



Government of Jammu & Kashmir  
Office of the Chief Engineer Elect. Maintt. & RE Wing,  
Canal Power House, Canal Road, Jammu  
Email cemrefammu2@gmail.com  
Telephone Nos: 0191 - 2554426, Fax: 0191 - 2505708

M/s WAPCOS Limited,  
SCO 826, 2<sup>nd</sup> Floor, NAC,  
Manimajra, Chandigarh-160101  
Telefax 0172-5041154  
Email: wapcoschandigarh@yahoo.co.in

No:-CEJ/TS-I/PS/LOA/4614-22

Dated:- 28/09/2016

**Sub:** LOA for appointment of Project Management Agency (PMA) in J&K PDD for "Design, Engineering, Bid Process Management, Field inspection during execution, Quality Control, Inspection, Testing, Monitoring and overall contract Administration including handholding of project from concept to commissioning up to final execution for "INTEGRATED POWER DEVELOPMENT SCHEME (IPDS) for Jammu province of Jammu and Kashmir State and ensuring timely implementation of the project as per guidelines of the scheme.

- Reference:** 1. This office E-NIT No. CEMREJMU/IPDS/JAMMU/19 of 2016 issued under endorsement No. CEJ/TS/PS/14251-65 dated: 19.01.2016 followed by 3 extensions issued under No. CEJ/TS/15048-62, dated:- 20-02-2016, No. CEJ/TS-I/PS/15418-32, dated :- 10-03-2016 and No. CEJ/TS-I/PS/15804-20, Dated:- 28-03-2016.
2. Corrigendum/Amendment-I issued under No.:-CEJ/TS/PS/14307-25, Dated:- 20-01-2016.
  3. Corrigendum/Amendment-II issued under No.:-CEJ/TS/PS/15325-40, Dated:- 03-03-2016
  4. Your e-bid Number 150875
  5. Minutes of meeting held in this office on 16.07.2016 minutes thereof issued under No. CEJ/TS/PS/2988-97 dated: 18.07.2016.
  6. LOI No.:-CEJ/TS-I/PS/LOI/4601-4611, Dated:- 27-09-2016. Your acceptance No. WAP/RO/CHD/2016/1697 Dated:-27/09/2016.

Sir,

Please refer your e-bid and subsequent letter of acceptance and correspondence under reference on the subject. The Jammu & Jammu Power Development Department is pleased to place LOA with your concern for Appointment of Project Management Agency (PMA) in J&K PDD for Design, Engineering, Bid Process Management, Field inspection during execution, Quality Control, Inspection, Testing Monitoring and overall Contract Administration including handholding of the project from concept to commissioning up to final execution of Integrated Power Development Scheme (IPDS) for Jammu Province of J&K State and ensuring timely implementation of the project as per guidelines of the



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scheme strictly as per the scope of work and stipulations of e-NIT  
CEMREJMU/IPDS/JAMMU/19 of 2016 issued vide endorsement No.  
CEJTS/PS/14251-65 dated: 19.01.2016.

The lump sum price of the assignment is given underneath:

S.No.	Description of Work/ items	No. of Qty.	Unit	Lump Sum Amount (INR)	
1.	Project Management Agency (PMA) in J&K PDD for "Design, Engineering, Bid Process Management, Field Inspection during execution, Quality Control, Inspection, Testing, Monitoring and overall contract Administration including handholding of project from concept to commissioning up to final execution for " INEGRATED POWER DEVELOPMENT SCHEME (IPDS) for Jammu province of Jammu and Kashmir State and ensuring timely implementation of the project as per guidelines of the scheme	1	LS for all three (3) clusters	Rs. 2.71 crores	(Rupees Two Crores seventy one Lacs)
The rates are inclusive of all travel, stay, all taxes / duties (including WCT/Service tax), out of pocket expenses, cost of producing document etc. and the department will not be required to pay and / or reimburse anything over and above the price.					
No upward revision of the lump sum cost shall be entertained by the department.					

**A. The services to be delivered by PMA cover followings:**

Illustrative scope of services shall be as under:

**I. Monitoring and coordination of bidding process:**

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

**II. Project Planning and Implementation :-**

- Assisting department in preparation of detailed work implementation schedule in association with turnkey contractor.
- Coordination & monitoring of project implementation activities.
- To monitor DPR wise monthly physical & financial progress of the scheme, prepare a consolidated report & submit to utility for onward submission to nodal agency.
- Identification of anticipated bottlenecks in project implementation & preparation of remedial action plan in consultation with utilities & Contractor.
- To assist department to verify creation/ updation of GIS based assets from asset

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- register of the utility.
- Recommend the claim of department for fund release from Nodal Agency. The recommendation is to be supported by a report on expenditure, progress and constraints if any for timely completion of project.
  - Submit a report to Nodal Agency, regarding Project Completion and expenditure incurred along with recommendation in accordance with the guidelines.
  - To assist department in supervision of flow of funds in dedicated bank account of projects.
  - Design Scrutiny and verification of design calculations.

III. **Quality Monitoring:**

- To prepare a Quality Assurance (QA) Plan with the approval of the department.
- Field quality inspection of ongoing/ completed works.
- Joint Factory Inspection of Material (along with representative of state utility). The charges on account of Traveling, boarding and lodging shall be borne by the turnkey contractor.
- Joint inspection (along with representative of state utility) of material at site on sample basis i.e. 10% of all the material.
- Quantity measurement of completed works.

IV. **MIS & Web Portal up-dation:-**

- Assisting department in timely updation of information on utility / Nodal agency Web portal.
- Periodic reporting to the Project Management Cell of department.
- Compilation & analysis of utility level AT&C data on quarterly basis.
- Developing MIS application for project monitoring.
- Any other works as may be required to achieve the objectives of the scheme.

V. **Coordination with Nodal Agency/ MoP and any other works as may be required to achieve the objectives of the scheme.**

B. **The town wise sanction cost of IPDS projects for which PMA is required to work are enumerated below:-**

Designated Cluster	S.No	Name of Town	Total cost (Rs in Lacs)	
CLUSTER - I	1.	Jammu	961.278	
	2.	RS Pura	564.652	
	3.	Akhnoor	468.838	
	4.	Jammu Cantt	486.278	
	5.	Bishnah	576.247	
	6.	Arnia	511.975	
	7.	Jourian	469.320	
	8.	Khour	543.740	
	9.	GhoManhasan	640.550	
	Total Circle-I, Jammu (A)			5222.878
	10.	Kathua	414.22	
	11.	Samba	744.90	
	12.	Billawar	465.13	
	13.	Basohil	502.22	
	14.	Lakhanpur	337.27	
	15.	Parole	362.34	
	16.	Hiranagar	389.57	
17.	Barl Brahamana	429.72		



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	18.	Vijaypur	420.24
	19.	Ramghar	435.56
	Total Circle-Kathua (B)		4501.16
	TOTAL CLUSTER - (A+B)		5724.048
CLUSTER -II	20	Poonch	844.55
	21	Rajouri	1254.47
	22	Nowshera	431.17
	23	Sunderbani	371.55
	24	Surankote	405.65
	25	Thanamandi	192.50
	TOTAL CLUSTER -II (Circle Rajouri)		3499.89
	26	Udhampur	395.92
	27	Ramnagar	418.06
	28	Chenani	427.92
	29	Kud	363.17
	30	Batote	399.53
	31	Ramban	476.25
	32	Banihal	683.92
	33	Katra	743.93
	34	Reasi	845.92
	35	Draroor	247.30
	Circle-Batote (C)		5001.92
	36	Kishtwar	964.01
	37	Doda	505.40
	38	Bhaderwah	531.16
	Circle Kishtwar (D)		2000.57
	TOTAL CLUSTER -III (C+D)		7002.49
	Total EM&RE Wing Cost of IPDS (Rs. in lacs)		20226.428

**C) TIMELINE:-**

Timeline for major activity is given below-

S.No.	Activity	Timeline
1.	Project Execution and Monitoring of progress: Design, Engineering, Bid process management, Field Inspection during execution, Quality Control, Inspection, Testing, Monitoring and overall Contract Administration including handholding of the project from concept to commissioning up-to final execution of IPDS. Submission of monthly & quarterly progress reports, preparation of work completion reports, handing over and project closure etc as per scope of work.	For period of thirty three months from the date of issuance of LOA.

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**D) COMMENCEMENT OF WORKS:-**

The commencement of work as per the work scope shall be within 20 days from the award of the contract.

**E) PERFORMANCE STANDARDS :-**

The standards of performance should be followed as given below:-

- i. The PMA shall manage the system in an efficient manner according to the highest standards and adhere to timeline.
- ii. The PMA shall within one month of award of contract to implementing agency establish MIS for efficient management of the project.
- iii. The PMA shall submit weekly/Monthly/quarterly report of progress of work to J&K PDD Office.
- iv. In case the performance standard of the agency is below what is mentioned above, the penalty will be imposed as per payment & penalty clauses in Clause B, Section-V of SBD.

**F) REPORTS :-**

- i. The PMA will prepare and submit the following reports (as given below) to the Utility on the format prepared by the Bidders and as approved by the Utility.

S.No.	Report	Frequency	Due Date/ Time	No. of Copies
1.	Inception Report	One time	15 days after commencement of services	2
2.	Progress Report	Every month	Before 5th day of the following month	2
3.	Progress Report (Quarterly)	Every 3 month	Before 10th day of the following 3rd month	2
4.	Special Reports, if required by Utility	As and when required	On immediate basis	2
5.	Special Reports on any important feature aspect like claim variation etc.	Whenever needed	On immediate basis	2
6.	Final Report	Onetime	Within 15 days of completion of services/contract	2



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- ii. The Commencement Report shall contain the details of all meetings held with the Utility and the PMA and decisions taken therein, the resources mobilized by the PMA as well as the turnkey contractor and the Bidders' perception in the management and supervision of the maintenance works. The Report shall also include the Work Program and Resource Mobilization for the Project.
- iii. The Monthly and Quarterly Progress Report shall contain details of all meetings, decisions taken therein, mobilization of resources (PMA and the TURNKEY CONTRACTOR), detailed compliance report of each activity, progress with photo and video-graphy of all important installations and the projected progress for the forthcoming periods. The Report shall clearly bring out the delays, if any reasons for such delay(s) and the recommendations for corrective measures.
- iv. Final Report-The consultant will prepare a comprehensive final completion report after completion of the work. The report shall incorporate summary of the method of maintenance supervision performed, problems encountered and solutions undertaken thereon and recommendations for future projects of similar nature to be undertaken by the employer.

**G) ESTABLISHMENT AND CO-ORDINATION:-**

PMA has to establish their offices including deployment of requisite manpower/key personnel, vehicles and other infrastructure to supervise the project suitably at utility headquarters and circle/district level as per the requirement to oversee the project for smooth interface with utility and contractor on day to day basis. The key personnel operating from the offices located in the areas other than the work area within a Wing or Circle or Division as the case may be will not be accepted.

**H) COMPLAINT TO THE NORMS OF JK SERC:-**

- i. The PMA shall comply with all the regulations as mentioned in J&K SERC Regulations.
- ii. The PMA shall prepare all periodical reports, applicable to the Project, as may be required by Utility, J&K State Government, MoPGol, REC, JK SERC.

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1) **PAYMENT CLAUSE:-**

- 1) The contract value for Project Management services is in percentage (%) of the executed project cost of all the work covered under IPDS. In case the works are not executed for any reason whatsoever, then the exact 'contract value' shall be adjusted based on the sanctioned/approved DPR value and payment adjustment shall be made on the basis of sanctioned/approved DPR value, NIT & executed Project values as the case may be.
- 2) J&KPDD shall make payment to the consultant as per following payment milestones.
  - a. 10% of contract value as interest bearing advance payment on base rate of J&K Bank plus 3% shall be paid on fulfilling following conditions:-
    - i. Establishment of office with furniture, telephone, internet, fax, photocopier etc.
    - ii. Deployment of all key persons at site and approval of CVs of key personnel by the Engineer Incharge.
    - iii. Submission of 10% Performance guarantee.
    - iv. Submission of Bank Guarantee for 110 % of the advance amount from a scheduled Bank of India.
  - b. 10% of the contract value shall be paid for completion of Pre-award activities like preparation of tender documents including BoQ, GTP, uploading and publication of NIT, pre-bid conference, evaluation of tenders and award of tenders to executing agency as per scope of work.
  - c. 10% contract value shall be paid on approval of detailed work implementation schedule of Turnkey Contractor and approval of Quality Assurance (QA) Plan.
  - d. 60% contract value shall be paid on pro rata basis on the basis of payment released to executing agency for completion of each milestone as per their payment schedule for:-
    - i. Erection, testing & commissioning, supervision and monitoring of all the contract as per scope of work.
    - ii. Submission of monthly and quarterly progress reports, preparation of work completion reports.
    - iii. Handing over and project closure reports etc. as per scope of work.

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- e. Balance 10% of contract value shall be kept as "Retention Money" and will be released after 3 months of successful completion of the entire work under the scope of the PMA.
- f. Although the period of engagement for the PMA shall be for 33 months, yet in the event of any project implementation timelines overrun and the same warrants the association of PMA under the project for accomplishment of the leftover milestones, J&K PDD shall reserve its right to extend the period of engagement for the PMA for another 6 months without any extra remuneration.

**NOTE:-**

- a. The payments shall be linked to the availability of manpower at site. Failure to provide the manpower as detailed in clause 1.11 of SBD will lead to deductions from bills and reduction of contract value.
- b. The above charges are inclusive of any prevailing tax & duties including service tax, statutory levies etc.
- c. Payments shall be released within 30 days from submission of monthly bills or completion of each milestone.
- d. Performance BG of consultant will be returned after 6 (six) months of final project completion.
- e. If the bidders does not opt for advance payment of 10%. In that case this 10 % shall be released proportionally along with payment against each Milestone.

**J) PENALTY CLAUSE :-**

- a. In case timeline for delivery of milestones of consulting services is not met, following penalty will be imposed (as per Scope of work).

S.No.	Activity	Penalty
1.	Delay in Submission of customized Bidding Document Report as per timeline.	10% of Scheduled payment of that Particular milestone
2.	Delay in Bid evaluation as per timeline	10% of Scheduled payment of that Particular milestone

- b. Recovery of liquidated damages and penalties shall be made from bills and/ or the first available opportunity.
  - i. The department shall withhold amount to the extent of non-deployment of resources non-performance of services until all the contractual service agreements are met satisfactorily subject to maximum of 10% of Contract value.
  - ii. In case of failure to withhold the amount, it shall be recovered from his dues and performance guarantee available with the department.



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**K) PENALTY FOR WRONG REPORTING OR SUB-STANDARD QUALITY CHECK:**

- i. Sample checking (5% of total cases each circle wise) of cases already checked by the PMA will be done by J&KPDD through manual/site survey. Result of the same will be given back to consultant within a week.
- ii. In case it has been observed that the PMA has given wrong report regarding the execution/completion of work, a penalty amount of 20% payment (made/scheduled) for that particular milestone for which wrong report was given.
- iii. If it has been observed during inspection that the material used during work execution is not matching with the finalized standard material for that particular work, the executing agency will be told to get the material replaced by finalized standard material without any further extension of timeline or cost. If there will any delay in timeline due to this rework, a penalty as per above clause (a) will be imposed on the consultant & the executing agency.

**L) PAYMENT AUTHORITY:-**

Chief Engineer EM&RE Wing, Jammu, J&K PDD will be the payment authority. Taxes as applicable will be deducted at source by the paying authority from the bills/invoices of consultant as per rules in vogue.

**M) FORCE MAJURE:-**

- i. "Force Majeure" means an event which is beyond the reasonable control of a party, and which makes a party's performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible in the circumstances, and includes war, riot, civil disorder, earthquake, fire, explosion, storm, flood or other adverse weather conditions, strikes, lockouts or other industrial action are within the power of the party invoking force majeure to prevent, confiscation or any other action by Government agencies.
- ii. Force Majeure shall not include any event which is caused by the negligence or intentional action of a party or agent or employees.
- iii. Force Majeure shall not include insufficiency of funds or failure to make any payment required hereunder.

**N) SUSPENSION OF WORKS :-**

The J&KPDD shall not be liable to pay the PMA any compensation whatsoever arising from suspension or for idle labour.



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**O) FAILURE TO EXECUTE THE CONTRACT :-**

Consultant failing to execute the work awarded to them to the satisfaction of the terms and conditions set forth therein, will be liable to make good the loss sustained by the J&KPDD. Any loss, arising due to non-fulfillment of this contract or any other contract, will be recovered from the Security Deposit held and or any other amount due to the agency from the J&KPDD, from this Contract as well as from other contracts.

**P) ARBITRATION:-**

Any dispute between the Parties as to matters arising pursuant to this Agreement which cannot be settled amicably within 30 (thirty) days after receipt by one Party of the other Party's request for such amicable settlement may be submitted by either Party for settlement through Arbitrator (arbitrator to be approved by the JKPDD). The decision of the arbitrator shall be final and binding upon the parties.

The courts of J&K state of Jammu shall have the jurisdictions of deciding any dispute between the parties. Laws of J&K state shall have precedence over laws of India.

**Q) CONTRACT AGREEMENT :-**

- The appointed agencies shall have to enter into an agreement with J&KPDD, to be known as "Contract Agreement" setting out all terms, and conditions including those mentioned in this terms & conditions with the specified norms.
- The agreement shall set out specific events of default that will entitle the innocent party to terminate the agreement. The party committing an event of default, which is capable of being remedied, will be given a reasonable opportunity to remedy the default.
- If the above agreement is terminated early by one party, the party will pay suitable liquidated damages to be set out in the Contract agreement to compensate for the loss suffered by the other party on account of such termination.
- The agreement can however be otherwise terminated by either party by giving one-month notice on terms to be mutually agreed which may include payment of suitable compensation on for losses suffered by the other party due to such termination. These terms shall be included in the Contract Agreement.
- Appointment agencies shall indemnify J&KPDD, against any claims, demands, costs and as expenses whatsoever which may be made against it, because of failure of the Agency or its representatives in the performance of their duties and negligence, any accident or injury to any person.

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**R) PERFORMANCE GUARANTEE/SECURITY DEPOSIT (PG):-**

On acceptance of offer by the successful Bidder, the successful Bidder will have to deposit an amount of 10% of the total value of the order, in the form of Bank Guarantee from any Nationalized/ Scheduled Bank as Performance Guarantee. In case of Bank Guarantee, it should be valid for the period of 4 Years.


Performance Bank Guarantee is to be drawn in favour of " Chief Accounts Officer, with Chief Engineer EM&RE Wing, Jammu, J&K PDD" payable at Jammu.

The Performance Guarantee shall have to be deposited within 7 (seven) days of issue of letter of Award (LOA).


J&K PDD shall have the right to forfeit the Security Deposit / Performance Guarantee in the event of non-execution or part execution of the orders invoking the penalty clause.

Terms and conditions as laid down in SBD and LOI shall remain in-tact. Please acknowledge the receipt of this order.

Yours faithfully,

  
(Er. Ashwani Gupta)

Chief Engineer,

 EM&RE Wing, Jammu.

**Copy to the:**

1. Principal Accountant General, J&K Srinagar for information
2. Commissioner / Secretary to Government, PDD J&K Government, Srinagar for information.
3. Development Commissioner, Power, PDD J&K Government, Srinagar for information.
4. Chief Engineer, EM&RE Wing, Srinagar for Information.
5. Chief Engineer, Commercial & Survey Wing, J&K Srinagar for Information.
6. Chief Engineer, S&O Wing, Jammu for Information.
7. Superintending Engineer, Electric M & RE Circle -Jammu/Kathua/Rajouri/ Batote & Kishtwar for information.
8. Additional Commissioner Commercial Taxes ADM, Jammu/Jammu for information.