2.0 SCOPE OF WORK AND TERMS & CONDITIONS:

2.1 SCOPE OF WORK:

The Agency shall faithfully, expeditiously, economically and honestly perform the following service:

Scope will include preparation and approval for “GOOD FOR CONSTRUCTION” of the following drawing and documents.

2.1.1 Design criteria including General notes.

2.1.2 System Elevation drawings with conveyor power calculation.

2.1.3 Mechanical GA drawings with load data.

2.1.4 Structural GA drawings with load data.

2.1.5 Civil GA drawing with load data.

2.1.6 Civil detail drawings.

2.1.7 Carrying out any modifications/ deletions /additions / alteration in design / drawings/ documents as required by client & Client’s consultant and EPI for proper execution of works at site till completion and handing over of the project to the client.

2.1.8 The area to be included for design / drawings activities shall be as per enclosed specification and system description.

2.1.9 EPI shall be providing equipment GA Drawings by the time system elevation drawings are approved.

2.2 MODE OF PAYMENT:

On completion of work

<table>
<thead>
<tr>
<th>S.No</th>
<th>ITEM DESCRIPTION</th>
<th>% OF WORK ORDER VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Design criteria including General notes.</td>
<td>10 %</td>
</tr>
<tr>
<td>B</td>
<td>System Elevation drawings with conveyor power calculation</td>
<td>15 %</td>
</tr>
<tr>
<td>C</td>
<td>Mechanical GA drawings with load data</td>
<td>20 %</td>
</tr>
<tr>
<td>D</td>
<td>Structural GA drawings with load data</td>
<td>20 %</td>
</tr>
<tr>
<td>E</td>
<td>Civil GA drawing with load data</td>
<td>20 %</td>
</tr>
<tr>
<td>F</td>
<td>Civil detail drawings</td>
<td>15 %</td>
</tr>
</tbody>
</table>
75% of the amount mentioned above shall be released against on the 1st submission and 25% of the balance amount shall be released after getting approval from Client, Client’s Consultant and EPI.

EPI shall release running payments on pro-rata basis for various stages depending upon extent of their completion.

2.3 TERMS AND CONDITIONS:

2.3.1 The Agency shall furnish performance guarantee on the proforma of EPI from a scheduled / Nationalised bank to the extent of 5% of the work order value within 7 days of issue of LOI. This bank guarantee shall remain valid till execution of work and handing over all works of the project to client by EPI. In case Agency does not provide performance bank guarantee, an amount of 5% of the work order value shall be deducted from initial payments for various stages @ of 50% of due payment till total deduction on this account reaches 5% of total work order value.

2.3.2 5% of the fees payable to Agency shall be retained from the Running bills as ‘Retention Money’ in addition to the performance guarantee and the performance guarantee shall be released after completion of the project and retention money after the defect liability period to the Agency.

2.3.3 The Agency undertakes to design, redesign, modify and make changes in the design, drawings, details, vetting of shop drawings etc., any number of times, till they are finally approved by Client, Client’s Consultant & EPI and as required for completion, trial run, defect liability period and handing over of the project to client, within the work order value and nothing extra shall be payable to Agency in this regard.

2.3.4 PAYMENT TOWARDS VISITS:

a) All expenses for 10 (Ten) visits to Bhilai Steel Plant, Bhilai / MECON, Ranchi performed by the Agency in connection with planning, designing, detailing, obtaining approval from client/client’s consultant till the stage of approval of “Good for Construction drawings” are included in the scope of Agency and nothing extra beyond the agreed fees is payable to them.

Any visit beyond 10 visits as above if required by EPI (for which necessary permission shall be given in writing) during the execution of the project, the agency shall be reimbursed II AC to and fro rail fare and EPI will arrange for boarding & lodging at Bhilai.

However, agency has to include cost of all the visit required for client’s consultant office at Ranchi till completion of job. No additional amount shall be paid towards visit to client’s consultant office at Ranchi.

b) All visits of Agency shall be with prior written approval of EPI.

c) If at anytime after award / start of work, the client decides to abandon or reduce the scope of work for any reason whatsoever and hence not requires the whole or any part of the works to be carried out, EPI shall give notice in writing to this effect to the Agency and the agency shall have no claim for any payment of compensation, or otherwise whatsoever, on account of any profit or advance which he might have derived from the execution of the works in full but which he did not derive in consequence of the foreclosure of the whole or part of the work.
2.3.5 The Agency shall supply free of charge to EPI, the following documents:

a) Soft copy (editable format) of preliminary drawings to be submitted to client / client’s consultant.

b) Soft copy (editable format) of complete detailed design calculations (structural and other services) including drawings incorporating subsequent modifications / revision, if any.

c) Soft copy (editable format) of all working drawings (Good for construction drawings), based on the approved drawings including supply of drawings incorporating modifications / revision, if any.

d) One set of hard copy of Design calculation, Drawings and Documents, if any, which is not possible to submit on soft copy.

e) Adequate number of additional design, drawings & other documents needed for approval and proper execution of works.

2.3.6 **COMPLETION PERIOD**

The total job is to be completed within 3(Three) months period from the date of submission of approved General layout Plan & latest Equipment GA drawing with load data. However, flow of drawings to start civil work at site shall commence from 1st month from the date of LOI received.

2.3.7 The agency will be required to give a “Time Schedule” in consultation with EPI for timely completion of consultancy works within One week of issuance of LOI. The agency shall complete the said works within this agreed time schedule. No extension of time for completing the same shall be made owing to any variations made in the works by the orders of the client, unless the client in consequences of such variations extends the time allowed to EPI for the completion of the works, in which case EPI may extend the time for completion for a period not greater than the time allowed to EPI for the completion of the whole works.

2.3.8 All design and drawing shall be the property of EPI and the name & LOGO of EPI shall be predominantly displayed on all the drawings and documents as “Prime Contractor”. The proprietary rights of design shall remain with EPI.

2.3.9 The agency shall be fully responsible for evolving safe, economic, technically sound and correct design and shall ensure that the planning and designing of the work is carried out based on Client & Client’s consultant specification, latest IS codes of practices, international codes, EPI’s works manual, legislation, other relevant bye-laws and good engineering practices. The Agency shall guarantee the stability and performance of all the systems.

2.3.10 The agency will give undertaking that all drawings, design, specifications, plans and other documents will be prepared and furnished to suit the particular local conditions of the site in the most economical manner. The agency will work out economic design and adopt specification so as to ensure that the estimated cost is
not exceeded on completion of work. At any stage during the progress of execution of the work, if any defect is noticed in the drawings, designs, specifications, plans, estimates or other documents, the agency shall provide free of cost to EPI fresh designs / drawings / specifications / estimates and other documents within a period of the seven days from the date of notice issued by EPI in this regard for onward submission to BSP / MECON. The agency shall also indemnify EPI for losses due to such defective drawings / designs / specifications / estimates / other documents supplied by the agency subject to a maximum of the consultancy fees.

2.3.11 While providing engineering services, the agency shall ensure that there is no infringement of any patent or design rights and he shall be fully responsible for consequence / any actions due to any such infringement. Agency shall keep EPI indemnified all the times and shall bear the losses suffered by EPI in this regard.

2.3.12 The statutory deduction of income tax, or other taxes / dues shall be made from the payment released to agency from time to time and same are deemed to be included in the agency’s fees and nothing extra shall be payable to agency in this regard. However, the service tax and CESS thereon only as applicable on consultancy fees shall be reimbursed to Agency over the contract value on submission of proof of depositing the same with Statutory Authorities.

2.3.13 The checking of design and drawings of the agency by Client / Client’s Consultant / EPI as above shall not absolve the responsibility of the agency.

2.3.14 The contract may be terminated at any time by EPI upon one month’s notice in writing being given to agency, if the Agency’s work is not found to be satisfactory according to the terms of the contract. In case the contract is terminated on account of Agency’s work not being satisfactory, EPI will get the work done at the risk and cost of the agency.

2.3.15 **PENALTY**

In case the agency fails to complete the work within the contract period or extended period mentioned above owing to reasons attributable to agency, liquidated damages @ 1% per week of the total order value subject to a maximum of 10% of the total order value payable shall be levied on the agency. EPI shall be entitled to deduct such damages from the dues that may be payable to the agency.

2.3.16 **FORCE MAJEURE CLAUSE**

EPI will not be responsible for any delay / stoppage of work due to force majeure conditions like natural calamities, civil disturbances, strikes, war etc. and losses suffered, if any, by the agency on this account. EPI shall not be liable in any way to bear such losses and no compensation of any kind whatsoever will be payable by EPI to the agency.
2.3.17 **ARBITRATION**

In the event of any question, dispute and or difference whatsoever arising under the contract or in connection there-with including any question relating to existence, meaning and interpretation of this contract or any alleged breach thereof, the same shall be settled as far as possible by mutual discussions and consultation between agency and EPI with reference to and in context of the agreement failing which the same will be referred to the Sole Arbitration of any arbitrator appointed by the Chairman-cum-Managing Director of Engineering Projects (India) Ltd., whose decision shall be final and binding on both the parties. Subject to as aforesaid, the Arbitration and Conciliation Act, 1996 and rules there under and any statutory modifications thereof for the time being in force shall apply to the arbitrator proceedings under these paras. It is clearly agreed that in every case where any appointee arbitrator refuses or vacates his office or neglect or refuses to act or become incapable of acting or dies, the vacancy shall be supplied by the Chairman-cum-Managing Director of EPI as aforesaid.

The contract will be deemed to have been executed in Delhi and Courts in Delhi alone will have the jurisdiction to entertain any matter arising out of this agreement.

2.3.18 **JURISDICTION**

The Courts in Delhi / New Delhi alone will have jurisdiction to deal with matters arising from the contract, to the exclusion of all other Courts.