



सत्यमेव जयते

INDIA NON JUDICIAL
Government of Karnataka

e-Stamp

Certificate No. : IN-KA99603292043175N
Certificate Issued Date : 25-Jul-2015 02:54 PM
Account Reference : NONACC (FI)/ kabacsl08/ BANGALORE/ KA-BA
Unique Doc. Reference : SUBIN-KAKABACSL0848262969348527N
Purchased by : REC POWER DISTRIBUTION COMPANY LTD NEW DELHI
Description of Document : Article 12 Bond
Description : CONTRACT AGREEMENT
Consideration Price (Rs.) : 0
(Zero)
First Party : REC POWER DISTRIBUTION COMPANY LTD NEW DELHI
Second Party : HESCOM HUBLI
Stamp Duty Paid By : REC POWER DISTRIBUTION COMPANY LTD NEW DELHI
Stamp Duty Amount(Rs.) : 200
(Two Hundred only)



Authorised Signatory
For The Bangalore Advocates'
Co-operative Society Ltd

-----Please write or type below this line-----

AGREEMENT

Agreement No. RECPDCL/HESCOM/DPR/15-16/

Dated: 18.09.2015

This agreement has been executed at Hubli on day of 18.09.2015 between REC Power Distribution Company Limited 1016-1023, 10th floor, Devika Towers, Nehru Place New Delhi-110019, having **Regd. Office:** Core-4,SCOPE Complex,7 Lodhi Road, New Delhi-110003 acting through its authorized signatory (hereinafter referred to as the

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MANOJ KUMAR GUPTA
Senior Project Manager
REC POWER DISTRIBUTION COMPANY LTD

REC POWER DISTRIBUTION COMPANY LTD
18/9/15

"RECPDCL") of one part and of Hubli Electricity Supply Company Limited, a company formed and incorporated in India under the Companies act, 1956, with its registered office located at Navanagar, P.B.Road, HUBLI, Karnataka-580 029. (Hereinafter called the "HESCOM") of the other part.

AND WHEREAS the RECPDCL has submitted the offer vide letter no. RECPDCL/TECH/BD/2014-15/332 dated 20.05.2015 for Project Management Agency (PMA) under DDUGJY & IPDS scheme of Hubli Electricity Supply Company Limited (HESCOM) and accepted vide letter no. HESCOM/SEE/PMC/EEE/AEEE/15-16/2579 Dated 13.05.2015 & letter No.HESCOM/SEE (PMC)/EE-P1/AEE-3/2015-16/CYs-1176 Dated 03.07.2015 by HESCOM.

NOW THEREFORE THESE PRESENT WITNESSTH and the parties hereto hereby agree and declare as follows, that is to say, in consideration of the payments to be made to the RECPDCL by the HESCOM as hereinafter mentioned the RECPDCL shall and will duly provide & maintain the said work PMA Services for Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) & Integrated Power Development Scheme (IPDS) in HESCOM on the terms and conditions as mentioned below:

1. Scope of works

The detailed work scope of services shall be as under:

1.1 Assisting in formulation of Detailed project reports (DPRs):-

- a) Assisting in formulation of Detailed Project Report (DPR) based on Data provided by HESCOM Nodal officer project in-charge, latest approved schedule of rates for various item of work. DPRs will be formulated considering guidelines forwarded by the nodal agency time to time.

1.2 Monitoring and coordination of bidding process :

- a. Assist utilities in preparation of tender documents for appointment of turnkey contractor.
- b. Assist utilities in bidding process (including pre bid meetings etc) and technical evaluation of bids.
- c. Assist the utilities for placement of Letter of Award and related activities.

1.3 Project Planning and Implementation

- a. Assisting HESCOM in preparation of detailed work implementation schedule (PERT) in association with turnkey contractor.
- b. Coordination & monitoring of project implementation activities.
- c. To monitor receipt and issue of materials by the contractor.
- d. Identification of anticipated bottlenecks in project implementation & preparation of remedial action plan in consultation with utilities & Contractor.
- e. Supervision of flow of funds in dedicated bank account of projects.
- f. To verify creation of assets from asset register of the utility

1.4 Quality Monitoring

- a. To prepare a Quality Assurance (QA) Plan with the approval of the utility.
- b. Field quality inspection of ongoing/ completed works.
- c. Joint inspection (along with representative of state utility) of material at site on sample basis i.e. 10% of major materials (Poles, Conductor, Meters, Transformers, Cable).

1.5 MIS & Web Portal up-dation.

- a. Assisting utilities in timely up-dation of information on Web portal.
- b. Periodic reporting to the Project Management Cell of HESCOM.

2. Time Schedule of the Project:

The total duration of the contract period would be Thirty One (31) Calendar Months from the date of entering in to Agreement / date of award of work / receipt of advance payment / providing related documents whichever is later, shall be as below:

- 2.1 Four (4) Calendar Months for bidding process.
- 2.2 Twenty Four (24) Calendar Months for Project Monitoring.
- 2.3 Three (3) Calendar Months for project closure.

3. Financial Implication

3.1 Contract Fee:

The contract fee will be @1.5% of the Approved DPR Cost (i.e. Rs. 249.07831 Cr. for DDUGJY & Rs. 170.35 Cr. for IPDS).

3.2 Payment Terms:

The fee would be payable in the following manner:

- a) 15 % of the estimated Consultancy Fee as an interest free mobilization advance on award of assignment as per approved DPR Cost.
- b) 40 % of the Consultancy Fee (of approved DPR cost) shall be released on finalization and award of the contract.
- c) 40% of the consultancy fees shall be paid as under:
 - i. Fixed monthly payment @1/24th of 40% of the consultancy Fee (of approved DPR cost) shall be released on pro-rata monthly basis.
- d) 5% of the Contract Fee (of approved DPR cost) shall be released on physical completion of the project.

4. Other Conditions:

- a. In order to ensure smooth operations, the SE (projects) would be appointed by HESCOM as a Nodal Officer for the assignment who will provide various inputs like details/ data related to the assignment, approval of DPRs, etc. throughout the execution of the assignment.
- b. Wherever relevant Data/input required for the assignment, is not available from the HESCOM, suitable assumptions would be made by the RECPDCL under intimation to the HESCOM.
- c. If the anticipated information/facility/ decision is delayed from the HESCOM, and the nature of inputs from the HESCOM is such that it is essential for the continuation of the assignment, the HESCOM and RECPDCL shall agree on how the affected part of the services shall be carried out.
- d. All payments would be made by the HESCOM within 30 days from the date of invoice.
- e. In case of any dispute, the matter shall be mutually decided between MD, HESCOM and CEO, RECPDCL, and such decisions shall be binding on both the parties.
- f. The RECPDCL would normally be required a prior notice of at least five working days for attending any meeting/discussion/hearing etc.
- g. The RECPDCL would not participate in any discussion/make presentations/offer justification with any other consulting agency/lender etc. apart from the HESCOM.
- h. The charges mentioned in the proposal are exclusive of any taxes, service taxes and duties, WCT, statutory levies, etc. All taxes and duties including service tax shall be paid by HESCOM. Variation in Taxes and duties and imposition of additional Statutory Levies, duties, taxes by Central / State Government or any other competent authority with prospective / retrospective effect shall be accordingly payable by HESCOM. The prevailing service tax rate is 14 % as of now.
- i. Being very competitive rate, it would not be possible for us to submit Performance Security. Also, Being a wholly owned subsidiary of REC Ltd. (a Govt. of India Enterprise & "Navratna CPSU") under the Ministry of Power, the Performance Security requirement may please be dropped subsequently.
- j. If due to any reason or decision of the HESCOM/the Govt./Regulator, the assignment is dropped or RECPDCL is directed to discontinue work, the "Drop Dead Fee" shall be paid to us as per above payment terms and claim already raised to the HESCOM plus the sum of all liabilities and expenditure incurred, if any, relating to the assignment, till the point of calling off the assignment.
- k. Pre Dispatch Inspection at manufacturer's site will not be in scope of RECPDCL.
- l. The HESCOM shall bear all statutory charges like the fee to be paid along with the applications/ petitions to be filed before the regulator, other agencies, stamp

papers, affidavits, registration fee, agreements or contracts as also any expenditure towards any law suits etc., if any, and the RECPDCL shall in no way be responsible to bear either the charges or put in any extra effort in order to assist the HESCOM in such activities relating to such law suits.

- m. Recommendations, suggestions of the RECPDCL for stages once accepted by the HESCOM shall not be revisited or revised.
- n. The RECPDCL would follow its own procedures/systems for all the activities relating to the assignment including appointment of Sub-RECPDCLs, engaging other agencies for any purpose/activities related to the assignment.
- o. The RECPDCL will not be obliged to hold or participate in any interaction with Unions, Associations etc. related to any aspect of this assignment or otherwise. All the interactions related to data will be done with the Nodal Officer.
- p. RECPDCL's services shall be purely advisory in nature including all documents and recommendations and RECPDCL shall in no way be responsible or hold any liability for any disputes, lawsuits and or consequential loss, damages to either the HESCOM or any other party in any manner whatsoever.
- q. In case of addition to the agreed scope of work or the assignment being delayed beyond the stated completion period due to reasons not directly attributable to the RECPDCL, in addition to the above mentioned Consultancy fee, the additional fee as may be mutually agreed between the HESCOM and the RECPDCL is payable to RECPDCL.

5. Documents to be provided by HESCOM

- a) Block-wise/Gram Panchayat wise available capacity of GSS (220/110/66/33/11KV) along with feeder details and up line as per requirement shall be provided by HESCOM.
- b) Block-wise/village-wise/habitation-wise updated authenticated data about the BPL/RHH households electrified and un-electrified.
- c) Updated and latest schedule of rates for various item of work shall be provided by HESCOM.
- d) List of Block-wise/village-wise/Habitations name, off grid electrification required Village/habitation and SAGY Villages.
- e) Authenticated RE Data District-Wise/Block-Wise/Village-Wise/habitations for provide connection to RHH/BPL having population less or more than 100.
- f) Metering Data for feeder meter, Boundary meter and DTC meter for energy accounting.

g) RAPDRP part B DPR and also IPDS 73 town DPR.

6. Extension of Period of Assignment:

Extension of time schedule as referred in clause no. 2 above may be considered. In case the project work is extended beyond contract period in the event of delay(s) not attributable to RECPDCL, HESCOM may consider for payment of contract fees on mutually agreed terms.

7. Settlement of Dispute and Legal Jurisdiction:

Any dispute(s) or difference(s) arising out of in connection with this contract shall to all extent possible, be settled amicable through mutual discussion at appropriate level of HESCOM and RECPDCL good offices. The law applicable to the contract shall be the law in force in India. The Courts of Hubli shall have exclusive jurisdiction in all matters arising out under this contract.

8. Force Majeure:

RECPDCL shall not be considered in default if delay in completion of works and services occurs due to causes beyond his control such as acts of God, natural calamities, civil wars, strikes(other than contractor's employees strike), fire, frost, floods, riots and acts of unsurpassed power. Only those causes which have duration of more than fifteen (15) days shall be considered as a cause of Force Majeure. A notification to this effect duly certified by statutory authorities shall be given by RECPDCL to HESCOM within 7(Seven) days. In the event of delay due to such causes, the time for completion will be extended for a length of time equal to the period of Force Majeure, or the Contract may be terminated.

9. Termination:

HESCOM in consultation with RECPDCL can terminate the agreement by giving notice of one month with reasons and justifications including period to improve the services to the RECPDCL in the event of their failure as per the mutually agreed terms and conditions between the parties. Failure on the part of HESCOM to make payment to RECPDCL in consultation with HESCOM, in accordance with this agreement shall be considered cause for termination (or) cause for suspension of service by RECPDCL. Settlement of the consultancy fee payable to RECPDCL after examination & having discussions on work completed till notice period shall be done by HESCOM.

10. Agreement:

Two Original Copies agreement are being executed, one will be retained by REC PDCL & another by HESCOM.

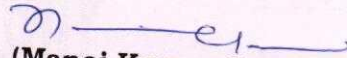
IN WITNESS WHERE OF THE PARTIES HAVE SCRIBED THEIR RESEPECTIVE HANDS ON THESE COVENANTS ON THE DAY AND YEAR HERE IN AFORE MENTIONED:

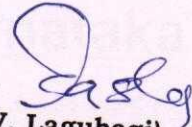
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For REC Power Distribution Company Ltd.

For Hubli Electricity Supply Company Ltd.

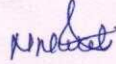


(Manoj Kumar Gupta)
Senior Project Manager


(K.V. Lagubagi)

MANOJ KUMAR GUPTA
Senior Project Manager
REC POWER DISTRIBUTION COMPANY LTD
(A Wholly Owned Subsidiary of REC)
No.1/5, Disore Road, Bangalore-560

I/C **Superintending Engineer (Ele.)**
PMC, HESCOM
Project Monitoring Cell (PMC),
Corporate Office, HESCOM, HUBLI.

In the presence of:

Witness (RECPDCL)	Witness (HESCOM)
 Nitin Wali Site Engineer RECPDCL	 (M.B Patil) EE PMC-2