



Dakshinanchal Vidhyut Vitran Nigam Ltd.

Urja Bhawan, 220 KV S/s, Bye Pass Road, Sikandra, Agra

Telefax. # 0562-2603736

No. 10821 /C.E. (MM)/DVVNL-MM/IPDS/Agra

Dated: 09.11.2015

Sub.-: Letter of Intent for Providing Consultancy Services for Projects Management under IPDS (Integrated Power Development Scheme) to be carried out by DVVNL, Agra against Limited tender specification no. DVVNL-MM/1525-2015.

M/s Electrical Research and Development Association
ERDA Road GIDC, Makarpura
Vadodara-390010

Ph. No. 0265-2642942
Fax No. 2638382
email.: erda@erda.org

Dear Sirs,

With reference to your offer and subsequent correspondences in respect to this office Limited Tender No. DVVNL-MM/1525-2015 for PMA (Project Management Agency) for IPDS (Integrated Power Development Scheme) in DVVNL, Agra, we intent to place an order on you for this work on prices, terms & conditions of tender specification and as mentioned herein:-

1. PRICES & QUANTITIES :-

S. No.	Name of Work	Approved DPR Value (in Rs. Crore)	PMA Charges (in % of DPR Value)	PMA Charges (in Rs. Crore)
1	2	3	4	5
1	Consultancy Services for Projects Management to be carried out by DVVNL in 17 Distribution Circles of DVVNL comprising 21 Districts of Uttar Pradesh under Integrated Power Development Scheme (IPDS). (this will include to assist Discom in Preparation of tender documents and award of works, Quality Control of material and work, Supervision of Execution of proposed work and successful execution of the projects, Hurdle management, Bill verification of the Contractors, Project Monitoring and Co-ordination between D.V.V.N.L. and the Contractors, etc.)	765.22	0.50%	3.83
	<u>Less Payable Amount as per PAYMENT SCHEDULE Clause No-4.2</u> given under SPECIAL TERMS & CONDITIONS of Tender Document @ 5% of the Contract Value shall be paid after timely preparation and Submission of tender documents for the proposed Electrification Works under IPDS that is to be prepared within 15 days after the award of the contract. (This activity is already done by the DVVNL)	-	-	0.19
	Net Payable Amount			3.64
Rs. 3.64 Crore calculated @ 0.50% of Approved DPR Costs				

Note :-

- 1 The above rate is inclusive of Service Tax. The same shall be deducted during the payments as per prevailing applicable Law on it during the specific period of contract.
- 2 Approved Value of DPR is in-principle approved DPR value for DVVNL by the Monitoring Committee that is communicated by Nodal Agency-PFC. The formal detail sanction of the same is awaited. The same shall be modified accordingly, if any change in formal sanction of DPR is made by the Nodal Agency.
- 3 If any activity(s) is completed by the DVVNL before placing the LOI, the payable amount for that activity shall be deducted.
- 4 List of 17 Distribution Circles of DVVNL comprising 21 Districts (Annexure-1), List of Towns covered (Annexure-2) and Summary of Submitted DPRs, Summary of in-principle approved DPRs by the 4th Monitoring Committee (Annexure-3) are attached here. The given list of towns, Distribution Circles and Districts under DVVNL is the same as was at the time of Start of DPR work, which may change due to restructuring process by the DVVNL or State Government during the process of PMA work.
- 5 The rates shall be FIRM during currency of the contract

2. Terms & Conditions :-

- 2.1 Total 17 No Detailed Project Reports (DPR) have been prepared and approved(in-principle) at the level of Electricity Distribution Circle of DVVNL for 176 eligible project area (Urban/Semi-urban areas under DVVNL as per Government Definition).

- 2.2 Basic information of existing electrical system may be obtained by the firm themselves through uploaded DPRs at APDRP Portal, actual surveying of the project area, or through concerned S.E., EDC & Concerned EE, EDD.
- 2.3 All rules and regulations of erstwhile UPSEB/UPPCL & DVVNL shall be observed.
- 2.4 S.E. (MM), DVVNL, Agra will be engineer of contract & CEO of this work. All necessary approvals, payments etc. shall be endorsed by him.
- 2.5 The awarded rates are including of all required materials, T&Ps, manpower, logistics, etc. required for successful completion of work. DVVNL shall be responsible only to share the required data/information having with it. Office space with free electricity supply in office for the members deputed by the consultant at DVVNL shall be under the responsibility of DVVNL.
- 2.6 All other applicable terms & conditions shall be as given in tender document.

3. SCOPE OF WORK- to assist Discom in following activities-

- 3.1 Preparation and Submission of tender documents for the proposed Projects under the IPDS Scheme as per Scheme Guidelines.
- 3.2 Tender Evaluation & Finalization of the proposed projects' work
- 3.3 Quality Control of material-Vendor Approval, GTP approval, inspection of material at vendors' units, etc.
- 3.4 Supervision of Execution of proposed projects' work
- Material Chasing
 - Ensuring the delivery of inspected material at works' site
 - Work Chasing
 - Hurdle management
 - Bill verification of prospective Contractors
- 3.5 Project Monitoring and Co-ordination between D.V.V.N.L. and prospective Contractors
- Physical progress
 - Financial progress
 - Co-ordination between various agencies involved in the project.
- 3.6 Measurement and Payments
Verification of measurements, bill of prospective Contractors, satisfactory completion certificates and dispute resolution.

4.0 PAYMENT SCHEDULE :-

- Following shall be payment schedule that shall prevail in case of absence of any otherwise guideline/directive from the Government of India that shall be overruling on following-
- 4.1 No advance payment shall be paid.
- 4.2 5% of the Contract Value shall be paid after timely preparation and Submission of tender documents for the proposed Electrification Works under IPDS that is to be prepared within 15 days after the award of the contract. The letter for start of this activity shall be communicated.
Note – As this activity is completed by DVVNL itself, this amount shall not be payable.
- 4.3 5% of the Contract Value shall be paid after award of the proposed Electrification Works under IPDS to the Working Agencies that should be done within 90 days from the dates of Notification of Tenders.
- 4.4 40% of the Contract Value shall be paid as fixed monthly retaining charges @ 1/24 of 40% of the Contract Value per month. This payment shall be started from the date of award of the tendered Works to the Working Agencies.
- 4.5 40% of the Contract Value shall be paid as variable fees against the receipt of verified bills from the prospective projects' contractors.
- 4.6 10% of the Contract Value shall be paid on final commissioning and Successful energization of the work (Town-wise project) for which this PMC work is to be done.
- 4.7 The Firm shall not claim any extra charges towards fixed monthly charges if the completion of proposed tendered turnkey work is over-run by 6 months beyond 24 months.
- 4.8 If the completion of proposed tendered turnkey work is completed before 24 months from the date of award of the tendered Works to the Working Agencies, the Last and Final bill towards fixed monthly charges shall be the balance of 40% of the Contract Value.
- 4.9 The payment of the bills shall be made by Executive Engineer (Administration), DVVNL, Agra as per verification of these bills by the Engineer of the Contract.

5.0 **Definition of Project Cost :-**

Following is the definition of Project Cost that shall prevail in case of absence of any otherwise guideline/ directive from the Government of India that shall be overruling on following-

- 5.1 Mentioned Project Costs as given in this LOI as per **in-principle approved DPRs** by the 4th Monitoring Committee that is communicated by Nodal Agency-PFC are provisional but shall be considered Final till the Issue of Sanction Order of the projects' works by the Government/ Nodal Agency for which these PMC works are awarded OR in case the project(s) is (are) abandoned or other such eventualities.
- 5.2 Actual Projects' Cost shall be the Approved and Sanctioned DPR Costs for the projects by the Government for which these PMC works are awarded.

6.0 **TIME SCHEDULE:**

- 6.1 Preparation and Submission of tendered documents - within 15 days from the award of the contract or as per PFC guidelines. *Note -this activity is completed by DVVNL itself.*
- 6.2 Tender Evaluation & Award of the proposed projects' work for which these PMC works are awarded - within 90 days from the dates of Notification of Tenders or as per PFC guidelines.
- 6.3 Completion of the proposed projects' work for which these PMC works are awarded - **Twenty Four months + 6 months** from the dates of Award of Tenders for the proposed projects' work or as per PFC guidelines.

7.0 **SECURITY DEPOSIT:**

You shall have to submit a contract performance security equal to 5% of the contract value amounting **Rs. 18,20,000/- (Rupees : Eighteen Lacs Twenty Thousand only)** in the form Bank Guarantee in favour of Superintending Engineer (MM), DVVNL, Agra on Non judicial stamp paper as applicable as per rules, issued from a Nationalized / Scheduled Bank within 30 days of Contract Agreement. The above B.G. shall be valid initially for 24 months from the date of signing of contract agreement with a claim period of another six months thereafter.

You are, therefore, requested to execute the formal contract agreement within 10 days from the date of issue of this Letter of Intent. In case your acceptance is not received or you do not enter into an agreement completing all the formalities including deposition of proper security within stipulated period it shall be presumed that you are not interested in offer and action as per the terms / rules shall be taken without further reference to you.

Kindly acknowledge the receipt of this letter.


(Deepak Mittal)
Chief Engineer (MM)
01/11/15

No. 10821 /C.E. (MM)/DVVNL-MM/IPDS/Agra

Dated: 09.11.2015

Copy forwarded to the following for information and necessary action:-

1. Director (Technical), DVVNL, Agra.
2. Chief Engineer (Dist.), Agra/Aligarh/Kanpur/Jhansi/Banda Zone.
3. General Manager (Finance), DVVNL, Agra.
4. Superintending Engineer, EDC - Agra, Mathura, Mainpuri, Aligarh, Hathras, Etawah, Auraiya, Etah, Farrukhabad, Kannauj, Firozabad, Kanpur, Banda, Jhansi, Orai & Hamirpur.
5. Superintending Engineer, EUDC - Mathura, Aligarh & Jhansi.
6. Executive Engineer (Administration), DVVNL, Agra.


(Deepak Mittal)
Chief Engineer (MM)
01/11/15

Annexure-1**List of 17 Distribution Circles of DVVNL comprising 21 Districts of Uttar Pradesh under Integrated Power Development Scheme (IPDS) against L.O.I. No. 10821 /C.E. (MM)/DVVNL-MM/IPDS/Agra dated 09.11.2015**

S. No.	Name of Circle	District	Zone
1	EDC Agra	Agra	Agra
2	EDC Firozabad	Firozabad	Agra
3	EDC Mainpuri	Mainpuri	Agra
4	EDC Mathura	Mathura	Agra
5	EUDC Mathura	Mathura	Agra
6	EDC Aligarh	Aligarh	Aligarh
7	EUDC Aligarh	Aligarh	Aligarh
8	EDC Etah	Etah	Aligarh
9	EDC Hathras	Hathras	Aligarh
10	EDC Etah	Kasganj	Aligarh
11	EDC Banda	Banda	Banda
12	EDC Banda	Chitrakoot	Banda
13	EDC Hamirpur	Hamirpur	Banda
14	EDC Hamirpur	Mahoba	Banda
15	EDC Orai	Jalaun(Orai)	Jhansi
16	EDC Jhansi	Jhansi	Jhansi
17	EUDC Jhansi	Jhansi	Jhansi
18	EDC Jhansi	Lalitpur	Jhansi
19	EDC Etawah	Auraiya	Kanpur
20	EDC Etawah	Etawah	Kanpur
21	EDC Farrukhabad	Farrukhabad	Kanpur
22	EDC Farrukhabad	Kannauj	Kanpur
23	EDC Kanpur	Kanpur Dehat	Kanpur
24	EDC Kanpur	Kanpur Nagar	Kanpur


(S.K. Gupta)
E.E. (MM)


(Deepak Mittal)
C.E. (MM)

