

 Indian Bank भारतीय बँक ALLAHABAD Phone/दूरभाष: 011-23342104, 23342790, 23366832 Fax /फैक्स: 011- 23342102 Email/ईमेल.: corporatebranch.delhi@indianbank.co.in	कॉर्पोरेट शाखा, नई दिल्ली 17, भूतल, संसदमार्ग, नई दिल्ली-110 001 Corporate Branch, New Delhi 17, Ground Floor, Parliament Street New Delhi - 110 001
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Date: 07.08.2023

The Vice President,
 R.K. Associates Valuers and
 Techno Engineering Consultants Pvt. Ltd.
 Corporate Office,
 D-39, 2nd Floor, Sector -2,
Noida, U.P. – 201 301.

Dear Sir,

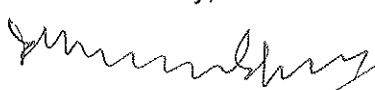
Re. Appointment of Lenders Independent Engineer (LIE) to avail Engineering Consultancy Services A/c J.K. Cement Ltd. for setting up of Grinding Unit of 1.50 Mn.Tpa capacity at Ujjain (Madhya Pradesh).

We are pleased to appoint you as the Lenders Independent Engineer (LIE), for our valued client M/s. J.K. Cement Ltd. who is installing an Grey Cement Grinding Unit with a capacity of 1.50 Mn.Tpa at Ujjain in Madhya Pradesh ("Project") for which term loan has been sanctioned by banks including Indian Bank. Broadly your scope of work will be as under:

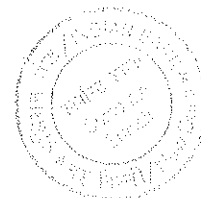
1. The Project will be monitored on a quarterly basis through successful construction completion.
2. To determine progress achieved by the Project. Monitor deviations in project progress, if any. Suggestions, if any, for improving the same.
3. After every visit, prepare a report outlining all activities completed and those scheduled for the coming and an independent assessment of the status.
4. Provide certificates to the Lenders confirming that the Project has achieved Mechanical Completion and submit Project Completion Certificate, certifying that the plant has been fully accepted and has entered commercial operation.
5. Perform such other services as requested by the lenders and mutually agreed by the parties and lenders.

The fees pertaining to your assignment to act as LIE for the Project will be borne by the Company.

Yours faithfully,


Assistant General Manager

Encl: Scope of work



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Annexure-I
LENDER'S INDEPENDENT ENGINEER

SCOPE OF WORK

The Scope of Work is divided into the following:

Phase I: Pre-Financial Close (from date of Appointment till First Disbursement)

Phase II: Construction Monitoring (From First Disbursement till COD)

Phase III: Operations Monitoring (Up to 2 years from Commercial Operations Date)

Phase I: Pre-Financial Close (from date of Appointment till First Disbursement)

A. Project Facilities:

The purpose of this review would be to see that various designs on the basis of which construction activities are proposed to be carried out, are duly approved by NHAI or its Independent Consultant or are in accordance with provisions of Concession Agreement. For any information not available, the LIE will list the significant issues requiring review, which could not be addressed at that time. LIE's scope will include the following:

1. Review of and comments on the Concession/other agreements executed with NHAI, with respect to scope of work, technical configuration, conditions precedent etc. and monitor the implementation of the same in construction, operation and management phases.
2. Review the status of necessary geo-technical and sub-soil investigations for bridges and other structures and building works, hydrological investigation, topographical survey, etc.

B. Review of Project Documentation:

Considering the interrelationship between the various documents, the LIE will review the available Project documents including Project Execution Agreement, project contracts, etc., for the purpose of identifying missing, inconsistent or unresolved issues. The LIE will review and comment on:

1. The consistency of the various contract provisions within each of the technical contracts
2. The capability of the Project as designed to meet the Project operating, contractual and licensing requirements.

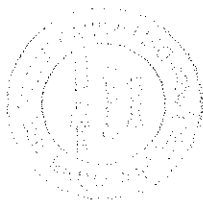
The LIE will review the executed Concession Agreement (CA) and shall provide its comments in case there is any inconsistency/ies, which may affect the project materially. The LIE shall review the provision for liquidated damages and performance guarantees etc. in line with the terms in the CA. The LIE shall provide recommendations regarding remedial measures for identified deficiencies.

C. Project Cost Vetting:

The LIE will examine the Project cost, individual head-wise, in detail and verify the reasonableness/sufficiency of cost assumptions considered therein. Any variance observed shall be adequately commented upon by the LIE.

D. Land Acquisition & Utility Shifting:

The LIE will review the status of the land acquisition & utility shifting for construction and operation of the facility & related approvals. The LIE shall provide recommendations regarding remedial measures for identified deficiencies.



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E. Vetting of Routine & Major Maintenance Program:

The LIE will review the maintenance assumptions considered by the Company including routine & major maintenance heads. LIE shall comment on reasonableness/sufficiency of cost assumptions considered therein. Any variance observed shall be adequately commented upon by the LIE.

F. O&M Arrangement:

The LIE will review and comment on the O&M arrangement for the Project.

G. Utilities Arrangement:

The LIE will review and comment on the arrangement for water and electricity during the construction period.

H. Project Management:

The LIE shall review and comment upon the adequacy and reasonableness of the proposed project co-ordination and monitoring systems. The LIE shall provide recommendations regarding remedial measures for identified deficiencies. Project Management & services expenses would be on a cost plus basis and the LIE shall examine upon the reasonability of these expenses.

I. Verification/confirmation of compliance of Conditions Precedent of the Concession Agreement, Loan Agreements and any other Project related Agreement that the Company has entered into with reference to construction and physical progress/smooth implementation of the project.

J. Review of approvals: The LIE shall review the Approvals (including but not limited to Forest Clearances, Environmental Clearances, RoW), Material Clearances, Authorizations, and Permits etc. as required by the concessionaire to execute the project and comment on the status of the same.

K. Comments / Observations regarding any other aspects/ issues considered relevant by the LIE for the project.

L. The LIE shall Review the project documents and submit the respective Due Diligence Report (DDR).

Work Product

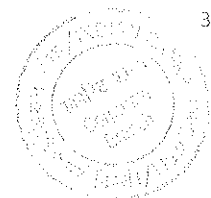
1. Preparation and delivery to the Lenders of a final report ("Due Diligence Report") at financial close evaluating the proposed project on the above points. The report is to be submitted within 15 days of appointment as LIE.
2. Attendance at meetings with the lenders, and their counsel as needed.
3. Participation in conference calls with the lenders, and their counsel as needed.

Phase II: Construction Monitoring (From First Disbursement till COD)

The LIE will conduct quarterly on-site visits for observations of the work in progress to determine that the Project is preceding in general accordance with the Project schedule and that the Construction work is accomplished in accordance with the technical specifications (including, but not limited to the IC reports) which will include:

A. Construction Schedule: LIE shall review the projected construction program, expenditure schedule and adequacy of the arrangements made at the site to achieve the projected construction schedule on a quarterly basis.

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B. Drawdown Schedule: LIE shall review the projected construction program, expenditure schedule and adequacy of the arrangements made at the site to achieve the projected construction schedule on a quarterly basis.

LIE will review the Company's Loan Requisition Certificate and supporting documentation. The LIE will also review actual budget and schedule against contract budget and request changes or supplemental information as required approving draw down request. The LIE shall certify the capital cost incurred and approve request for disbursements during construction.

C. LIE will obtain from the Company, the status/condition of development work in the project.

D. LIE shall review, assist and advise about the progress of work on a quarterly basis, vis-à-vis program of construction and milestone dates specified in the concession agreement;

E. LIE shall review progress related to utilities shifting and removal of encroachments along the carriageway and other acquired land; LIE will also review the progress and status of the rehabilitation and resettlement work for conformity with the schedule for the same.

F. LIE shall review adherence to environmental regulations and report on any present / future risks that arise during Project implementation;

G. LIE shall bring to the notice of the Lender of the occurrence any event, which may lead to a Force Majeure event as laid down the concession agreement;

H. Review of Permits and Licenses: LIE shall review the status of necessary approvals, permits, licenses, project completion certificates as may be required by the company for implementation of the Project.

I. LIE will report instances of under-performance (if any) by the contractors, resulting in delay in implementation and other events necessitating liquidated damages/penalties etc. to be charged.

J. LIE will review compliance by the Project Company of its obligations under the concession agreement and other agreements.

K. LIE will comment on completion of punch list including tentative timelines, related pending issues etc. as compared to the construction contract. The LIE will verify that the facility is ready to start and submit its comments on Project Completion Certificate.

L. LIE shall provide recommendations regarding remedial measures for identified deficiencies.

Work Product

1. LIE will issue a Drawdown Certificate covering their recommendation on the request for drawal of loan funds submitted by the Company.

2. After every visit, the LIE would prepare a progress report outlining all activities completed and those scheduled for the coming visit and an independent assessment of the status.

LIE report will include:

- Facility design versus actual construction.
- Verification of attainment of each performance guarantee specified in the project contracts
- Adequacy of facility interconnection for power, water and other requirements.

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- Confirmation that required governmental permits and licenses have been obtained for construction and operation.
- Identification and certification of cost overruns, if any.

3. Comments on time over runs, if any.

4. Verification of construction completion at various stages. Provisional Completion and Final Completion shall have the meaning ascribed to in the Concession Agreement.

5. Advising the Lenders immediately on possible problems and delays that may arise in future, to ensure timely action to prevent the problems.

6. If noticed, advise the Lenders on any dispute that arises between contractor and employer.

7. Consulting with the Lenders in advance of scheduled major inspections, tests, or start of important phases of work, including witness of major tests.

8. Attend conference calls, meetings etc. and brief the lenders as needed.

Report Time frame

The report to be submitted on quarterly basis on progress of construction or along with each disbursement request.

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