months from the date of commencement. The date of commencement shall be from the date of issue of LOI / Order to the PARTY.

4. **Tender Documents :**

   4.1 following documents shall form the complete set of tender documents :

   i) Notice Inviting Tender (NIT)
   ii) Instructions to Tenderers
   iii) Addendum to Instructions to Tenderers
   iv) Additional Condition of Contract (ACC).
   v) Standard Bidding Documents (SBD) “SAIL, Bhilai” (To be applicable on “Mutatis-Mutandis” basis wherever applicable) – (Vol.-II)
   vi) Technical Specification alongwith clarifications (part 1 & 2) – (Vol.-III)
   vii) Price Bid – (Vol.-IV)
   viii) General Technical Specifications – (Vol.-V)
   ix) Tender Drawings.
4.2 The specifications, designs, drawings, instructions, terms and conditions given in the tender documents of client as listed above shall apply on the tenderer Mutatis Mutandis. Wherever the reference is made of Employer in the tender documents, the same shall be read as EPI / Employer. Similarly, wherever the reference is made of Contractor, it shall be read as Sub-contractor / Party.

5. **Price**

The Bidders shall quote their firm prices in the Format of Price Schedule only.

6. **Contract Performance Security**

6.1 The successful bidder shall be required to furnish to EPI a contract Performance Security for the value of five percent (5%) of their total contract value as per conditions stipulated in Clause No. ITB 45.1 of SBD of SAIL, Bhilai, which shall be kept valid till for one year beyond the actual date of successful completion of Defect Liability Period. The EMD Bank Guarantee shall be kept valid by the successful bidder till the Contract Performance Security is accepted.

6.2 The Contract Performance Security shall be furnished within fifteen (15) days from the date of LOI / work order in the form of a Bank Guarantee in favour of Engineering Projects (India) Ltd., payable at New Delhi in EPI’s format of Security Deposit cum Performance B.G. from a Nationalized / Scheduled Bank valid until one year from the date of expiry of the Defect Liability Period.

7. **Taxes and Duties**

7.1 All Taxes, Duties, Sales Taxes, VAT, WCT, TOT, Service Tax, all Cess, Royalties, other Statutory Levies etc. shall be included in the party’s quoted price. Octroi / Entry tax if applicable shall also be included in the quoted price.

7.2 The Employer will issue the requisite Sales Tax Declaration forms in order to get the benefit of any concession in the rates of sales tax as per clause no. 14 of the SBD of SAIL, Bhilai. However, if due to any reason the contractor is unable to get / claim benefit under this clause or any other clauses contained in the Employer’s documents due to any reasons whatsoever, EPI shall not be liable to pay to the contractor anything extra beyond his quoted price.

8. Escalation, if any, payable under the main contract with Client for PARTY’s portion of work shall be released to PARTY by EPI in proportion to party’s contract price with EPI and EPI’s contract price with Client as and when paid by the Client to EPI. Otherwise, the prices of PARTY shall be firm and fixed till the completion, handing over, maintenance period etc. of the contract. Payment of all extra / substituted / variation items etc. related to PARTY’s scope of work admitted and paid by Client, if any, shall also be made by EPI to PARTY accordingly. Any claim of PARTY, if not paid by the Client, whatsoever be the reason shall not be admissible against EPI.
9. **Payment Terms**: 

Payments as and when received by EPI from the Client for PARTY’s portion of work shall be released to PARTY preferably within seven working days of its receipt by EPI, if any and after deducting any recoveries. Secured advance if provided as per terms of the contract of EPI with Client and if paid by the Client, shall also be paid to the PARTY within seven working days of its receipt from Client. Recovery / Adjustment of the Mobilization advance shall be as per the terms of EPI’s contract with the Client.

The final bill payment to the PARTY shall be released only after receipt of corresponding payment from Client and after PARTY submits Sales Tax clearance certificates, EPF clearance certificate, all other clearances, approvals, certificates etc. as per agreement of EPI with the Client and as per statutory requirement.

The PARTY shall have no claim on EPI in case the payments are delayed by the Client due to any reason whatsoever.

Following breakup of payment terms shall be applicable:

1. Eighty Seven Point Five Percent (87.5%) of the Contract Price shall be released towards progress payments on monthly pro-rata basis subject to satisfactory progress of work as per the approved billing schedule.

2. Two and Half Percent (2.5%) of the Contract Price shall be released upon issue of Preliminary acceptance Certificate by SAIL, BSP.

3. Two and Half Percent (2.5%) of the Contract Price shall be released upon issue of commissioning acceptance Certificate by SAIL, BSP.

4. Five Percent (5%) of the Contract Price shall be released upon issue of Performance Guarantee Certificate by SAIL, BSP.

5. Two and Half Percent (2.5%) of the Contract Price shall be released upon issue of Final acceptance Certificate by SAIL, BSP.

6. The Base date for the Civil Contract for Price variation clause will be 27.08.2009

10. The bidders shall submit quality plans and programmes which shall set out, during the various stages of work, the quality practices and procedures followed by the bidders quality control organization, the relevant document / standard used, acceptance level, inspection document raised etc. Such quality plans of the successful bidder shall be discussed and finalized in consultation with SAIL, Bhilai and EPI and shall form part of the order.

11. Competent personnel shall be deployed by the PARTY for jobs requiring special skills.
12. PARTY confirms that they have read, understood, have copies of the “Tender Documents” and have visited the site. Their offer is based on the ‘Tender Documents’ and caters to all the works, requirements etc. thereof.

13. All men, materials, machinery, tools and plants, infra-structure, resources etc., as required for execution of works shall be provided and arranged by PARTY for their portion of work. The amount / rate quoted in their offer by PARTY to EPI includes all charges, all direct and indirect cost of works, materials, labour, plant & equipment, all taxes, duties, levies, royalties, octroi, entry tax, VAT, WCT / TOT, service tax, labour cess etc., all transportation charges including for cartage of issue material, electricity and water charges and for all expenses, such as labour camp, bank guarantee charges, insurance charges, EPF/CPF/ Statutory contributions and other expenses whatsoever, incurred on execution, completion and maintenance of the works as per ‘Tender Documents’ and their own overheads and profit etc. PARTY shall comply with all the requirements laid down as per ‘Tender Documents’ and shall un-conditionally abide by its offer quoted at pre-award stage for execution of works as per terms, conditions, specifications, drawings, documents etc. given in the ‘Tender Documents’ for the completion, handing over, maintenance period etc. for the project.

14. The PARTY shall take insurance cover at its own cost towards Workman Compensation Act for its own workers, employees and for the Plant & Equipment deployed by the PARTY at the project site and shall furnish documentary proof of the same to EPI failing which no payments shall be released to the PARTY against work done. The insurance cover (CAR) for the complete project shall be arranged by EPI at its own cost. The PARTY shall assist EPI in follow-up with insurance company in case of any claim. EPI is not liable to pay any claim of the PARTY if it is not paid by insurance company due to any reasons whatsoever.

15. The party shall provide and maintain facilities as per Annexure-I of these Additional Conditions of Contract for exclusive use of EPI. These facilities and vehicles shall be the property of the party at the end of the project.

16. The initial validity period of offer of PARTY shall be three month from the due date of submission of offer. The validity period of their offer shall be extended by the PARTY as and when desired by EPI in line with Clients requirement.

17. Earnest Money Deposit submitted by PARTY along with their offer as security to un-conditionally abide by its offer shall be kept valid for a period of 150 days from the last date of submission of offer. The EMD is liable to be forfeited if the PARTY revokes / withdraws its offer during its validity or extended validity period of offer. In case of revocation / withdrawal of offer by PARTY after issuance LOI / non-start of work within stipulated time and non submission of performance security / any other security etc. if required to be submitted by the PARTY to EPI after award of work, EPI shall have the option to forfeit the EMD and get the work executed at the risk & cost of the PARTY. The decision of EPI in this regard shall be final & binding on PARTY.
18. In the event of award of works, PARTY shall submit to EPI, Bank Guarantees from a Nationalized / Scheduled Bank towards mobilization advance, performance, retention money, security deposit etc. as required by EPI / Client / Local Authorities as per conditions of the ‘Tender Documents’ (in the prescribed proforma of EPI) in favour of EPI, for PARTY’s portion of work. In case any initial cash deposits are to be made to the Client, the same shall be made by EPI and PARTY in proportion to their respective value of the contract.

19. All the cost of travel, lodging, boarding etc. towards visits by Client, their Consultant etc. to the manufacturing units / works for the inspection of materials, equipment etc. under the scope of work of PARTY shall be borne by the PARTY if applicable under the contract between EPI and Client.

20. The PARTY shall be fully responsible to complete the works in workmen like manner to the satisfaction of Client and EPI by maintaining high standard of quality and precision as per ‘Tender Documents’, Agreements, Terms & Conditions, Specifications, Drawings etc. within contractual completion period and within their quoted rates / amount. In case Client reduces or increases scope of work related to PARTY’s portion of work ± 25% (Twenty Five Percent only), the same shall be binding on PARTY and the party has to execute the same at quoted value. Any variation beyond ± 25% (Twenty Five Percent only) shall be at mutually agreed rates, terms and condition.

21. In case PARTY is awarded the works and fails to execute the same as per agreed schedule of progress of work and as per specified quality and / or lags behind in activities required for timely completion of works, as determined by EPI / Client, then EPI shall give 15 days written notice to PARTY to achieve the specified quality and / or to deploy adequate resources to the satisfaction of EPI, for timely completion of works. Upon expiry of the notice period, if PARTY fails to achieve specified quality and / or fails to take action for timely completion of works, then EPI shall have option to withdraw the remaining work partly or in full from PARTY and get the same executed at the risk and cost of the PARTY from alternative agency / agencies besides encashment of the guarantees submitted by the PARTY to EPI. The decision of EPI in this regard shall be final and binding on the PARTY.

22. The PARTY shall post adequate competent engineers and supervisory staff at site for day-to-day execution and supervision of its works etc. during the entire duration of the contract including maintenance / defect liability period. The minimum number and level of engineers, supervisors and other personnel to be deployed by the PARTY should be as directed by EPI. In case the PARTY fails to deploy adequate number of personnel at site / office, EPI after giving seven days notice shall engage the required personnel solely at the risk and cost of the PARTY and debit the cost of the same to the account of PARTY. EPI shall exercise overall management, monitoring and coordination of project. EPI shall not post any staff during maintenance / defect liability period for which the PARTY shall make suitable arrangement to the satisfaction of EPI / Client.
23. The PARTY shall be responsible for timely completion of the works within the contractual completion period. In case the project execution is delayed beyond the contractual scheduled completion period due to reasons attributable to the PARTY. Total Liquidated Damages / Compensation for delay, if any, imposed / deducted from EPI’s bills by Client shall be recovered from PARTY’s bills or other dues. The decision of EPI in this regard shall be final & binding on the party.

24. The PARTY to confirm that it holds EPF Code number, CST-TIN, VAT-TIN/ Sales tax on Works contract number, Service tax registration number, PAN (Permanent Account Number of Income Tax) etc. and shall be responsible for depositing EPF subscription and contribution for labour and staff employed by it on the works and Service tax, other taxes, duties and dues etc. as per statutory requirements and documentary evidence of same shall be provided to EPI. The PARTY shall also be responsible for labour welfare and for arranging labour and other licenses / permits / clearances etc. for the project at their own cost. In case EPI has to take labour license or and other licenses, all expenditure towards the same shall also be borne by the PARTY. The PARTY shall comply with all the requirements as per labour laws / acts. All the records in this regard shall be maintained by PARTY as per statutory requirements and rules and shall be produced by the PARTY on demand if required.

25. The PARTY shall be responsible for obtaining all approvals from Client with regard to quality of materials & workmanship and measurements etc. for their portion of work. All such approvals shall be in the name and title of EPI. The PARTY shall be responsible for reconciliation of issue material with Client, if any. Any shortfall in issue materials shall be made good / recovered from PARTY as per terms of EPI’s contract with the Client.

26. The PARTY will not correspond directly with client and all the correspondence in matters regarding bills, claims, interpretation of the specifications, conditions and all matters related to the contract with Client, Client’s Consultants, all other agencies including Government and Statutory bodies etc. shall be done through EPI only. PARTY shall prepare and submit expeditiously all bills, claims, details, clarifications, documents, information, etc. as required by EPI / Client for proper execution and successful completion of the works.

27. Issues related to interpretation and claims, if any, related to PARTY’s scope of work, arising out of contract between EPI and client shall be referred with full justification by PARTY to EPI for settlement with Client including arbitration with Client, if inescapable, and outcome of such a settlement shall be binding on PARTY. EPI at its option may associate the PARTY in the above process of settlement for PARTY’s portion of work. The cost & expenses on arbitration with Client shall be shared by EPI and PARTY in proportion to PARTY’s offer to EPI and EPI’s offer to Client. In case the award / settlement with the Client is in favour of EPI, ninety percent of the award / settlement amount shall be shared between EPI and PARTY proportionately. The balance ten percent of the award / settlement amount shall be retained by EPI towards its administrative charges. In case the award / settlement is against EPI, the entire damages / counterclaims imposed, if any, shall be borne by PARTY alone and the PARTY shall have no claim whatsoever
against, EPI in such a settlement. Further, EPI shall have no liability towards any claim of the PARTY, which are not paid by the Client.

28. In case of non-approval of PARTY’s association for the project by the Client due to any reasons, the PARTY shall have no claim on EPI.

29. Income tax shall be deducted as per income tax act as applicable.

30. The PARTY shall plan and execute its scope of work in such a manner that the other works, connected with the works of the PARTY, but not included in PARTY’s scope of work, do not get affected / delayed.

31. The PARTY shall deploy sufficient plant & equipment of the required capacity and in good working condition for completion of the works in stipulated time with required quality. The equipment should either be owned by the PARTY or hired / leased. The deployment of equipment by PARTY shall be as decided by EPI and the same shall not be less than the minimum deployment stipulated by the Client, if any, for execution of works and as per schedule agreed with EPI. The PARTY shall make arrangement for regular maintenance including preventive and breakdown maintenance and maintain stock of essential spares at site / near to site so as to ensure minimum breakdown time of equipment. The equipment once brought to site shall not be allowed to be removed without the consent of EPI. In case the PARTY fails to deploy sufficient equipment to the satisfaction of EPI or in case of prolonged breakdown of equipment, EPI at its sole discretion shall arrange the required equipment and debit all the related costs including ten percent overheads of EPI and shall recover the same from the due payments of PARTY, including from its bank guarantees available with EPI.

32. PARTY shall ensure compliance with all Central, State and Local laws, Rules, Regulations etc. as applicable or may be applicable during the course of execution, maintenance etc. of the works and shall indemnify EPI against any claim or damages whatsoever on such accounts. The PARTY shall keep EPI indemnified at all times against infringement of any Patent or Intellectual property rights.

33. EPI is an ISO 9001, ISO 14001 and OHSAS 18001 : 2007 certified company, the conditions of the ISO as applicable should be followed by the PARTY for implementation & maintaining the established procedures of EPI for this purpose.

34. The work executed by PARTY shall be subject to audit and quality control checks from Quality Control Division & Technical Audit of EPI, client, Inspecting Agency of the Client and chief Technical Examiner of Central Vigilance commission, Govt. of India. In the eventuality of any defect / sub-standard works as brought out in the report or noticed otherwise at any time during execution, maintenance period etc., the same shall be made good by the PARTY without any cost to EPI. In case PARTY fails to rectify the defect / sub-standard work within the time period stipulated by EPI, EPI shall get it rectified at the risk and cost of PARTY and shall recover the amount from the dues of the PARTY.
35. In case, at a later stage even after issuing of LOI/ Signing of Contract it is found that the PARTY has submitted incorrect, false details and credentials resulting in apprehensions on the capabilities of PARTY with regard to quality & timely completion of works, financial capabilities etc., EPI can terminate the LOI / Contract solely at its option. In this eventuality, the PARTY shall be liable for the losses suffered by EPI and further PARTY shall have no claim on EPI, whatsoever.

36. Both the parties shall make efforts to settle disputes, if any, amicable. Only if amicable settlement is not possible, the same shall be referred to the sole arbitration of the Chairman & Managing Director (CMD) of EPI or the person appointed by the CMD, EPI and the decision of the arbitrator shall be final and binding on EPI and the PARTY. Arbitration will be according to “Conciliation & Arbitration” clause, which is enclosed as Annexure-II of these Additional Conditions of Contract.

37. All other terms and conditions shall be as per the Tender Documents of Client and the same shall be applicable between EPI and the PARTY on mutatis mutandis basis. The Additional Condition of Contract shall supersede the terms and conditions contained in the Tender Documents of the Client in case of variance in any condition. However, if EPI is granted some concession or exempted from certain obligations by Client, by virtue of EPI being a Public Sector company, the same concessions / exemptions shall not be applicable to the PARTY. The decision of EPI in this regard including interpretation of terms & conditions shall be final & binding on PARTY.

38. The contract shall be governed by the Indian Laws for the time being in force and only the Courts in Delhi / New Delhi alone shall have the exclusive jurisdiction to entertain and decide any matter arising out of the agreement / contract.
**FACILITIES TO BE PROVIDED BY PARTY TO EPI**

Immediately on placement of LOI/Work Order (whichever is earlier) by EPI on the PARTY, the PARTY at its own cost shall provide furnished office, facilities etc. exclusively for the use of personnel of EPI as per details given below. The PARTY shall make his rates in their offer sufficiently comprehensive to cover the cost of the facilities as per details shown below and the PARTY shall not be entitled for any extra payment for the same:

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
</tr>
</thead>
</table>

**A) ACCOMMODATION**

(i) **OFFICE**

Furnished Office accommodation at one or more locations as per direction of EPI with basic amenities like Toilets, Drinking water arrangement, lights, fans etc. for exclusive use of EPI’s Engineers & Staff and maintenance of the same till Defect Liability Period. The Specifications and Design of accommodation shall be as approved by EPI.

- **OFFICE**
  - 1500 Sq.ft

(ii) **RESIDENTIAL UNITS OF ABOUT 900 sq. ft.**

- 04 Nos.

(iii) **FURNITURE FOR OFFICE AND RESIDENTIAL ACCOMMODATION FOR A TOTAL VALUE**

- ₹ 5Lakhs

**B) OFFICE EQUIPMENT**

- a) Fax Machine
- b) Computer (Pentium - IV, Office Edition) with minimum 40 GB HDD along With UPS & Operator (In case Computer Operator is not provided by the PARTY, recovery of ₹ 8000/- per month / per computer shall be made from the PARTY’s bills in this regard) and Latest version of Software like MS Project, Windows, MS Office etc
- c) Laser or any other Printer of equiv. Amount of A3 size
- d) Internet Facilities (If available in location of Site)
- e) Refrigerator (165 Ltr.) or any other gadget of equivalent cost as decided by EPI
- f) Air Conditioner with cooling & heating (1.5Ton capacity)
- g) Aqua Guard (Drinking Water) or any other gadget of equivalent cost as decided by EPI
- h) Photocopy Machine ((CANON NP 3050 or equivalent model) or any other gadget of equivalent cost as decided by EPI

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1500 Sq.ft</td>
</tr>
<tr>
<td>04 Nos.</td>
</tr>
<tr>
<td>₹ 5Lakhs</td>
</tr>
<tr>
<td>One No.</td>
</tr>
<tr>
<td>Three Nos.</td>
</tr>
<tr>
<td>One No.</td>
</tr>
<tr>
<td>Two Nos.</td>
</tr>
<tr>
<td>One No.</td>
</tr>
<tr>
<td>Two Nos.</td>
</tr>
<tr>
<td>One No.</td>
</tr>
</tbody>
</table>
### C) CONSUMABLES

<table>
<thead>
<tr>
<th>a)</th>
<th>All consumables like Stationary, ink etc. shall be provided by PARTY till end of defect liability period. (Stationary items are inclusive of visiting cards, rubber stamps, letter pads, photocopies, photocopy papers &amp; other items of daily office use). Amount shall be restricted to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>b)</td>
<td>Running &amp; Maintenance of the equipment mentioned above are to be done by the PARTY at his own cost.</td>
</tr>
</tbody>
</table>

### D) TELEPHONE WITH STD FACILITY AND INSTRUMENT

<table>
<thead>
<tr>
<th>a)</th>
<th>Office Telephone (Fixed Line) : Two Nos.</th>
</tr>
</thead>
<tbody>
<tr>
<td>b)</td>
<td>Mobile Phone : Six Nos.</td>
</tr>
</tbody>
</table>

Monthly operational expenditure on account of all telephones shall be restricted to.

The cost of each Mobile Phone Instrument shall be restricted to Rs 6,000/-

### E) VEHICLE (Brand New)

Brand New Four wheel drive Scorpio DX vehicle or equivalent with Driver. The accessories valuing ₹30,000/= shall be provided in each vehicle.

Monthly running shall be restricted to 3200 Kms.

### F) OFFICE BOY CUM COOK on Full time basis for EPI

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Two Nos.</td>
</tr>
</tbody>
</table>

The vehicles shall be brand new and shall be provided with driver on full time basis. Consumables like diesel/petrol/oil lubricants and spare parts etc. shall be provided by the PARTY at their cost. The vehicles shall be maintained in good working condition. In case of breakdown, replacement of vehicles shall be provided by PARTY immediately. The cost of registration, transportation etc. shall be borne by the PARTY. In case a vehicle is not required by EPI, a recovery of ₹30,000/- per month per vehicle shall be made from the PARTY for this purpose till the end of defect liability period. In case Driver, POL, maintenance of any vehicle is not required by EPI for any vehicle, a recovery of ₹20,000.00 per month per vehicle shall be made from the PARTY for this purpose till the end of defect liability period.

The above gadgets and facilities should be brand new and of reputed make and all facilities shall be provided and maintained properly (including payment of water & electricity bills etc. for office accommodation only) by the PARTY at Project site or at any other office related with execution of this project till completion of work, handing over, defect liability period in all respect at his own cost. The PARTY shall also make stand-by arrangement for water & electricity to ensure un-interrupted supply. The equipment/items shall be the property of PARTY at the end of contract. The PARTY shall be responsible for watch and ward of site office and other facilities etc.
theft/damage of any equipment/items, the PARTY shall immediately replace the same within a maximum period of two days.

The PARTY shall provide ‘Sign Board(s)’ as per design approved by EPI and/or Client.

In case the above facilities are not provided by the PARTY within 10 (ten) days of award of work or replacement is not provided within the specified period, EPI shall arrange the same at the risk and cost of the PARTY and make the recoveries from the bills of the PARTY for the same. The decision of EPI shall be final and binding on the PARTY in this regard.
Annexure-II

CONCILIATION AND ARBITRATION

Before resorting to arbitration as per the clause given below, the parties if they so agree may explore the possibility of conciliation as per the provisions of Part-III of the Arbitration and Conciliation Act.1996. When such conciliation has failed, the parties shall adopt the following procedure for arbitration: -

1. Except where otherwise provided for in the contract, any disputes and differences relating to the meaning of the specifications, designs, drawings and materials used in the work or as to any other question, claim, right, matter or thing whatsoever in any way arising out of or relating to the contract, designs, drawings, specifications, estimates, instructions or these conditions or otherwise concerning the works or the execution or failure to execute the same whether arising during the progress of the work or after the completion or abandonment thereof shall be referred to the Sole Arbitration of the Chairman and Managing Director (CMD) of Engineering Projects (India) Limited (EPI), or any other person discharging the functions of CMD of EPI and if CMD or such person discharge the function of EPI is unable to act, to the Sole Arbitration of some other person appointed by the CMD of EPI or such person discharging the functions of CMD of EPI. There will be no objection if the arbitrator so appointed is an employee of Engineering Projects (I) Ltd. However, such an employee shall not have directly dealt with the said contract or the works there under on behalf of EPI. Such Arbitrator shall be appointed within 30 days of the receipt of letter of invocation of arbitration duly satisfying the requirements of this clause.

2. If the arbitrator so appointed resigns his appointment, is unable or unwilling to act due to any reason whatsoever, or dies, the Chairman & Managing Director aforesaid or in his absence the person discharging the duties of the CMD of EPI may appoint a new arbitrator in accordance with these terms and conditions of the contract, to act in his place and the new arbitrator so appointed may proceed from the stage at which it was left by his predecessor.

3. It is a term of the contract that the party invoking the arbitration shall specify the dispute/differences or questions to be referred to the arbitrator under this clause together with the amounts claimed in respect of each dispute.

4. The arbitrator may proceed with the arbitration ex-parte, if either party, in spite of a notice from the arbitrator, fails to take part in the proceeding.
5. The work under the contract shall continue, if required, during the arbitration proceedings.

6. The arbitrator shall make speaking Award and give reasons for his decisions in respect of each dispute/claim along with the sums awarded separately on each individual item of dispute or difference or claims. The Arbitrator shall make separate award on each reference made to him.

7. The award of the arbitrator shall be final, conclusive and binding on both the parties.

8. Subject to the aforesaid, the provisions of the Arbitration and Conciliation Act, 1996 or any statutory modifications or re-enactment thereof and the Rules made there under and for the time being in force shall apply to the arbitration proceedings and Arbitrator shall publish his Award Accordingly.

**Note:** Notwithstanding anything contained here in above, this clause shall not be applicable where the dispute is between EPI and another Public Sector Enterprise or Govt. Department for which a separate Arbitration Clause is provided vide Clause No. A given below: -

**A. ARBITRATION BETWEEN PUBLIC SECTOR ENTERPRISES INTERSE/GOVERNMENT DEPARTMENTS.**

1. In the event of any dispute or difference relating Interpretation and application of the provisions of the contract, such dispute or difference shall be referred by either party to the arbitration as per the instructions (Office Memorandum/Circulars) issued by Govt. of India from time to time with regard to arbitration between one Govt. Deptt and another, one Govt. Deptt. and a Public Sector Enterprise and Public Sector Enterprises inter se.

2. Subject to any amendment that may be carried out by the Government of India from time to time the procedure to be followed in arbitration shall be as is contained D.O. No. DPE/4(10)/2001-PMA-GL1 dated 22/01/2004 of Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises or any modification issued in this regard.