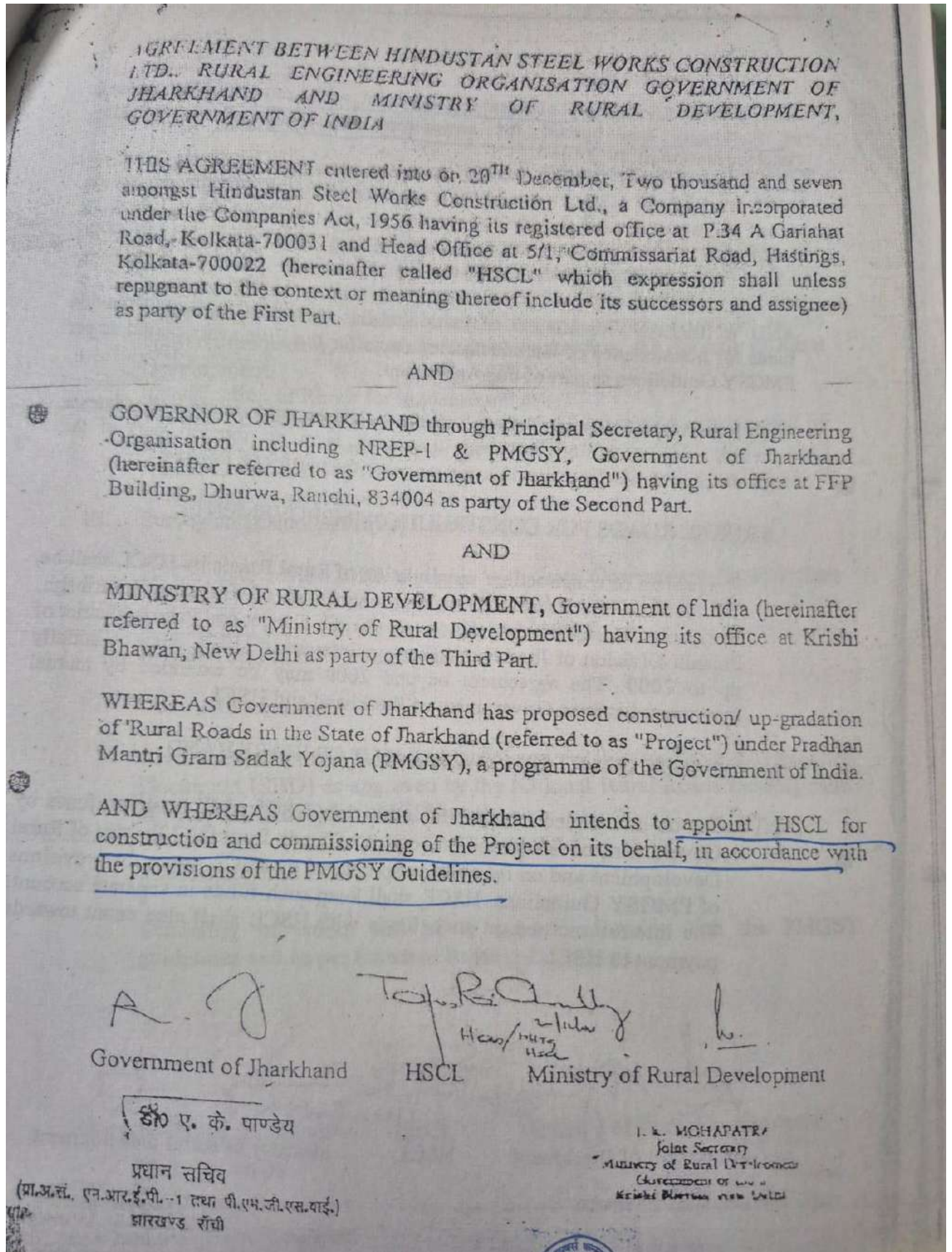


requirement on the part of the Revenue to specify the classification of service. In the present case throughout the entire period under consideration, the allegation is towards providing "Counseling Engineer's Service" only.



WITNESSETH

WHEREAS the State of Jharkhand, First Party, intends to award the work of construction work of Sadar Hospital, Community Health Center as per Annexure enclosed.

Whereas HINDUSTAN STEELWORKS CONSTRUCTION LIMITED (HISCL) the second party which are government of India PSU's have the resources and capabilities in taking up such construction work of projects as per requirement and has agreed to take up the same as implementing agency on behalf of Department of Health, Govt. of Jharkhand, Ranchi.

NOW THEREFORE, it has been agreed between the parties as under: -

1. It is agreed that the first party will provide the requirements for drawing and designating of the proposed Hospital as per Annexure to be constructed to the second party.
2. The First party will provide the requisite guidelines, Model/Maps/Designs and norms of Hospital for the Construction to the Second Party.
3. The First party will provide revenue maps and details of land to the second party.
4. The First party will provide necessary assistance in executing the project wherever required to the second party.
5. The second party shall comply with the term and conditions as given below: -
 - a) The executing agency will complete the project as per the estimate and specification provided by the first party (GOJ) on the scheduled rate of GOJ within the prescribed time frame and there shall not be any deviation. The second party, in case of any deviation from the estimate or time schedule, will be liable to pay penalty @ $\frac{1}{2}$ of the estimated cost for every day of delay upto a maximum of 10% to the first party but in case of delay due to natural calamities and departmental reason, the period of completion shall be extended reasonably.
 - b) The DPR of the project shall be prepared by the empanelled architect/consultants on the basis of scheduled rate of GOJ. The consultant's/architect's fee will be met from the estimated cost of the project.

B. Prasad



3.0 IMPLEMENTATION BY HSCL

3.1 HSCL would adopt the following systematic approach in implementation of the PMGSY :

I. The project shall be implemented as per PMGSY Guidelines and associated documents, including the Rural Roads Manual, Quality Control Handbook, Operations Manual for PMGSY, Book of Specifications for Rural Roads and Standard Bidding Document except as may be agreed between the parties, after obtaining the approval of the Ministry of Rural Development.

II. Identification of Roads for Implementation

The list of roads for implementation shall be identified and selected by Government of Jharkhand as per PMGSY Guidelines. HSCL shall extend as requested by Government of Jharkhand assistance in selection, of roads as per provisions in PMGSY Guidelines.

III. Survey and Detailed Project Report (DPR)

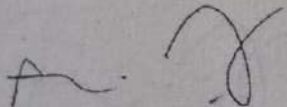
HSCL shall review DPR available with State Government for identified roads and update it for implementation. In case of its non-availability, HSCL shall carry out survey and prepare DPRS, and get them scrutinized in line with PMGSY requirements.

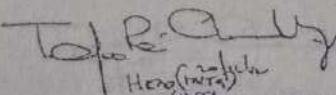
IV. Contract Documents

Civil works Contract Document shall be as per the latest Standard Bidding Document (SBD) as approved by the National Rural Roads Development Agency (NRRDA) for PMGSY works.

V. Executing Road Construction work

Tendering of works will be in strict conformity with the PMGSY guidelines and as per Standard Bidding Document.


Government of Jharkhand
मुख्यमंत्री कार्यालय


HSCL
मुख्य कार्यालय
Ministry of Rural Development

MOHAFAIR
Joint Secretary
Ministry of Rural Development
Government of India
असिस्टेंट सचिव
ग्रामीण विकास विभाग

VI. Maintenance Period

The completed roads shall be under five years defect liability/performance guarantee and five years' routine maintenance as per PMGSY guidelines on scheduled Rate of Payment.

VII. Progress Report

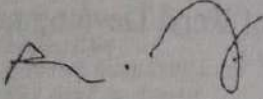
HSCL shall submit progress report (as per format prescribed from time to time) every month to Government of Jharkhand giving physical status of works and financial expenditure.

VIII. Monitoring, Supervision and Quality Control

HSCL will carry out Monitoring, Supervision and Quality Control as per provisions of PMGSY Guidelines. HSCL shall perform such monitoring and supervisory functions as may have been allocated to the State Nodal Department under PMGSY Guidelines. The Government of Jharkhand shall constitute a monitoring and supervision committee headed by Principal Secretary, Rural Engineering Organisation and including the local representative of HSCL and nominee of Ministry of Rural Development to oversee the Programme and resolve operational difficulties faced by HSCL or the Executing Agency.

IX. Completion and Handing over and Maintenance

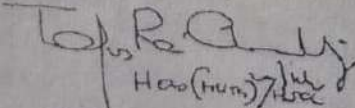
On successful construction/implementation of various roads, HSCL shall handover the roads to Rural Engineering Organisation, Government of Jharkhand and shall issue Handing over/Taking Over Certificate to the latter. HSCL shall deploy personnel for periodic inspection/certification of contractor's bill during the maintenance period also.


Government of Jharkhand

श्री ए. के. पाण्डेय

प्रधान सचिव

(श्री ए. के. पाण्डेय, जी. एस. टाई.)


HSCL

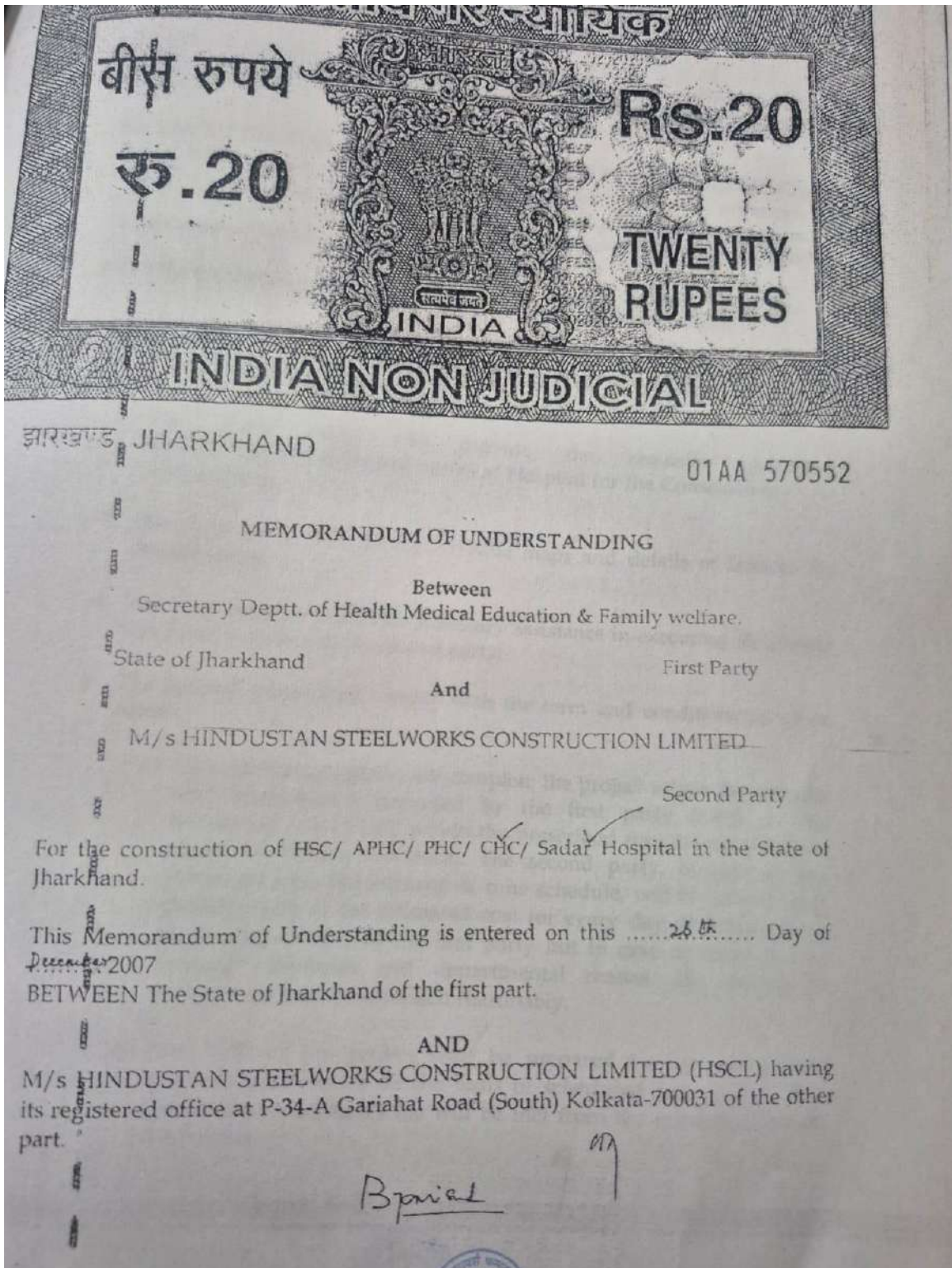
Ministry of Rural Development

J. K. MOHAPATRA
Joint Secretary
Ministry of Rural Development
Government of India
Kasturba Institute of Management, Gandhinagar, New Delhi

12. Therefore, it is clear that the appellant is asked to workout the total cost of the project. On the total expenditure [cost of the project], the appellant is given 10% fee. The appellant is liable to bring in the materials, labour, appoint sub-contractor, is responsible for the quality of work and implementation along with guaranteed delivery of the road within 5 years and further maintenance of 5 years.

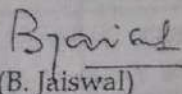
13. These clauses clearly show that the work undertaken by the appellant is a kind of EPC contract for construction of Road, wherein upon producing the total expenditure [cost] the appellant would be eligible for 10% fee. The entire expenditure + fee is paid by the Govt of Jharkhand treating the same as a single contract.

14. We have also gone through one more MOU. The relevant portion is reproduced below:



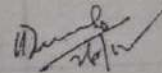
- c) The amount of the estimated cost of the project will be made available to the concerned agency against the Bank Guarantee.
 - d) The first party shall have the right to inspect and monitor the projects.
 - e) The first party shall have the power to allocate and amend the project area of the second party.
 - f) The second party will be liable to supply all necessary construction materials and the first party shall have the power to inspect the quality of the materials. The second party shall bear the expenses of any such inspections by the first party.
 - g) The second party shall undertake the guarantee of the completed project regarding defect and liability for five years.
6. The second party will complete the project within the time limit of 24 months/years 2 from the date of receipt of first Installment of required funds.
 7. The second party shall be responsible for Quality/Quantity of the said project.
 8. The second party will fix-up the working agency as per standard norms of HSCL.
 9. Schedule of rate of State Govt. should be followed and for those heads for which schedule of rates is not fixed the prevailing procedure of the State should be complied with.
 10. Service Tax/Value Added Tax (VAT) as applicable shall be payable to the second party.
 11. Quarterly Physical and Financial Report shall be submitted by the Second Party.

Signed on the date mentioned herein above at Ranchi by the authorized representatives of the parties to this Memorandum of Understanding.

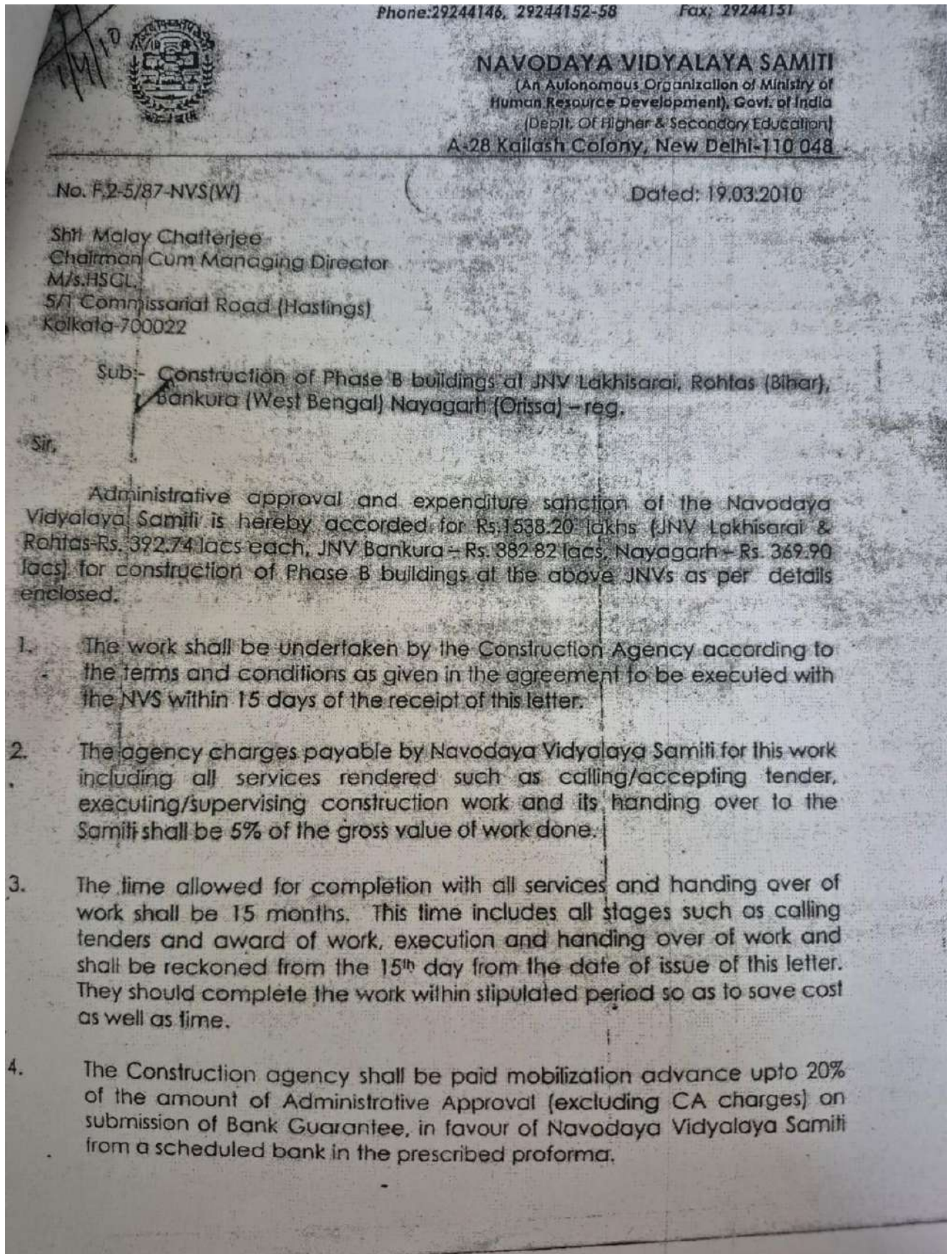


(B. Jaiswal)

Dy. General Manager
For and on Behalf of
M/s Hindustan Steelworks
Construction Ltd.



For and Behalf of
The State of Jharkhand.



15. The above documents also clarify that the activity undertaken by the appellant is towards construction of Hospitals and Educational institutions. They are composite contracts on turnkey basis being awarded to the appellant.

16. We have gone through the Running Bills raised by the appellant for their services. Some sample bills are reproduced below :

Bridge:-@ch-1+200M in hutar to chitra
package no-JH17HS18 PMGSY, Block -: Chainpur
Bridge Length -:43.80 m

Item. no	Ref Mord standard data/mord specification	Description of work	Unit	Rate	Quantity		Amount	
					upto date	since. prev.	uptodate	since. prev.
14	11.1/300	Excavation work in excavation for structure as per drawing and technical specification clause 305.10 including setting out, construction of shoring and bracing removal of stumps and other deleterious						
1.1		Up to depth 0 to 3m	cum	186.36	401.72	401.72	74864.54	74864.54
2.0		Soft Rock w/o blasting	cum	224.61	231.2	231.2	51929.83	51929.83
	11.40/800 & 1200	Plain cement concrete /RCC in open foundation complete as per drawing and technical specifications clauses 802,803,1202 & 1203			225.6	225.6	50672	50672
							0.00	
19	11.40/800 & 1200	(a) PCC Grade M-15	cum	4766.59	19.116	19.116	91118.13	91118.13
6.2	11.40/800 & 1200	(b) RCC Grade M-25	cum	6181.25	173.49	173.49	1072385.06	1072385.06
7.20		Providing concrete for Plain/reinforced cement concrete in substructure complete as per drawing and technical specifications clauses 802,804,805,806,807,1202 & 1204		6553.62	95.90			628518.37
	12.5/800	RCC Grade M25 supplying, fitting and placing rebar	cum			95.904	628518.37	
25		TMT bar reinforcement in foundation, substructure and superstructure complete as per drawing and technical specifications clauses 1000 and 1202 as per direction of E/I					0.00	
12.1		(a) TMT bar in foundation	MT	75707.35	11.37	11.37	860792.57	860792.57
12.2		(b) TMT Bar in substructure	MT	75793.5	8.755	8.755	663572.09	663572.09
					Total=		3443180.60	3443180.60

344192.87 344192.87

Aswini

कोषागार संहिता फारम संख्या 62 पी
देखें कोषागार संहिता नियम 415

चलता लेखा बिल "क"

(टीकेदार के लिए :- यह फारम अन्तिम भुगतान तथा मापे गये निर्माण मटे भुगतान के लिए है।)

माप बही माउचर सं० तारीख 20.....

टीकेदार का नाम - Hindalustan Steel works Construction Limited.

कार्य का नाम - Consts of C.H.C Building at chainpur palamau

भुगतान की क्रम संख्या - 12th on A/c Bill

निर्माण के पिछले बिल की संख्या और तारीख 29/6/2013 संख्या तारीख

निर्माण का निर्देश Agreement No. M.O.U dated 16.12.2007.

कार्य शुरू करने के लिखित आदेश की तारीख - 15.11.2008

कार्य पूरा होने की तारीख - on progress

Printed

1 किए गए निर्माण का लेखा

निर्माण के लिए भुगतान के मापन बाकी है।			निर्माण की मटे (प्राक्कलन के उपशीर्षक और निर्माण के अनुसार वर्गीकृत)	इकाई	दर	माप बही के अनुसार अबतक निष्पादित मात्रा	वास्तविक माप के आधार पर किए गए भुगतान		अभूतपूर्व (स्लम) में दिखाए गए भुगतानों के समायोजन में हुए बिलों के कारण सहित
बिल के अनुसार तैयार किए जाने के बाद	मिछले बिल	अवशेषक कुल					अबतक	पिछले	
1	2	3	4	5	6	7	8	9	10
रु०	रु०	रु०			रु०	पै०	रु०	पै०	रु०
			<u>Hospital Building.</u>						
			<u>(2) civil works.</u>						
			<u>1. E/W excavation in foundⁿ trenches in all kinds of soil do. do. E/I</u>	<u>M³</u>	<u>39.67</u>	<u>824.75</u>	<u>3</u>		<u>Rs 32718.00</u>
			<u>E/W in back filling earth obtained from foundⁿ excavation in foundⁿ & plinth do.</u>	<u>"</u>	<u>14.56</u>	<u>824.75</u>	<u>3</u>		<u>Rs 2008.00</u>
			<u>E/W in filling in foundⁿ and plinth earth obtained from borrow pits do. do. E/I</u>	<u>"</u>	<u>33.79</u>	<u>131.50</u>	<u>3</u>		<u>Rs 4443.00</u>
			<u>providing sand filling in foundⁿ and plinth do. do. E/I</u>	<u>"</u>	<u>112.27</u>	<u>136.62</u>	<u>3</u>		<u>Rs 15338.00</u>
									<u>Rs 64507.00</u>
			अग्रणीत						

जहाँ स्लम 9 में वास्तविक माप के आधार पर कोई प्रविष्टि की जाय वहाँ सविस्तार माप के बिना ही पहले चुकायी गई पूरी रकम को स्लम 2 में से रकम की वसूली की राशि घटाकर समायोजित कर लिया जाय ताकि "स्लम 3" में दिखाया गया अबतक कुल शून्य हो जाय।

जब प्रत्येक प्राक्कलन या उपशीर्षक के संबंध में स्लम 9 में दो या दो से अधिक प्रविष्टियाँ हों, तब ऐसे निर्माण की दशा में जिनका लेखा उपशीर्षकों में दर्ज किया जा सकता हो, उन प्रविष्टियों को जोड़कर योगफल स्लम 10 में दर्ज दिया जाय, ताकि "निर्माण सार" में दर्ज किया जा सके।

P.T.O.

5.4.38 | S T single leaf door shutter | MF | 885.15 | 112.51 | 99=21.98

17. We have also seen the TDS certificate produced by the appellant. Some samples are reproduced below:

Form 26AS									
File Creation Date	Permanent Account Number (PAN)	Current Status of PAN	Financial Year	Assessment Year	Name of Assessee	Address Line 1	Address Line 2	Address Line 3	Address Line 4
5/15/2026	AAACH9S24R	ACTIVE	2012-13	2013-14	HINDUSTAN STEELWORKS CONSTRUCTION LIMITED	5-Jan	COMMISSARIAT ROAD	HASTINGS	
PART A - Details of Tax Deducted at Source									
Sr. No.	Name of Deductor	TAN of Deductor	Total Amount Paid / Credited (Rs.)	Total Tax Deducted (Rs.)	Total TDS Deposited (Rs.)				
93	OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER (CONST) PATNA	PTNO00312E	2.45E+08	5412723	5412723				
Sr. No.	Section	Transaction Date	Status of Booking	Date of Booking	Remarks	Amount Paid / Credited (Rs.)	Tax Deducted (Rs.)	TDS Deposited (Rs.)	
1	194C	30-Mar-13	P	21-May-13	-	3356916	77209	77209	
2	194C	23-Mar-13	P	21-May-13	-	532074	12237	12237	
3	194C	23-Mar-13	P	21-May-13	-	3677584	423	423	
4	194C	23-Mar-13	P	21-May-13	-	390602	8984	8984	
5	194C	23-Mar-13	P	21-May-13	-	2487350	57209	57209	
6	194C	23-Mar-13	P	21-May-13	B	-532074	-12237	-12237	
7	194C	23-Mar-13	P	21-May-13	-	532074	12237	12237	
8	194C	23-Mar-13	P	21-May-13	B	-3677584	-423	-423	
9	194C	23-Mar-13	P	21-May-13	-	3677584	423	423	
10	194C	23-Mar-13	P	21-May-13	B	-3677584	-423	-423	
11	194C	23-Mar-13	P	21-May-13	-	3677584	423	423	
12	194C	23-Mar-13	P	21-May-13	B	-3677584	-423	-423	
13	194C	23-Mar-13	P	21-May-13	-	3677584	423	423	
14	194C	23-Mar-13	P	21-May-13	B	-532074	-12237	-12237	

Form 26AS

File Creation Date	Permanent Account Number (PAN)	Current Status of PAN	Financial Year	Assessment Year	Name of Assessee	Address Line 1	Address Line 2	Address Line 3	Address Line 4
5/15/2026	AAACH9S24R	ACTIVE	2011-12	2012-13	HINDUSTAN STEELWORKS CONSTRUCTION LIMITED	5-Jan	COMMISSARIAT	HASTINGS	

PART A - Details of Tax Deducted at Source

Sr. No.	Name of Deductor	TAN of Deductor	Total Amount Paid / Credited (Rs.)	Total Tax Deducted (Rs.)	Total TDS Deposited (Rs.)
66	CHIEF ADMINISTRATIVE OFFICER	PTNC02196F	1686640	835	835

Sr. No.	Section	Transaction Date	Status of Booking	Date of Booking	Remarks	Amount Paid / Credited (Rs.)	Tax Deducted (Rs.)	TDS Deposited (Rs.)
1	194C	23-Dec-11	P	29-Aug-13	-	1686640	835	835
2	194C	23-Dec-11	P	29-Aug-13	B	-1686640	-835	-835
3	194C	23-Dec-11	P	29-Aug-13	-	1686640	835	835

Sr. No.	Section	Transaction Date	Status of Booking	Date of Booking	Remarks	Amount Paid / Credited (Rs.)	Tax Deducted (Rs.)	TDS Deposited (Rs.)
						2.08E+08	4775876	4775876

Sr. No.	Section	Transaction Date	Status of Booking	Date of Booking	Remarks	Amount Paid / Credited (Rs.)	Tax Deducted (Rs.)	TDS Deposited (Rs.)
1	194C	31-Mar-12	P	24-Apr-12	-	1751514	40285	40285
2	194C	31-Mar-12	P	24-Apr-12	B	-1751514	-40285	-40285
3	194C	31-Mar-12	F	22-Nov-12	-	1751514	40285	40285
4	194C	31-Mar-12	F	22-Nov-12	B	-1751514	-40285	-40285
5	194C	31-Mar-12	P	17-Dec-14	-	1751514	40285	40285
6	194C	14-Mar-12	P	24-Apr-12	-	512561	11789	11789
7	194C	14-Mar-12	P	24-Apr-12	B	-512561	-11789	-11789

8	194C	14-Mar-12	F	22-Nov-12	-	512561	11789	11789
9	194C	14-Mar-12	F	22-Nov-12	B	-512561	-11789	-11789
10	194C	14-Mar-12	P	17-Dec-14	-	512561	11789	11789
11	194C	13-Mar-12	P	24-Apr-12	-	4117852	94711	94711
12	194C	13-Mar-12	P	24-Apr-12	B	-4117852	-94711	-94711
13	194C	13-Mar-12	F	22-Nov-12	-	4117852	94711	94711
14	194C	13-Mar-12	F	22-Nov-12	B	-4117852	-94711	-94711
15	194C	13-Mar-12	P	17-Dec-14	-	4117852	94711	94711
16	194C	28-Feb-12	P	24-Apr-12	-	7020881	161481	161481
17	194C	28-Feb-12	P	24-Apr-12	B	-7020881	-161481	-161481
18	194C	28-Feb-12	F	22-Nov-12	-	7020881	161481	161481
19	194C	28-Feb-12	F	22-Nov-12	B	-7020881	-161481	-161481
20	194C	28-Feb-12	P	17-Dec-14	-	7020881	161481	161481
21	194C	27-Feb-12	P	24-Apr-12	-	1478474	34004	34004
22	194C	27-Feb-12	P	24-Apr-12	-	2118363	48722	48722
23	194C	27-Feb-12	P	24-Apr-12	-	341906	7864	7864
24	194C	27-Feb-12	P	24-Apr-12	B	-2118363	-48722	-48722
25	194C	27-Feb-12	F	22-Nov-12	-	2118363	48722	48722
26	194C	27-Feb-12	P	24-Apr-12	B	-341906	-7864	-7864
27	194C	27-Feb-12	F	22-Nov-12	-	341906	7864	7864
28	194C	27-Feb-12	P	24-Apr-12	B	-1478474	-34004	-34004
29	194C	27-Feb-12	F	22-Nov-12	-	1478474	34004	34004
30	194C	27-Feb-12	F	22-Nov-12	B	-1478474	-34004	-34004
31	194C	27-Feb-12	F	22-Nov-12	-	1478474	34004	34004
32	194C	27-Feb-12	F	22-Nov-12	B	-1478474	-34004	-34004
33	194C	27-Feb-12	F	22-Nov-12	-	1478474	34004	34004
34	194C	27-Feb-12	F	22-Nov-12	B	-1478474	-34004	-34004
35	194C	27-Feb-12	P	17-Dec-14	-	2118363	48722	48722
36	194C	27-Feb-12	F	22-Nov-12	B	-341906	-7864	-7864
37	194C	27-Feb-12	P	17-Dec-14	-	341906	7864	7864
38	194C	27-Feb-12	F	22-Nov-12	B	-1478474	-34004	-34004
39	194C	27-Feb-12	P	17-Dec-14	-	1478474	34004	34004
40	194C	27-Feb-12	F	22-Nov-12	B	-1478474	-34004	-34004
41	194C	27-Feb-12	F	22-Nov-12	-	1478474	34004	34004
42	194C	27-Feb-12	F	22-Nov-12	B	-1478474	-34004	-34004
43	194C	27-Feb-12	F	22-Nov-12	-	1478474	34004	34004
44	194C	7-Feb-12	P	24-Apr-12	-	762456	17536	17536
45	194C	7-Feb-12	P	24-Apr-12	B	-762456	-17536	-17536
46	194C	7-Feb-12	F	22-Nov-12	-	762456	17536	17536
47	194C	7-Feb-12	F	22-Nov-12	B	-762456	-17536	-17536