



महाराष्ट्र MAHARASHTRA

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MAGPUS TREASURY  
BU 826482

03 MAY 2023

**Draft Agreement form for  
ARTICLES OF AGREEMENT**

1. This deed of agreement is made in the form of agreement on 16 May 2023, between the Krantisurya Farmer Producer Company Ltd. At. Mandesar or his authorized representative (hereinafter referred to as the first party) and Pankaj M. Akhande (Name of the Contractor), S/O Mahadevrao Akhande resident of Pension Nagar, Takali, Nagpur (hereinafter referred to as the second party), to execute the work of construction of New Construction of Mini Dal Mill Shed on the following terms and conditions.

2. **Cost of the Contract**

The total cost of the works (hereinafter referred to as the "total cost") is Rs. 28.28/- Lakhs as per the final contract amount /amount reflected in final BOQ.

3. **Payments under the contract:**

Payments to the second party for the construction work will be released by the first party in the following manner: -

1 <sup>st</sup> R. A. Bill	25% of the total cost
2 <sup>nd</sup> R. A. Bill	20% of the total cost
3 <sup>rd</sup> R. A. Bill	20% of the total cost
4 <sup>th</sup> R. A. Bill	20% of the total cost
Final Work Completed as per Tender	15% of the total cost

1) मुद्रांक विक्री नोट वही अनु.क्र.नांक 4715 /दिनांक

2) दस्तावेज प्रकार *अन*

3) दस्त नोंदणी करणार आहेत काय ? होय/नाही

4) गिळफतीचे थोडक्यात वर्णन

5) मुद्रांक विकत दिजान्याचे नाव व सती *मोहन 23 MAY 2023*

6) हस्त असल्यास त्यांचे नाव, पत्ता व सती *मोहन 23 MAY 2023*

7) इतल्या पक्षकाराचे नाव

8) मुद्रांक शुल्क रक्कम

आर. के. कांदळे

मुद्रांक विक्रेता, ला.क्र.९०/१९९२, कोड क्र. ४६०१०४४  
जिल्हाधिकारी परिसर, त.कार्यालय, नागपूर(शहर)

ज्या कारणासाठी ज्यांनी मुद्रांक खरेदी केला त्यांनी त्याच कारणासाठी मुद्रांक खरेदी न करतापसून ६ महिन्यात वापरणे घंघनकारक आहे.

MAY 2023

3.1 (Not Applicable)

The Employer shall retain (Retention Money) 6% of the amount from each payment due to the Contractor subject to the maximum of 5% of final contract price. Half of the amount retained shall be repaid upon completion of the works, and other half shall be repaid when the Defects Liability Period has passed and the Engineer has certified that all Defects notified to the Contractor before the end of this period have been corrected. On completion of the whole works the Contractor may substitute the balance retention money with an "on demand" Bank guarantee.

3.3 Payments at each stage will be made by the first party:

- (a) on the second party submitting an invoice for an equivalent amount;
- (b) on certification of the invoice (except for the first installment) by the engineer nominated by the first party with respect to quality of works in the format in Annexure - 1; and
- (c) upon proper and justified utilization of at least 50 % of the previous installment and 100 % of any prior installment.

4. Notice by Contractor to Engineer

The second party, on the works reaching each stage of construction, shall issue a notice to the first party or the Engineer nominated by the first party (who is responsible for supervising the contractor, administering the contract, certifying payments due to the contractor, issuing and valuing variations to the contract awarding extension of time etc.) to visit the site for certification of stage completion. Within 15 days of the receipt of such notice, the first party or the engineer nominated by it, will ensure issue of stage completion certificate after due verification.

5. Completion time

The works should be completed in 18 Month from the date of this Agreement. In exceptional circumstances, the time period stated in this clause may be extended in writing by mutual consent of both the parties.

6. If any of the compensation events mentioned below would prevent the work being completed by the intended completion date, the first party will decide on the intended completion date being extended by a suitable period:
- a) The first party does not give access to the site or a part thereof by the agreed period.
  - b) The first party orders a delay or does not issue completed drawings, specifications or instructions for execution of the work on time.
  - c) Ground conditions are substantially more adverse than could reasonably have been assumed before issue of letter of acceptance and from information provided to second party or from visual inspection of the site.
  - d) Payments due to the second party are delayed without reason.
  - e) Certification for stage completion of the work is delayed unreasonably.
7. Any willful delay on the part of the second party in completing the construction within the stipulated period will render him liable to pay liquidated damages @ 0.05 % of the contract value of the work per day which will be deducted from payments due to him. The first party may cancel the contract and take recourse to such other action as deemed appropriate once the total amount of liquidated damages exceeds 5 % of the contract amount.

#### 8. Duties and responsibilities of the first party

- 8.1 The first party shall be responsible for providing regular and frequent supervision and guidance to the second party for carrying out the works as per specifications. This will include written guidelines and regular site visit of the authorized personnel of the first party, for checking quality of material and construction to ensure that it is as per the norms.
- 8.2 The first party shall supply 3 sets of drawings, specifications and guidelines to the second party for the proposed works.
- 8.3 Possession of the site will be handed over to the second party within 10 days of signing of the agreement.
- 8.4 The Engineer or such other person as may be authorized by the first party shall hold meeting once in a month where the second party or his representative at site will submit the latest information including progress report and difficulties if any, in the execution of the work. The whole team may jointly inspect the site on a particular day to take stock of activities.
- 8.5 The Engineer shall record his observations/instructions at the time of his site visit in a site register maintained by the second party. The second party will carry out the instructions and promptly rectify any deviations pointed out by the engineer. If the deviations are not rectified, within the time specified in the Engineer's notice, the first party as well as the engineer nominated by it, may instruct stoppage or suspension of the construction. It shall thereupon be open to the first party or the engineer to have the deviations rectified at the cost of the second party.
- 8.6 The Engineer shall issue a Certificate of Completion of the Works on the request of the second party, and upon deciding that the whole of the Works is completed.

## 9. Duties and responsibilities of the second party

9.1 The second party shall:

- a) take up the works and arrange for its completion within the time period stipulated in clause 5;
- b) employ suitable skilled persons to carry out the works;
- c) regularly supervise and monitor the progress of work;
- d) abide by the technical suggestions/ direction of supervisory personnel including engineers etc. regarding building construction;
- e) be responsible for bringing any discrepancy to the notice of the representative of the first party and seek necessary clarification;
- f) ensure that the work is carried out in accordance with specifications, drawings and within the total of the contract amount without any cost escalation;
- g) keep the first party informed about the progress of work;
- h) correct the notified defects within the length of time specified by the Engineer;
- i) be responsible for all security and watch and ward arrangements at site till handing over of the works to the first party;
- j) maintain necessary insurance against loss of materials/cash, etc. or workman disability compensation claims of the personnel deployed on the works as well as third party claims from the start date to the end of defect liability period;
- k) pay all duties, taxes and other levies payable by construction agencies as per law under the contract (First party will effect deduction from running bills in respect of such taxes as may be imposed under the law);
- l) abide by the regulatory authority conditions (if any) attached to any permits or approvals for the project; and the ESHS Management Strategies and Implementation Plan and ESHS Code of Conduct, if any prescribed by the Employer;
- m) abide by all labour enactments and rules made there under, regulations, notifications and bye laws of the State or Central Government or local authorities;
- n) abide by all enactments on environmental protection and rules made there under, regulations, notifications and by-laws of the State or Central Government, or local authorities;
- o) be responsible for the safety of all activities on the Site.

## 10. Variations / Extra Items

The works shall be executed by the second party in accordance with the approved drawings and specifications. No variation in cost is acceptable. However, if the Engineer issues instructions for execution of extra items, the following procedure shall be followed:-

- a) The second party shall provide the Engineer with a quotation for carrying out the extra items when requested to do so by the Engineer. The Engineer shall assess the quotation, which shall be given within seven days of the request before the extra items are ordered.

- b) If the quotation given by the second party is unreasonable, the Engineer may order the extra items and make a change to the Contract Price which shall be based on Engineer's own forecast of the effects of the extra items on the Contractor's costs.
  - c) The second party shall not be entitled to additional payment for costs, which could have been avoided by giving early warning.
11. **Securities**  
The Performance Security shall be provided to the Employer no later than the date specified in the Letter of Acceptance and shall be issued in an amount and form and by a bank acceptable to the Employer. The Performance Security shall be valid until a date 28 days from the date of issue of the Certificate of Completion in the case of a Bank Guarantee.
12. **Termination**
- 12.1 The Employer may terminate the Contract if the other party causes a fundamental breach of the Contract.
- 12.2 Fundamental breaches of Contract include, but shall not be limited to the following:
- (a) the contractor stops work for 28 days and the stoppage has not been authorized by the Engineer;
  - (b) the Contractor has become bankrupt or goes into liquidation other than for a reconstruction or amalgamation;
  - (c) the Engineer gives Notice that failure to correct a particular Defect is a fundamental breach of Contract and the Contractor fails to correct it within a reasonable period of time determined by the Engineer;
  - (d) the Contractor does not maintain a security which is required;
  - (e) the Contractor has engaged in Fraud and Corruption as defined in Section C, in competing for or in executing the Contract; and
  - (f) the contractor has delayed the completion of the Works by the number of days for which the maximum amount of liquidated damages can be paid
- 12.3 Notwithstanding the above, the Employer may terminate the Contract for convenience.
- 12.4 If the Contract is terminated the Contractor shall stop work immediately, make the Site safe and secure and leave the Site as soon as reasonably possible.
13. **Payment upon Termination**
- 13.1 If the Contract is terminated because of a fundamental breach of Contract by the Contractor, the Engineer shall issue a certificate for the value of the work done less advance payments received up to the date of the issue of the certificate, less other recoveries due in terms of the contract, less taxes due to be deducted at source as per applicable law.
- 13.2 If the Contract is terminated at the Employer's convenience, the Engineer shall issue a certificate for the value of the work done, the reasonable cost of removal of Equipment, repatriation of the Contractor's personnel employed solely on the Works, and the Contractor's costs of protecting and securing the Works and less advance payments received up to the date of

the certificate, less other recoveries due in terms of the contract and less taxes due to be deducted at source as per applicable law.

14. **Dispute settlement**

If over the works, any dispute arises between the two parties, relating to any aspects of this Agreement, the parties shall first attempt to settle the dispute through mutual and amicable consultation.

In the event of agreement not being reached, the matter will be referred for arbitration by a Sole Arbitrator not below the level of retired Chief Engineer / Superintending Engineer, (not connected in part or whole with this Project in his service) to be appointed by the first party. The Arbitration will be conducted in accordance with the Arbitration and Conciliation Act, 1996. The decision of the Arbitrator shall be final and binding on both the parties.

15. **Fraud and Corruption**

The World Bank requires compliance with the Bank's Anti-Corruption Guidelines and its prevailing sanctions policies and procedures as set forth in the WBG's Sanctions Framework, as set forth in Section C. In further pursuance of this policy, the Contractor shall permit and shall cause its sub-contractors, sub-consultants, service providers, suppliers, agents' personnel, to permit the Bank to inspect all accounts, records, and other documents relating to the procurement process, selection and/or contract execution, and to have them audited by auditors appointed by the Bank.



*Tychand's*  
(Pankaj M. Akhande)

*[Signature]*  
Director  
Krantisurya Agro Farmer Producer  
Company Ltd Mandesar

Annexure I

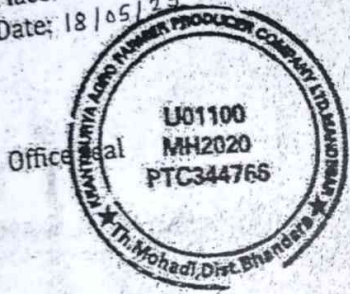
Format of certificate

Certified that the works up to Final Construction level in respect of construction of Dal mill shed at Krantisurya EPC have been executed in accordance with the approved drawings and technical specifications.

Signature  
Name & Designation  
(Official address)

Director  
Krantisurya Agro Farmer Produce  
Company Ltd Mandasar

Place: Mandasar  
Date: 18/05/23



Tyhad s  
(Pankaj M Akhande)