



# MEGHALAYA POWER DISTRIBUTION CORPORATION LIMITED

OFFICE OF THE CHIEF ENGINEER (DISTRIBUTION)  
LUM JINGSHAI, SHORT ROUND ROAD, SHILLONG - 793001

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No.MePDCL/CE(D)/T-476/IPDS/PMA/2016-17/92

Dated 9<sup>th</sup> March 2017.

To

The Add CEO  
REC Power Distribution Company Limited,  
Core-4, SCOPE Complex,  
7 Lodhi Road,  
New Delhi - 110003.

Sub : LoA for Appointment of Project Management Agency (PMA) services for Monitoring, Inspection, Supervision and Quality Control Assurance for effective implementation of IPDS Scheme of MePDCL.

Ref: No. RECPDCL/TECH/BD/2016-17/3658 dated 17.02.2017.

Sir,

With reference to the above, this is to place an order with you for Appointment of Project Management Agency (PMA) services for Monitoring, Inspection, Supervision and Quality Control Assurance for effective implementation of IPDS Schemes of MePDCL. The Terms and Conditions are as given below :-

## 1. Scope of works

The detailed work scope of services shall be as under:

1. Monitoring and coordination of bidding process:
  - a. Assist utilities in preparation of tender documents for appointment of turnkey/semi-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.

*Kumar*

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2. Project Planning and Implementation
    - a. Assisting Discom in preparation of detailed work implementation schedule (PPT) in association with turnkey/**semi-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
  3. 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).
  4. MIS & Web Portal updation
    - a. Assisting utilities in timely updation of information on Web portal.
    - b. Periodic reporting to the Project Management Cell of Discom.

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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 into Agreement/ date of award of work/ receipt of advance payment/ providing related documents which includes:

- 2.1 Three (3) Calendar Months for Contract Award
- 2.2 Twenty Four (24) Calendar Months for Project Monitoring as a Project Management Agency.
- 2.4 Four (4) Calendar Months for project closure.

3. **Contract Fee :**

The contract fee will be @ 2% of the Project cost as per approved DPR for IPDS.

The charges mentioned above are exclusive of any taxes, service taxes and duties, WCT, GST, statutory levies, etc. All taxes and duties including service tax along with corresponding cess shall be paid by MePDCL to RECPDCL. 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 MePDCL. The prevailing service tax rate is 15% as of now.

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#### 4. Payment Terms:

The fee would be payable in the following manner:

1. 10% of the PMC Fee shall be released on award of assignment within 15 days from the receipt of LoA or signing of the agreement, whichever is earlier.
2. 10% of the PMC Fee shall be released on Finalization of Tender documents and issuance of NITs. In case NIT is not issued due to reason not attributable to RECPDCL, then 10% of PMC Fee will be released after 30 days of submission of Tender documents by RECPDCL.
3. 10% of the PMC Fee shall be released on Finalization and Award of Contract. In case Finalization and Award of Contract is delayed for reason not attributable to RECPDCL, this 10% of PMC Fee will be released after 30 days of submission of Evaluation Report.
4. Fixed monthly payment @ 1/31 of 35% of the PMC Fee shall be released on monthly basis. In case, the award of contract is delayed for more than 30 days due to reason not attributable to RECPDCL and if no communication is received from MePDCL regarding withdrawal of our deployed teams then the fixed monthly payment shall after 30 days from the date of submission of evaluation report.
5. Milestone Linked Payment of 30% of the Consultancy Fee (Linked with work progress of turnkey contractor and to be paid on pro-rate basis of payment to turnkey contractor.
6. 5% of PMC Fee on Closure of Project  
In case the project is completed before the completion period then the rest of the consultancy fee as indicated in 1,4.4 and 4.5 above shall be released by MePDCL after submission of draft project closure report.

#### 5. Other Conditions:

- a. RECPDCL would provide an experienced team of 5 Engineers including 1 Project Incharge which would be deployed as per project requirement as and when required.
- b. The office space and associated infrastructure for PMA works shall be provided by MePDCL at their offices.
- c. 1. All payments shall be made promptly by the Employer on or after thirty (30) day but not later than 45 days from the date of receipt of RECPDCL invoice.  
2. All invoices under the contract shall be raised by the RECPDCL on MePDCL and all payments shall be made to the RECPDCL by Chief Engineer(Distribution) on behalf of MePDCL.
- d. In order to ensure smooth operations, MePDCL would appoint a Nodal Officer for the assignment who will provide various inputs like accounts data etc. throughout the execution of the assignment.

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- e. Wherever relevant Data/ input required for the assignment, is not available from MePDCL, suitable assumptions would be made by the RECPDCL under intimation to the MePDCL.
  - f. If the anticipated information/ facility/ decision is delayed from MEPCDCL, and the nature of inputs from MePDCL is such that it is essential for the continuation of the assignment, MePDCL and RECPDCL shall agree on how the affected part of the services shall be carried out.
  - g. In case of any dispute, the matter shall be mutually decided between Chairman & Managing Director, MePDCL and CEO, RECPDCL, and such decisions shall be binding on both the parties.
  - h. MePDCL 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, then RECPDCL shall in no way be responsible to bear either the charges or put in any extra effort in order to assist MEPCDCL in such activities relating to such law suits.
  - i. RECPDCL would normally be required a prior notice of at least five working days for attending any meeting/ discussion/ hearing etc. but in case of exigencies, they are required to attend the meeting at short notice also.
  - j. RECPDCL would not participate in any discussion/ make presentations/ offer justification with any other consulting agency/ lender etc. apart from MePDCL.
  - k. If due to any reason or decision of the MePDCL/the Govt / Regulatory, the assignment is dropped or RECPDCL is directed to discontinue work, the "Drop Dead Fee" shall be paid to RECPDCL as per above payment terms and claim already raised to client plus the sum of all liabilities and expenditure incurred, if any, relating to the assignment, till the point of calling off the assignment.
  - l. Recommendations, suggestions of the RECPDCL for stages once accepted by MePDCL (including as per clause (i) above), shall not be revisited or revised due to any change in the views of the MePDCL.
  - m 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. RECPDCL's services shall be purely advisory in nature including all documents and recommendations and RECPDCL shall in no way responsible or hold any liability for any disputes, lawsuits and or consequential loss, damages to either the Client or any other party in any manner whatsoever.
  - n. Once the advice/recommendations of the RECPDCL are accepted by the MePDCL or the MePDCL decides to ignore the advice i.e. acts in a manner not consistent with the advice of the or RECPDCL is directed otherwise, RECPDCL shall in no way be responsible hold any

liability for any disputes/legal cases and or consequential loss, damages to either MePDCL or any other party in any manner whatsoever.

- o. 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 RECPDCL, RECPDCL would be charging, in addition to the above mentioned Consultancy fee, efforts put in by RECPDCL manpower and out-of-pocket expenses (i.e. cost of Travel, stay, DA, Local conveyance etc. as per RECPDCL's entitlements) incurred in connection with the assignment on actual, as certified by RECPDCL or as may be mutually agreed between the MePDCL and RECPDCL.

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Please acknowledge acceptance of the LoA and signing of the Agreement at the earliest.

Yours faithfully

*K.N. Wat*  
9/3/17  
(K.N. Wat)

Chief Engineer(Distribution)

Memo.No.MePDCL/CE(D)/T-476/IPDS/PMA/2016-17/92

Dated 9<sup>th</sup> March 2017.

Copy to :

1. The Director(Distribution), MePDCL, Shillong.
2. The Chief Accounts Officer, MeECL, Shillong.
3. The Additional Chief Engineer(EZ/WZ), MePDCL, Shillong/Tura.
4. M/s Power Finance Corporation Ltd.

Chief Engineer(Distribution)