

**PROFORMA FOR BANK GUARANTEE IN LIEU OF  
BID SECURITY**

(To be stamped in accordance with stamp act)

The non-judicial stamp paper should be in the name of issuing bank

Ref. ....

Bank guarantee No: .....

Date .....

To,  
The Superintending Engineer  
T&T Circle,  
Meghalaya Energy Corporation Ltd.  
Lum Jingshai , Short Round Road,  
Shillong - 793001.

Dear Sir,

In accordance with invitation to bid under your NIT No. .... Dt xx.xx.20xx M/s .....having its registered/head office at .....(hereinafter called the 'bidder') wish to participate in the said bid for.....and you, as a special favour have agreed to accept an irrevocable and unconditional bank guarantee for an amount of .....valid for seven months upto and including .....on behalf of bidder in lieu of the bid deposit required to be made by the bidder, as a condition precedent for participation in the said bid.

We, the ..... bank at.....(local address).having our head office at ..... guarantee and undertake to pay immediately on demand by **Meghalaya Energy Corporation Ltd.** (hereinafter called the owner) the amount of .....(in words & figures)without any reservation, protest, demur and recourse. Any such demand made by said 'owner' shall be conclusive and binding on us irrespective of any dispute or difference raised by the bidder.

This guarantee shall be irrevocable and shall remain valid upto and including xx.xx.20xx. If any further extension of this guarantee is required, the same shall be extended to such required period (not exceeding one year) on receiving instruction from M/s .....on whose behalf this guarantee is issued.

The liability or obligation of the bank under this guarantee bond shall not be effected or suspended by any dispute between the owner and the bidder and the payment under this guarantee bond need not wait till the dispute is decided by the competent court or tribunal or any other authority and that any payment made by the bank to the owner under this guarantee bond shall be deemed to have been rightfully and lawfully made.

The bank also assures that the guarantee bond will not be discharged due to the change in the constitution of the bank or the bidder.

In witness whereof the bank, through its authorized officer, has set its hand and stamp on this .....day of .....20xx at.....

**WITNESS**

Signature.....  
Name .....  
Official address .....

Signature.....  
Name .....  
Official address .....  
(Designation with bank stamp)

Attorney as per  
Power of attorney No.....  
Dated.....

**PROFORMA OF BANK GUARANTEE FOR  
CONTRACT PERFORMANCE**

(To be stamped in accordance with stamp act)

Ref. ....

Bank guarantee No. ....

Date .....

To

The Superintending Engineer  
T&T Circle,  
Meghalaya Energy Corporation Ltd.  
Lum Jingshai , Short Round Road,  
Shillong - 793001.

Dear Sir,

In consideration of Meghalaya Energy Corporation Ltd. (MeECL) (hereinafter referred to as the 'owner', which expression shall unless repugnant to the context or meaning there of include its successors, administrators and assigns) having awarded to M/s ..... with its registered/head office at .....(hereinafter referred to as 'contractor' which expression shall unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns), a contract by issued of owner's letter of award No.....dated..... valued at ..... for ..... (scope of contract) and the contractor having agreed to provide a contract performance guarantee for the faithful performance of the entire contract equivalent to .....being 10 %(ten per cent) of the said value of the contract to the owner.

We .....(name & address) having its head office at.....(hereinafter referred to as the 'bank', which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators , executors and assigns) do hereby guarantee and undertake to pay the owner, on demand any and all monies payable by the contractor to the extent of Rs.....as aforesaid at any time up to .....(days/month/year) without any demur, reservation, contest, recourse or protest and/or without any reference to the contractor.

Any such demand made by the owner on the bank shall be conclusive and binding notwithstanding any difference between the owner the contractor or any dispute pending before any court, tribunal, arbitrator or any other authority. The bank undertakes not to revoke this guarantee during its currency without previous consent of the owner and further agrees that the guarantee herein contained shall continue to be enforceable till the owner discharges this guarantee.

The owner shall have the fullest liberty without affecting in any way the liability of the bank under the guarantee, from time to time to extend the time for performance or the contract by the contractor.

The owner shall have the fullest liberty, without affecting this guarantee, to postpone from time to time the exercise of any powers vested in them or of any right which they might have against the contractor, and to exercise the same at any time in any manner, and either to enforce or to for bear to enforce any covenants, contained or implied, in the contract between the owner and the

contractor or any other course or remedy or security available to the owner. The bank shall not be released to its obligations under these presents by any exercise by the owner of its liberty with reference to the matters aforesaid or any of them or by reason of any other act of omission or commission on the part of the owner or any other indulgences shown by the owner or by any other matter or thing what so ever which under law would, but for this provision have the effect of relieving the bank.

The bank also agrees that the owner at its option shall be entitled to enforce this guarantee against the bank as a principal debtor, in the first instance without proceeding against the contractor and notwithstanding any security or other guarantee the owner may have in relation to the contractor's liabilities.

Notwithstanding anything contained herein above our liability under this guarantee is restricted to Rs..... (Rupees.....) and it shall remain in force upto and including .....and shall be extended from time to time for such periods as may be advised by the owner who is the beneficiary under validity period, this shall be treated as a claim by the owner on the bank.

The liability or obligation of the bank under this guarantee bond shall not be affected or suspended by any dispute between the owner and the bidder and the payment under this guarantee bond need not wait till the dispute is decided by the competent court or tribunal or any other authority and that any payment made by the bank to the owner under this guarantee bond shall be deemed to have been rightfully and lawfully made.

The bank also assures that the guarantee bond will not be discharged due to the change in the constitution of the bank or the bidder.

In witness whereof the bank, through its authorized officer, has set its hand and stamp on this .....day of .....20xx at.....

**WITNESS**

Signature .....  
Name .....  
Official address .....

Signature.....  
Name .....  
Official address .....  
(Designation with bank stamp)

Attorney as per  
Power of attorney No. ....  
Dated .....

**NOTE:**

1. This sum shall be 10 % (ten per cent) of the contact price.
2. The date will be 90(ninety) days after the end of the contract period.
3. The stamp papers of appropriate value shall be purchase in the name of issuing bank.

**PROFORMA OF EXTENSION OF BANK GUARANTEE**

(To be stamped in accordance with stamp act)

Ref. ....

Date .....

To,  
The Superintending Engineer  
T&T Circle,  
Meghalaya Energy Corporation Ltd.  
Lum Jingshai, Short Round Road,  
Shillong - 793001.

Sub: Extension of bank guarantee No..... for Rs.....  
favouring yourselves, expiring on.....on account of M/s.....  
in respect of contract No.....dated.....(hereinafter called original  
bank guarantee).

Dear Sir,

At the request of M/s ....., we..... bank, branch office at  
..... and having its head office at ..... do hereby extend our  
liability under the above mentioned bank guarantee No.....  
dated..... for a further period of ..... (years/months) from  
..... to expire on..... except as provided above, all other terms and  
conditions of the original bank guarantee No.....dated .....shall  
remain unaltered and binding.

Please treat this as an integral part of the original bank guarantee to which it would be attached.

Yours faithfully,

For.....  
Manager/agent/accountant  
Power of attorney No .....  
Dated.....

SEAL OF BANK

NOTE: The non-judicial stamp paper of appropriate value shall be purchased in the name  
of the bank who has issued the bank guarantee.

**PROFORMA OF LETTER OF UNDERTAKINGS**  
(To be submitted by the bidder alongwith his bid)  
(To be executed on non-judicial paper of requisite value)

Ref.:

Date:

To,  
The Superintending Engineer  
T&T Circle,  
Meghalaya Energy Corporation Ltd.  
Lum Jingshai , Short Round Road,  
Shillong - 793001.

Dear Sir,

1. I/We\* have read and examined the following bidding documents relating to supply and erection works under .....

- (a) Notice inviting tender
- (b) Condition of contract for erection, containing section, 'invitation to bid (INV)', 'instruction to bidder (INB)', 'general terms & conditions of contract (GCC)' and erection conditions of contract(ECC) along with annexures.
- (c) Special conditions of contract
- (d) Bid proposal sheets(BPS)
- (e) Technical specifications(TS)

2. I/We\* hereby submit our bid and undertake to keep our bid valid for a period of 6 (six) calendar months from the date of bid opening. I/We\* hereby further undertake that during the said period I/we\* shall not vary/alter or revoke my/our bid.

This undertaking is in consideration of **Meghalaya Energy Corporation Ltd. (MeECL)** agreeing to open my bid and consider and evaluate the same for the purpose of award of work in terms of provisions of clause entitled 'award of contract' section - INB conditions of contract in the bidding documents.

Should this bid be accepted, I/we\* also agree to abide by and fulfill all the terms & conditions of provisions of the above mentioned bidding documents.

Signature along with seal of Co.....  
(Duly authorised to sign the tender on behalf of the contractor)

Name.....

Designation.....

Name of Co. ....(in block letters)

**WITNESS**

Signature .....

Date & postal address

Date.....

Name & address.....

Telephone No. & fax No.....

\*Strike out whichever is not applicable.

PROFORMA OF APPLICATION FOR PAYMENT

To,
The Superintending Engineer
T&T Circle,
Meghalaya Energy Corporation Ltd.
Lum Jingshai , Short Round Road,
Shillong - 793001.

Dear Sir,

APPLICATION FOR PAYMENT

1. Pursuant to the contract No. ...., dated..... for .....the undersigned hereby applies for payment of the sum of..... (specify amount and currency in which claim is made).

2. The above amount is on account of : (check whichever applicable)

- Initial advance (schedule \*\*)
Interim payment as advance (schedule\*\*)
Progressive payment against erection(schedule\*\*)
Extra work not specified in contract (Ref. contract change order No.....)
Other (specify)
Final payment (schedule\*\*)

as detailed in the attached scheduled(s) which form an integral part of this application

3. The payment claimed is as per item(s) No(s). .....of the payment schedule annexed to the above-mentioned contract.

4. The application consists of this page, a summary of claim statement (schedule\*\*), and the following signed schedule.

- 1. ....
2. ....

The following document are also enclosed

- 1. ....
2. ....

Signature of contractor/
authorised signatory

\* Application for payment will be made to 'engineer' as to be designated for this purpose at the time of award of the contract.

\*\* Proforma for the schedules will be mutually discussed and agreed to during the finalization of the contract agreement.

**PROFORMA OF INDEMNITY BOND TO BE EXECUTED  
BY THE CONTRACTOR FOR THE EQUIPMENT HANDED OVER BY  
MEGHALAYA ENERGY CORPORATION LTD.(MeECL) FOR PERFORMANCE OF  
ITS CONTRACT**

(Entire equipment consignment in one lot)  
(On non-Judicial stamp paper of appropriate value)

**INDEMNITY BOND**

THIS INDEMNITY BOND is made this.....day of ..... 20xx .....by  
....., a company registered under the companies act, 1956/partnership firm/propriety  
concern having its registered office at .....(hereinafter called as ‘contractor’ or  
‘obligor’, which expression shall include its successors and permitted assigns ) in favour of  
**Meghalaya Energy Corporation Ltd.(MeECL)** having its registered office at Shillong having  
its project at ..... (hereinafter called ‘owner’), which expression shall  
include its successors and assigns):

**WHEREAS Meghalaya Energy Corporation Ltd.(MeECL)** has awarded to the contractor, a  
contract for..... vide its letter of award/contract No. .... dated  
.....and its amendment No. .... (applicable when amendments have been  
issued) (hereinafter called the ‘contract’) in terms of which **Meghalaya Energy Corporation  
Ltd.** required to hand over various equipment to the contractor for execution of the contract.

And **WHEREAS** by virtue of clause No..... of the said contract, the contractor is required  
to execute an indemnity bond in favour of **Meghalaya Energy Corporation Ltd.** for the  
equipment handed to it by ..... for the purpose of performance of the contract/erection  
portion of the contract (hereinafter called the ‘equipment’).

**NOW THEREFORE,** This indemnity bond witness as follows:

1. That in consideration of various equipment as mentioned in the contract, valued at Rs.  
.....(Rupees.....) handed over to the contractor for the purpose of  
performance of the contract, the contractor hereby undertakes to indemnify and shall  
keep **Meghalaya Energy Corporation Ltd.** indemnified, for the full value of the  
equipment. The contractor hereby acknowledges receipt of the equipment as per  
despatch title documents handed over to the contractor duly endorsed in their favour and  
detailed in the scheduled appended hereto. It is expressly understood by the contractor  
that handing over of the despatch title documents in respect of the said equipments duly  
endorsed by **Meghalaya Energy Corporation Ltd.** in favour of the contractor shall be  
construed as handing over of the equipment purported to be covered by such title  
documents and the contractor shall inspection such equipment in trust as a trustee for and  
on behalf of **Meghalaya Energy Corporation Ltd.**

2. That the contractor is obliged and shall remain absolutely responsible for the safe transit/protection and custody of the equipment at **Meghalaya Energy Corporation Ltd.** project site against all risks whatsoever till the equipment are duly used/erected in accordance with the terms of the contract and the plant/package duly erected and commissioned in accordance with the terms of the contract, is taken over by **Meghalaya Energy Corporation Ltd.** The contractor undertakes to keep **Meghalaya Energy Corporation Ltd.** harmless against any loss or damage that may be cause to the equipment.
3. The contractor undertakes that the equipment shall be used exclusively for the performance/ execution of the contract strictly in accordance with its terms and conditions and no part of the equipment shall be utilized for any other work or purpose whatsoever. It is clearly understood by the contractor that non-observance of the obligations under this indemnity bond by the contractor shall inter-alia constitute a criminal breach of trust on the part of the contractor for all intents and purpose including legal/penal consequences.
4. That **Meghalaya Energy Corporation Ltd.** is and shall remain the exclusive owner of the equipment free from all encumbrances, charges or liens of any kind, whatsoever. The equipment shall at all times be open to inspection and checking by engineer-in-charge/engineer or other employees/agents authorized by him in this regard. Further, **Meghalaya Energy Corporation Ltd.** shall always be free at all times to take possession of the equipment in whatever form the equipment may be, if in its opinion, the equipment are likely to be endangered, mis-utilised or converted to uses other than those specified in the contract, by any acts of omission or commission on the part of the contractor or any other person or on account of any reason whatsoever and the contractor binds himself and undertakes to comply with the directions of demand of **Meghalaya Energy Corporation Ltd.** to return the equipment without any demur or reservation.
5. That this indemnity bond is irrevocable. If at any time any loss or damage occurs to the equipment or the same or any part thereof is mis-utilised in any manner whatsoever, then the contractor hereby agrees that the decision of the engineer in – charge/engineer of **Meghalaya Energy Corporation Ltd.** as to assessment of loss or damage to the equipment shall be final and binding on the contractor. The contractor binds itself and undertakes to replace the lost and /or damaged equipment at its own cost and/or shall pay the amount of loss to **Meghalaya Energy Corporation Ltd.** without demur, reservation or protest. This is without prejudice to any other right or remedy that may be available to **Meghalaya Energy Corporation Ltd.** against the contractor under the contract and under this indemnity bond.

6. **NOW THE CONDITION** of this bond is that if the contractor shall duly and punctually comply with terms and conditions of this bond to the satisfaction of **Meghalaya Energy Corporation Ltd., THEN**, the above bond shall be void, but otherwise, it shall remain in full force and virtue.

IN WITNESS WHEREOF, the contractor has hereunto set its hand through its authorized representative under the common seal of the company, the day, month and year first above mentioned.

**SCHEDULE**

Particulars of the equipment handed over	Quantity	Particulars of despatch title documents	Value of the equipment	Signature of attorney token of receipt

For and on behalf of  
M/s .....

**WITNESS**

<p>1. Signature..... Name..... Address.....</p>	<p>Signature..... Name..... Designation.....</p>
<p>2. Signature..... Name..... Address.....</p>	<p>Authorised representative *  (common seal) (in case of company)</p>

\* Indemnity bonds are to be executed by the authorised person and (i) in case of contracting company under common seal of the company or (ii) having the power of attorney issued, under common seal of the company with authority to execute indemnity bonds (iii) in case of (ii), the original power of attorney if it is specifically for this contract or a photostat copy of the power of attorney if it is general power of attorney and such documents should be attached to indemnity bond.

**PROFORMA OF INDEMNITY BOND TO BE EXECUTED BY THE CONTRACTOR  
FOR THE EQUIPMENT HANDED OVER IN INSTALMENTS BY  
MEGHALAYA ENERGY CORPORATION LTD. (MeECL)  
FOR PERFORMANCE OF ITS CONTRACT  
(On non-judicial stamp paper of appropriate value)**

INDEMNITY BOND

THIS INDEMNITY BOND is made this ..... day of ..... 20xx ..... by ....., a company registered under the companies act, 1956. Partnership firm/proprietary concern having its registered office at..... (hereinafter called as 'contractor' or 'obligor', which impression shall include its successor and permitted assigns) in favour of **Meghalaya Energy Corporation Ltd.(MeECL)** having its registered office at Shillong and its project at ..... (herein after called 'Owner' which expression shall include its successors and assigns).

WHEREAS **Meghalaya Energy Corporation Ltd.** has awarded to the contractor a contract for ..... vide its letter of award/contract No. .... dated..... and amendment No. .... and amendment No..... (applicable when amendments have been issued) (hereinafter called the 'contract') in terms of which **Meghalaya Energy Corporation Ltd.** is required to hand over various equipment to the contractor for execution of the contract.

AND WHEREAS by virtue of clause No. .... of the said contract, the contractor is required to execute an indemnity bond in favour of **Meghalaya Energy Corporation Ltd.** for the equipment handed over to it by **Meghalaya Energy Corporation Ltd.** for the purpose of performance of the contract/erection portion of the contract (hereinafter called the 'equipment').

NOW THEREFORE, This indemnity bond witnesseth as follows:

1. That in consideration of various equipment as mentioned in the contract, valued at Rs..... (Rupees ..... ) to be handed over to the contractor in installments from time to time for the purpose of performance of the contract, the contractor hereby undertakes to indemnify and shall keep **Meghalaya Energy Corporation Ltd.** indemnified, for the full value of the equipment. The contractor hereby acknowledges receipt of the initial installment of the equipment per details in the schedule appended hereto. Further, the contractor agrees to acknowledge receipt of the subsequent installments of the equipment as required by **Meghalaya Energy Corporation Ltd.** in the form of schedules consecutively numbered which shall be attached to this indemnity bond so as to form integral parts of this bond. It is expressly understood by the contractor that handing over the despatch title documents in respect of the said equipment duly endorsed by **Meghalaya Energy Corporation Ltd.** in favour of the contractor shall be construed as handing over the equipment purported to be covered by such title documents and the contractor shall inspection such equipment in trust as a trustee for and on behalf of **Meghalaya Energy Corporation Ltd.**

2. That the contractor is obliged and shall remain absolutely responsible for the safe transit/ protection and custody of the equipment at **Meghalaya Energy Corporation Ltd.** project site against all risks whatsoever till the equipment are duly used/ erected in accordance with the terms of the contract and the plant/package duly erected and commissioned in accordance with the terms of the contract, is taken over by **Meghalaya Energy Corporation Ltd.** The contractor undertakes to keep **Meghalaya Energy Corporation Ltd.** harmless against any loss or damage that maybe caused to the equipment.
3. The contractor undertakes that the equipment shall be used exclusively for the performance/ execution of the contract strictly in accordance with its terms and conditions and no part of the equipment shall be utilised for any other work or purpose whatsoever. It is clearly understood by the contractor that non-observance of the obligations under this indemnity bond by the contractor shall inter-alia constitute a criminal breach of trust on the part of the contractor for all intents and purpose including legal/penal consequences.
4. That **Meghalaya Energy Corporation Ltd.** is and shall remain the exclusive owner of the equipment free from all encumbrances, charges or liens of any kind, whatsoever. The equipment shall at all times be open to inspection and checking by engineer-in-charge/ engineer or other employees /agents authorised by him in this regard. Further, **Meghalaya Energy Corporation Ltd.** shall always be free at all times to take possession of the equipment in whatever form the equipment may be, if in its opinion, the equipment are likely to be endangered, mis-utilised or converted to use other than those specified in the contract, by any acts of omission or commission on the part of the contractor or any other person or on account of any reason whatsoever and the contractor binds himself and undertakes to comply with the directions of demand of **Meghalaya Energy Corporation Ltd.** to return the equipment without any demur or reservation.
5. That this indemnity bond is irrevocable. If at any time any loss or damage occurs to the equipment or the same or any part thereof is mis-utilised in any manner whatsoever, then the contractor hereby agrees that the decision of the engineer-in-charge/ engineer of **Meghalaya Energy Corporation Ltd.** as to assessment of loss or damage to the Equipment shall be final and binding on the contractor. The contractor binds itself and undertakes to replace the lost and / or damaged Equipment at its own cost and / or shall pay the amount of loss to **Meghalaya Energy Corporation Ltd.** without any demur, reservation or protest. This is without prejudice to any other right or remedy that may be available to **Meghalaya Energy Corporation Ltd.** against the contractor under the contract and under this indemnity bond.

6. NOW THE CONDITION of this bond is that if the contractor shall duly and punctually comply with the terms and conditions of this bond to the satisfaction of **Meghalaya Energy Corporation Ltd.**, THEN, the above bond shall be void, but otherwise, it shall remain in full force and virtue.

IN WITNESS WHEREOF, the contractor has hereunto set its hand through its authorised representative under the common seal of the company, the day, month and year first above mentioned.

**SCHEDULE**

Particulars of the equipment handed over	Quantity	Particulars of despatch title documents	Value of the equipment	Signature of attorney token of receipt

(Please number subsequent schedules)

For and on behalf of

M/s .....

**WITNESS**

- |  |  |
|--|--|
| 1. Signature.....<br>Name.....<br>Address..... | Signature.....<br>Name.....<br>Designation.....                          |
| 2. Signature.....<br>Name.....<br>Address..... | Authorised representative *<br><br>(common seal)<br>(in case of company) |

---

\* Indemnity bonds are to be executed by the authorised person and (i) in case of contracting company under common seal of the company or (ii) having the power of attorney issued, under common seal of the company with authority to execute indemnity bonds (iii) in case of (ii), the original power of attorney if it is specifically for this contract or a photostat copy of the power of attorney if it is general power of attorney and such documents should be attached to indemnity bond.

**PROFORMA OF 'AGREEMENT' \***

(To be executed on non-judicial stamp paper)

This agreement made this..... day of .....two thousand ..... between **Meghalaya Energy Corporation Ltd.(MeECL)**, having its **registered Office at Shillong** (hereinafter referred to as 'owner', which expression shall include its administrators, successors, executors and permitted assigns) of the one part and ..... [hereinafter referred to as the 'contractor' (name of the contracting co.)] which expression shall include its administrators, successors, executors and permitted assigns) of the other part.

WHEREAS **Meghalaya Energy Corporation Ltd.**, invited bids for supply and erection works for .....as per NIT No. .... Dt xx.xx.200x AND WHEREAS..... had participated in the above referred bidding vide their proposal No. .... dated.....

AND WHEREAS **Meghalaya Energy Corporation Ltd.** awarded the contract to ..... on terms and conditions of the documents referred to therein, which have been acknowledged by..... resulting into a 'contract'.

**NOW THEREFORE THIS DEED WITNESSETH AS UNDER:****1.0 Article****1.1 Award of contract**

**Meghalaya State Electricity Board** has awarded the contract to ..... for the work of..... on the terms and conditions contained in its letter of award No. ....dated..... and the documents referred to therein. The award has taken effect from aforesaid letter of award. The terms and expressions used in this agreement shall have the same meaning as are assigned to them in the 'contract documents' referred to in the succeeding article.

**2.0 Contract documents**

2.1 The contract shall be performed strictly as per the terms and conditions stipulated herein and in the following documents attached herewith (hereinafter referred to as 'contract documents'). **Meghalaya Energy Corporation Ltd.**'s bidding documents issued vide its letter No.....

- (i) consisting of invitation to bid, instructions to bidders, general & special & conditions of contract, erection conditions of contract and all other sections entitled 'conditions of contract' including all amendments issued vide its letter(s) No.(s) ..... dated.....(volume-I,IA &IB)
- (ii) **Meghalaya Energy Corporation Ltd.**'s technical specification including amendments issued vides its Letter No..... dated..... (volume-II)
- (iii) Contractor's proposal No. .... dated ..... along with proposal sheets, data requirements, payment terms and work schedules.

- (iv) Agreed minutes of the meeting held on ..... between **Meghalaya Energy Corporation Ltd.** and the contractor.
- (v) **Meghalaya Energy Corporation Ltd.**'s letter of award No. .... dated ..... duly acknowledged by the contractor.
- (vi) Quality plans for field activities entitled under quality plan.
- (vii) PERT network

All the aforesaid contract documents shall form an integral part of this agreement, in so far as the same or any part conforms to the bidding documents (Vol. I, IA, IB & II) and what has been specifically agreed to by the owner in its letter of award. Any matter inconsistent therewith, contrary or repugnant thereto or any deviations taken by the contractor in its 'proposal' but not agreed to specifically by the owner in its letter of award shall be deemed to have been withdrawn by the contractor. For the sake of brevity, this agreement along with its aforesaid contract documents shall be referred to as the 'agreement'.

### **3.0 Conditions & covenants**

- 3.1 The scope of contract, consideration, terms of payment, taxes wherever applicable, insurance, liquidated damage, performance guarantees and all other terms and conditions are contained in **Meghalaya Energy Corporation Ltd.**'s letter of award No..... dated..... read in conjunction with other aforesaid contract documents. The contract shall be duly performed by the contractor strictly and faithfully in accordance with the terms of the agreement.
- 3.2 The scope of work shall also include erection of all such items which are not specifically mentioned in the contract documents, but which are needed for successful, efficient, safe & reliable operation of the equipment unless otherwise specifically excluded in the specifications under 'exclusions' or 'letter of award'.

### **3.3 Time schedule**

- 3.3.1 Time is the essence of the contract and schedules shall be strictly adhered to. The contractor shall perform the work in accordance with the agreed schedule as given in contract documents.

### **3.4 Quality plans**

- 3.4.1 The contractor is responsible for the proper execution of the quality plans. The work will progress only with the owner's consent. The owner will also undertake quality surveillance and quality audit of the contractor's/sub-contractor's works, systems and procedures and quality control activities. The contractor further agrees that any change in the quality plan will be made only with the owner's approval. The contractor shall also perform all quality control activities, inspection and tests agreed with the owner to demonstrate full compliance with the contract requirements.

- 3.4.2 The contractor also agrees to provide the owner with the necessary facilities for carrying out inspection, quality audit and quality surveillance of contractors and its sub-contractor's quality assurance systems.
- 3.4.3 It is expressly agreed to by the contractor that the quality tests and inspection by the owner shall not in any way relieve the contractor of its responsibilities for quality standards, and performance guarantee and their other obligations under the agreement.
- 3.5 It is expressly agreed to by the contractor that notwithstanding the fact that the contract is termed as erection contract, it is in fact a contract on single source responsibility basis and the contractor is bound to perform the total contract in its entirety and non-performance of any part or portion of the contract shall be deemed to be a breach of the entire contract.
- 3.6 The contractor guarantees that the works under the contract shall meet the parameters as stipulated in the technical specifications (volume-II) and in the event of any deficiencies found in the requisite performance figures, the owner may at its option reject the package or alternatively accept it on the terms and conditions and subject to levy of the liquidated damages in terms of contract documents. The amount of liquidated damages so leviable shall be in accordance with the contract documents and without any limitation.
- 3.7 It is further agreed by the contractor that the contract performance guarantee shall in no way be construed to limit or restrict the owner's right to recover the damages/compensation due to short-fall in the equipment performance figures as stated in para 3.6 above or under any other clause of the agreement. The amount of damages/compensation shall be recoverable either by way of deduction from the contract price, contract performance guarantee and /or otherwise.  
The contract performance guarantee furnished by the contractor is irrevocable and unconditional and the owner shall have the powers to invoke it notwithstanding any dispute or difference between the owner and the contractor pending before any court tribunal, arbitrator or any other authority.
- 3.8 This agreement constitutes full and complete understanding between the parties and terms of the presents. It shall supersede any prior correspondence terms and conditions contained in the agreement. Any modification of the agreement shall be effected only by a written instrument signed by the authorised representative of both the parties.

#### **4.0 SETTLEMENT OF DISPUTES**

- 4.1 It is specifically agreed by and between the parties that all the differences or disputes arising out of the agreement or touching the subject matter of the agreement shall be decided by process of settlement & arbitration as specified in clause 41 of the general conditions of contract and the provisions of the Indian arbitration act, 1940 shall apply and **SHILLONG** courts alone shall have exclusive jurisdiction over the same.

**4.2 Notice of default**

Notice of default given by either party to the other party under agreement shall be in writing and shall be deemed to have been duly and properly served upon the parties hereto if delivered against acknowledgment or by telex or by registered mail with acknowledgment due addressed to the signatories at the addresses mentioned herein above.

IN WITNESS WHEREOF, the parties through their duly authorised representatives have executed these presents (execution where of has been approved by the competent authorities of both the parties) on the day, month and year first above mentioned at Shillong.

**WITNESS:**

- |    |       |  |
|----|-------|--|
| 1. | ..... | (Owner's signature)<br>(printed name)        |
| 2. | ..... | (Designation)<br>(company's stamp)           |
| 1. | ..... | (Contractor's signature)<br>(company's name) |
| 2. | ..... | (Designation)<br>(company's stamp)           |