Regd. Post with Ack. Due

SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LTD.
TIRUPATI
LETTER OF ACCEPTANCE

From
Executive Director/Projects,
APSPDCL,
Tirupati.

To
The Executive Vice president
M/s PFC consulting Ltd
First floor Urjanidhi,
I, Barakambha lane
Connaught Place, New Delhi-1.

Lr.No.ED/Proj/DE/Proj/ADE-P/ IPDS LOA /D.No. 1855 /15 dt.12.06.2015

Sir,

Sub:- APSPDCL - Integrated Power Development Scheme“(IPDS) Scheme –
Appointment of M/s. PFCCCL as Project Management Agency – Revised Letter of
Acceptance – Issued - Reg.

Ref: 1) Minutes of Meeting held on 20.4.15
2) Guidelines issued on 19.02.2015
3) Lr No ED/Proj/DE/Proj/ADE-P2/ LOA /D.No. 1234/15 dt.24.5.15
4) LrNo 3/14-16/Mkt/APSPDCL/IPDS-PMA Dt 27.5.15
5) Office note approved Dt 11.6.15

***

LOA was issued to M/s. PFC Consulting Ltd as Project Management Agency (PMA) for
IPDS scheme @ 0.5% of the project cost as consultancy fee incl. of all taxes vide reference (3)
cited.

Vide reference (4) cited you have requested to issue revised LOA with a Consultancy fee of
1% of the project cost (as per approved DPR) plus service tax extra as applicable at the time
of payment and also requested to waive the requirement of Bank Guarantee on par with
APEPDCL LOA.

In this connection, APSPDCL after careful deliberations hereby accepted the request and
the revised the Consultancy fee to 1% of the project cost (as per approved DPR) plus service
tax extra with exemption from furnishing Bank Guarantee for the consultancy works.
A separate project office should be established by you at Corporate Office/APSPDCL for monitoring and reporting the progress of the Project to management of APSPDCL.

Further, following are the details of the estimated projects cost for the IPDS:

<table>
<thead>
<tr>
<th>Sl.No</th>
<th>Grant No</th>
<th>Name of the circle</th>
<th>No of Towns covered</th>
<th>Approved DPR cost (Rs. Crs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>31551001</td>
<td>Guntur</td>
<td>13</td>
<td>81.54</td>
</tr>
<tr>
<td>2</td>
<td>31551002</td>
<td>Tirupati</td>
<td>8</td>
<td>45.7</td>
</tr>
<tr>
<td>3</td>
<td>31551003</td>
<td>Vijayawada</td>
<td>6</td>
<td>80.84</td>
</tr>
<tr>
<td></td>
<td><strong>Total (A)</strong></td>
<td></td>
<td><strong>27</strong></td>
<td><strong>208.08</strong></td>
</tr>
</tbody>
</table>

5Nos DPRs submitted to M/s.PFCLtd., and sanction is awaited

<table>
<thead>
<tr>
<th>Sl.No</th>
<th>Name of the circle</th>
<th>No. of Towns covered</th>
<th>Estimated DPR cost (Rs. Crs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Ongole</td>
<td>4</td>
<td>28.02</td>
</tr>
<tr>
<td>5</td>
<td>Nellore</td>
<td>4</td>
<td>28.40</td>
</tr>
<tr>
<td>6</td>
<td>Kadapa</td>
<td>7</td>
<td>30.55</td>
</tr>
<tr>
<td>7</td>
<td>Anantapur</td>
<td>7</td>
<td>29.11</td>
</tr>
<tr>
<td>8</td>
<td>Kurnool</td>
<td>5</td>
<td>27.60</td>
</tr>
<tr>
<td></td>
<td><strong>Total (B)</strong></td>
<td><strong>27</strong></td>
<td><strong>143.68</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Grand Total (A+B)</strong></td>
<td><strong>54</strong></td>
<td><strong>351.76</strong></td>
</tr>
</tbody>
</table>

* The DPR cost may vary depending upon the sanction of the project for the balance 5 Districts.

Hence you are requested to come to this office along with Non-Judicial stamp paper, worth of Rs.100/- for signing the agreement/contract with APSPDCL within 21 days from the date of issue of this LOA.

Receipt of this LOA may be acknowledged.

Yours faithfully,

**EXECUTIVE DIRECTOR/PROJECTS**

**APSPDCL : TIRUPATI**

Copy submitted to the Advisor to the Secretary, Energy dept, AP secretariat, Hyderabad
Copy to the Chief Engineer/IT&Telecome/APtransco/Vidyuth soudha/Hyderabad
Agreement No. 14 /2015-16

Agreement
between

PFC Consulting Ltd.
and
Southern Power Distribution Company of A.P. Ltd.
(APSPDCL)

for

Project Management Agency Under Integrated Power Development Scheme (IPDS)

CONSULTANT:
Sh. Yogesh Juneja
General Manager
PFC Consulting Ltd.
1st Floor, "Urjanidhi" 1,Barakhambha Lane,
Connaught Place, New Delhi – 110 001.

CLIENT
Smt. T. Vanaja
Executive Director/Projects
APSPDCL, Tirupati-517503

17/11/15
EXECUTIVE DIRECTOR
PROJECTS
APSPDCL::TIRUPATI
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2. Definitions and Interpretations.
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4. Tenure of Appointment
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10. Modifications and alterations to the agreement
11. Abandonment, suspension or termination
12. Invoice bills
13. Other Terms & Conditions
14. Jurisdiction
15. Force Majeure
16. Arbitration
17. Dispute Resolution, Governing Law And Jurisdiction
18. Performance security
1) This Agreement is made at Tirupati on 17th day of November, 2015 between:

Southern Power Distribution Company of A.P. Ltd. (APSPDCL), having its Registered office at Tirupati-517503 (hereinafter referred to as "Client") which expression shall, unless repugnant to or inconsistent with the context, mean and include its successors and permitted assigns of the FIRST PART.

AND

PFC Consulting Ltd. (PFCCL), a Government of India Company incorporated under the Companies Act, 1956 and having its registered office at 1st Floor, Urjanidhi, 1,
Barakhamba Lane, Connaught Place, New Delhi – 110001 (hereinafter referred to as “Consultant") which expression shall, unless repugnant to or inconsistent with the context, mean and include its successor and permitted assigns of the SECOND PART.

(Hereinafter collectively referred to as “Parties” and individually as “Party”):

WHEREAS the Client is desirous of appointing a Consultant to provide consultancy to the Client and for “Providing services as Project Management Agency (PMA) for implementation of Integrated Power Development scheme (IPDS) in Southern Power Distribution Company of A.P. Ltd”. Both the parties have come to understanding for the assignment to be undertaken by M/s. PFCCCL for which the client issued Letter of Acceptance no. ED/Proj/DE/Proj/ADE-P/ IPDS LOAVD.No.1855 /15 dated 12.06.2015 with consultancy fees @ 1% of the approved cost of DPR plus service tax extra as applicable at the time of payment.

NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

(i) In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Contract referred to.
(ii) The following documents (collectively referred to as “Contract Documents”) shall be deemed to form and be read and construed as part of this Agreement, viz.:

1) PFCCCL proposal dated 09.01.2015 and letter dated 29.04.2015 & 27.05.2015
2) APSPDCL Letter of Acceptance dated 12.06.2015
3) Scope of Work
4) Period of Assignment
5) Consultancy Fee
6) Deliverables
7) Payment Terms
8) Drop Dead Fee
9) Other Terms & Conditions

In the event of any discrepancy or inconsistency within the Contract documents, then the documents shall prevail in the order listed above.

In consideration of the payments to be made by the Client to the Consultant as indicated in this Agreement, the Consultant hereby covenants with the Client to provide the Related Services and to remedy defects therein in conformity in all respects with the provisions of the Contract.

2. DEFINITIONS AND INTERPRETATIONS:

a. Definitions

The following words and expressions shall have the meanings assigned to them except where the context otherwise requires:

“AGREEMENT” means the Client/Consultant Services Agreement.
“CLIENT” means the party named in the Agreement, who employs the Consultant, and legal successors to the Client and permitted assigns.

“CONSULTANT” means the party named in the Agreement, who is employed as an independent firm by the Client to perform the Services and legal successors to the Consultant and permitted assigns.

“DAY” means the period of twenty-four hours commencing with the midnight of any day.

"FEES" means the amount of money to be paid to the Consultant by the Client for Services rendered by the Consultant to the Client.

"MONTH" means the period of one month according to the Gregorian calendar commencing with any day of the month.

"PARTY" and "PARTIES" means the Client and the Consultant and "Third Party" means any other person or entity as the context requires.

"SERVICES" means the Services to be provided/ carried out by the Consultant in accordance with the Agreement and comprise normal services, as per the scope of work and additional services and exceptional services.

"Utility/ Utilities" means Southern Power Distribution Company of A.P. Ltd. (APSPDCL)

b. Interpretations

i. The headings in the Agreement shall not be used in its interpretation.

The singular includes the plural, the masculine includes the feminine, and vice-versa, where the context so requires.

3. SCOPE OF WORK:

The scope of work is providing services as Project Management Agency (PMA) for implementation of Integrated Power Development scheme (IPDS) in Southern Power Distribution Company of A.P. Ltd. (APSPDCL).

The scope of work for the assignment is as follows:

i. Monitoring and coordination of bidding process (Mandatory):
   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.

ii. Project Planning and Implementation (Mandatory):
   a) Assisting APSPDCLs in preparation of detailed work implementation schedule in association with turnkey/ semi-turnkey contractor.
   b) Coordination & monitoring of project implementation activities.
   c) To monitor DPR wise monthly physical & financial progress of the scheme, prepare a consolidated report & submit to utility for onward submission to Nodal Agency.

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d) Identification of anticipated bottlenecks in project implementation & preparation of remedial action plan in consultation with utilities & project implementing agency (Contractor).
e) To assist utilities to verify creation of assets from asset register of the utility.
f) Recommend the claim of utility 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.
g) Submit a report to Nodal Agency, regarding Project Completion and expenditure incurred along with recommendation in accordance with the guidelines.
h) To assist utility in supervision of flow of funds in dedicated bank account of projects.

iii. Quality Monitoring (Mandatory):

a) To prepare a Quality Assurance (QA) Plan with the approval of the utility
b) To carry out 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).

iv. MIS & Web Portal updation (Mandatory):

a) Assisting utilities in timely updation of information on utility / Nodal Agency Web Portal.
b) Periodic reporting to the Project Management Cell of utility.

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

vi. Project closure & other related activities (Mandatory):

a. Recording and submission of as built vendor data
b. Providing an operation and maintenance Manuals in consultation with the turnkey/ partial turnkey contractor to be followed after completion of work.
c. Assisting in keeping record for unforeseen circumstances during execution.
d. To assist in preparation of reconciliation statement and closure report
e. Assisting taking over the executed works.
f. Any other job not specifically mentioned but are required to complete the work in totality are deemed to be include in the scope of work.

4. TENURE OF APPOINTMENT:

The term of appointment of the PMA shall be for (6+24+3=33) months i.e. Six (6) months for assistance in Bid Process and Award of Contract by APSPDCL for appointment of turnkey/ partial turnkey contractor, 24 months for completion of work under the scheme as a PMA plus 3 months for associated activities after completion of works, when all DPRs of the utility are submitted by utility and approved by Monitory Committee in one
go. If the DPRs are submitted and approved in phased manner, the term of appointment shall be suitably modified to accommodate the time gap between first and last approval of DPR of the utility. In case of extension in execution of works beyond 24 months, the services of the PMA shall suitably be extended by the utility.

**Time Lines:**

Timeline for major activities is given below:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Activity</th>
<th>Timeline</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Reporting of Personnel deployed and establishment of offices.</td>
<td>15 Days after date of entering into agreement for corporate office.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>For circles, 15 days after the issuance of LoA to the selected turnkey/partial turnkey contractor or as per the directions of APSPDCL.</td>
</tr>
<tr>
<td>2</td>
<td>Assistance in Finalization of tender documents on the basis of Standard Bid Document</td>
<td>Within 30 Days after signing of the agreement.</td>
</tr>
<tr>
<td>3</td>
<td>Bid Evaluation Report</td>
<td>Within 21 Days after opening of Part I of bid to APSPDCL.</td>
</tr>
<tr>
<td>4</td>
<td>Supervision and monitoring of all site works under the scope of implementing agency including quality checks in respect of material used as per Quality Assurance Plan (QAP) for IPDS works including reporting and updation of web portal and associated activities after completion of the works including Preparation and Submission of closure proposals</td>
<td>Till the Agreement Period.</td>
</tr>
</tbody>
</table>

5. **CONSULTANCY FEE:**

The total consultancy fee for the scope of work for providing services as Project Management Agency (PMA) for implementation of IPDS would be **1% (One percent)** of the approved cost of DPR plus service tax extra as applicable at the time of payment.

The consultancy amount for the approved cost of DPRs for 3 districts as on date is shown in the Annexure and consultancy amount shall be amended whenever PFC sanctions the remaining DPRs for 5 districts under IPDS scheme.

6. **DELIVERABLES:**

a) **Key Personal to be Deployed & Establishment and Coordination:**

The Educational Qualification of the key staff professional by PFCCL/sub-consultant of PFCCL shall be as follows:
<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Team Composition</th>
<th>Number of persons</th>
<th>Required Qualifications</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Project Group Manager (Project leader for the assignment)</td>
<td>1</td>
<td>Graduated in Electrical Engineering (or equivalent). At least 10 years' experience in the power distribution system in India, with experience in quality management in power distribution works, should have excellent project management and interpersonal skills sound experience as team leader in project management of a sizeable team composing national experts plus financial management experience (At Corporate office)</td>
</tr>
<tr>
<td>2</td>
<td>Project Engineer (Electrical)</td>
<td>5</td>
<td>Graduated in Electrical Engineering (or equivalent). At least 5 years' experience in the power distribution system in India, with experience in quality management in power distribution works - 5 Nos (1 No. for Guntur, 1 No for Vijayawada, 1 No for Tirupati &amp; Nellore, 1 No. Kadapa &amp; Anathpur, 1 No. for Kurnool &amp; Ongole)</td>
</tr>
<tr>
<td>3</td>
<td>MIS consultant</td>
<td>1</td>
<td>MBA/Graduate Engineer in Electrical with 2 years experience in Power Distribution Sector (at Corporate Office)</td>
</tr>
</tbody>
</table>

i. M/s. PFCCL/ sub-consultant of PFCCL has to establish their offices including deployment of requisite manpower, vehicles and other infrastructure to supervise the project suitably at utility headquarter's at corporate office and circle/district level to oversee the project for smooth interface with utility and contractor on day to day basis.

ii. Two designated person viz. one Project Group Manager, one MIS consultant have to be stationed on full time basis at Corporate Office headquarter (Tirupati).

iii. The Project Group Manager shall work as Team leader and coordinate with the designated persons in the utility.

iv. The PMA team shall be available in office(s) on all of the utility working days. Leave policy of the PMA team shall be according to their parent firm policy.

v. PMA should attend all the meetings conducted by the Gol/PFC/APS/PSDCL by making their own arrangements. No extra payment will be made in this regard.

b) Right to Vary Number of Resources:

If the number of people originally specified in the agreement are required to be changed for timely completion of assignment, then additional manpower as may be
required would be deployed by PFCCIL/ Sub-consultant of PFCCIL which would be mutually agreed between the parties.

c) Responsibilities of the Manpower of PMA:
i. The deployed manpower of PFCCIL/ sub-consultant of PFCCIL will maintain office decorum. They will be courteous, polite and cooperative.
ii. The deployed manpower will adhere to the office timings and follow all rules, regulations and policies as decided by APSPDCL.
iii. The deployed manpower consultants will be responsible for any damage to equipments, property and third party liabilities caused by their acts in the premise of APSPDCL. They will use all equipment only for the purpose of carrying out their legitimate business of APSPDCL and will not put to any other use. For any damages, the extent of damage as decided by APSPDCL will be final.
iv. The PMA will need to possess multi-dimensional capability to adequately meet the requirement of the contract/ award;
v. The PMA & its designated man power will need to be able to work efficiently with senior management and officers of APSPDCL;
vi. The PMA will bring proven knowledge and experience of handling project monitoring and efficiency improvement assignments.
vii. The PMA and its designated man power shall bring their own laptops and data card for carrying out their activities.

d) Reports:
i) The consultant will prepare and submit the following reports (as given below) to the Employer on the format prepared by the PFCCILs and as approved by the Employer (except for commencement report)
ii) The Commencement Report shall contain the details of all meetings held with the Client and the contractor and decisions taken therein, the resources mobilized by the PFCCIL/ Sub-consultant of PFCCIL as well as the contractor and the PFCCILs' 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 (PFCCILs' and the contractor),

Detailed compliance report of each activity, progress with photo and videography 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.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Report</th>
<th>Frequency</th>
<th>Due Date/Time</th>
<th>No. of Copies</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Inception Report</td>
<td>One time</td>
<td>15 days after commencement of services.</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>Progress Report</td>
<td>Every month</td>
<td>Before 3rd day of the following month</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>Progress Report</td>
<td>Every 3 month</td>
<td>Before 10th day of the following 3rd month</td>
<td>2</td>
</tr>
<tr>
<td>Sl. No.</td>
<td>Report</td>
<td>Frequency</td>
<td>Due Date/Time</td>
<td>No. of Copies</td>
</tr>
<tr>
<td>--------</td>
<td>--------------------------------------------------</td>
<td>----------------------------</td>
<td>-----------------------------</td>
<td>---------------</td>
</tr>
<tr>
<td>4</td>
<td>Special Reports, if required by APSPDCL</td>
<td>As and when required</td>
<td>On immediate basis</td>
<td>2</td>
</tr>
<tr>
<td>5</td>
<td>Special Reports on any important feature aspect like claim variation etc.</td>
<td>Whenever Needed</td>
<td>On immediate basis</td>
<td>2</td>
</tr>
<tr>
<td>6</td>
<td>Final Report</td>
<td>Onetime</td>
<td>Within 30 days of completion of services/contract</td>
<td>2</td>
</tr>
</tbody>
</table>

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.

7. **PAYMENT TERMS:**

A) Payment Clause:

i) The fee would be payable in the following manner:

a) 10% (ten percent) of Consultancy Fee as mobilization Advance on sanctioned DPRs after entering into agreement and establishing office at Corporate Office and deploying personnel.

b) 15% (fifteen percent) of the Consultancy Fee on placement of Letter of Award by APSPDCL on pro-rata basis of individual package cost of sanctioned DPR.

c) 65% of the consultancy fee shall be paid in two components:

i) Fixed payment @1/9 of 35% of the Consultancy Fee shall be released on quarterly basis as per the sanctioned DPR cost of the package/packages awarded as on the date of claiming the bill for the month.

ii) Balance 30% of the consultancy fee (on approve DPR) shall be released pro rata linked with the disbursements for the projects.

iii) Balance 10% of the consultancy fee shall be released after 3 months of completion of works and release of final installment of grant to the APSPDCL by Nodal Agency.

ii) The PMA shall raise invoices for services rendered circle-wise and submit to the APSPDCL Nodal Officer for payment. For the resources deployed at circle level, the concerned Superintending Engineer/Operation has to certify on the invoices raised by M/s. PFCCCL, for processing the bills at Corporate Office.

iii) The PMA request for payment shall be made in writing, accompanied by invoices describing, as appropriate, the related PMA services performed, and by the documents submitted pursuant to conditions of the contract and upon fulfillment of all the obligations stipulated in the awarded Contract. The PMA shall furnish a copy of the monthly progress report along with the invoice.

iv) Payments shall be made within 45 days by the APSPDCL as per the quoted rates.
and after submission of an invoice (in triplicate) for payment by the PFCCCL, and the APSPDCL has accepted it. However, any delay in payment will not entitle the contractor for any compensation or form ground for extension in delivery period without liquidated damages.

v) All services rendered by the PMA will be verified, validated and approved by the appropriate Nodal Officer of APSPDCLs or nominated officer before payments are released to the service provider as per the terms and conditions of the agreement.

vi) The currency or currencies in which payments shall be made to the PMA under this Contract shall be Indian Rupees (INR) only.

vii) All remittance charges will be borne by M/s. PFCCCL, New Delhi.

viii) In case of disputes, 20% of the amount shall be withheld and will be paid only after settlement of the dispute.

ix) Payment schedule for the bid will be on quarterly basis after the computation and deduction of all applicable penalties for that quarter.

x) In case the contract period exceeds beyond 33 months from the date of signing of the agreement because of reasons not attributable to PFCCCL, APSPDCL shall extend the contract period as per mutually agreed terms by APSPDCL and PFCCCL.

xi) All payments will be made through RTGS only. No payment would be made either Cheque/Cash/DD. The PFCCCL is required to give its bank details like name of the Account holder, Bank & Branch name code, Account No., Type of account, IFSC code to the paying authority immediately after entering into this agreement.

8. DROP DEAD FEE:

APSPDCL has right to rescind / terminate the agreement for the above work for poor performance, slow progress of PFCCCL or decision of board as the case may be at any time by giving one week advance notice and in such an event PFCCCL cannot claim any damages or compensation except for the proportionate output of work so achieved. To ensure the same, the agency shall before commencement of the work determine and communicate to APSPDCL in writing of the programmed time lines with breakup shall be read in consonance with the payment schedule for the purpose of any arbitration in the matter. PFCCCL shall refund the amount to APSPDCL after deducting the charges to the extent of the assignment carried out at the time of termination of the contract.

9. COMMENCEMENT AND COMPLETION:

The Agreement is effective from the date of appending of signature necessary to complete the formal Agreement or the receipt of first payment date, whichever is later and the effective completion date of the project would be 33 months from the effective date as per the Clause-4. The completion period shall be extended based on mutual discussion depending upon the constraints being faced during execution of the assignment.

10. MODIFICATION AND ALTERATIONS TO THE AGREEMENT:

Should circumstances arise which call for modification of the Agreement, these may be made by mutual consent in writing. Proposal in this respect from one Party shall be given due consideration by the other Party.
11. ABANDONMENT, SUSPENSION OR TERMINATION OF AGREEMENT:

a) By Notice of the Client

The Client may suspend all or part of the Services or terminate the Agreement by giving notice, in writing, of at least 30 days to the Consultant who shall immediately make arrangements to stop the Services and minimize expenditure provided the Client considers that the Consultant is, without good reason, not discharging his obligations, the Client can inform the Consultant by notice stating the grounds for the notice. If a satisfactory reply is not received within 15 days, the Client can by a further notice, in writing, terminate the Agreement provided that such further notice is given within 30 days of the Client's earlier notice.

b) By Notice of the Consultant

The Consultant may, by written notice to the Client, terminate this Agreement if:

1. He has not received payment of that part of any invoice which is not contested within Forty five (45) days of submission thereof;

The services have been postponed as provided in the Agreement and the period of postponement has exceeded thirty (30) days.

12. INVOICE/BILLS:

All the bills/invoices shall be submitted in duplicate and addressed to The Nodal Officer, IPDS, APSPDCCL, Corporate Office, Tirupati. All the payments shall be made to M/s. PFCCCL within 45 days of claiming the same through RTGS only. No payment would be made either cheque/cash/DD. The PFCCCL is required to give its Bank details like Name of the Account Holder, Bank & Branch name Branch code, Account No., Type of account, IFSC code to the paying authority immediately after entering in to this agreement.

13. OTHER TERMS & CONDITIONS:

a) APSPDCCL shall, so as not to delay the services and within a reasonable time, provide to PFCCCL free of cost information/data, or arrange for such information as may be required to provide the services for the subject assignment.

b) In order to ensure smooth operations, APSPDCCL shall appoint a Nodal Officer for the assignment who will provide various inputs like accounts data etc. throughout the execution of the assignment. Further, APSPDCCL shall also participate along with Consultant in all the internal/external discussions and meetings related to the assignment.

c) PFCCCL 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.

d) PFCCCL's services shall be purely advisory in nature including all documents and recommendations and PFCCCL shall in no way be responsible or hold any liability for any disputes, lawsuits and or consequential loss, damages to either APSPDCCL or any other party in any manner whatsoever.

c) PFCCCL will not use the documents/information and other data received from APSPDCCL for any other purpose and the same will not be disclosed to any
other person except to the extent required and utmost secrecy shall be maintained.

f) Wherever relevant data/input required for the assignment, is not available from APSPDCL, suitable assumptions would be made by PFCCCL under intimation to APSPDCL. PFCCCL will proceed with the assumptions only after due approval from APSPDCL.

g) If the anticipated information/facility/ decision is delayed from APSPDCL, and the nature of inputs from APSPDCL is such that it is essential for the continuation of the assignment, APSPDCL and Consultant shall agree on how the affected part of the services shall be carried out.

h) PFCCCL shall not be responsible for the quality, correctness and timeliness of the output and advice / recommendations emerging on the basis of data/ information provided by APSPDCL in as much as this data/ information is non-representative.

i) Once the advice / recommendations of PFCCCL are accepted by APSPDCL or APSPDCL decides to ignore the advice i.e. acts in a manner not consistent with the advice of PFCCCL or PFCCCL is directed otherwise, PFCCCL shall in no way be responsible or hold any liability for any disputes/ legal cases and or consequential loss, damages to either APSPDCL or any other party in any manner whatsoever.

j) APSPDCL 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 PFCCCL shall in no way be responsible to bear either the charges or put in any extra effort in order to assist APSPDCL in such activities relating to such law suits.

k) PFCCCL will follow its own procedures/ systems for all the activities relating to the assignment including appointment of Sub-Consultants, engaging other agencies for any purpose/activities related to the assignment.

l) Recommendations, suggestions of PFCCCL for stages once accepted by APSPDCL (including as per clause (i) above, shall not be revisited or revised due to any change in the views of APSPDCL or Govt.

m) PFCCCL will not participate in any discussion/ make presentations/ offer justification with any other consulting agency/lender etc. which is not covered under scope of work.

n) PFCCCL reserves the right to appoint sub Consultant(s) for the assignment for which no charges shall be levied to APSPDCL and the responsibility for the assignment will continue to be that of PFCCCL.

o) PFCCCL would normally require a prior notice of at least two working days for attending any meeting/ discussion/hearing etc.

p) All payments would be made by APSPDCL within 45 days from PFCCCL claiming the same.

q) APSPDCL shall obtain any clarifications/information from PFCCCL in writing during the course of consultancy services or after completion of the contract. PFCCCL is bound to comply with the above mentioned requirements and communicate in writing.

r) APSPDCL will facilitate meetings with other agencies, Government authorities in obtaining available data, specifications that may be required for completing the assignment.
14. JURISDICTION:

All legal proceedings in connection with this contract will be subject to the jurisdiction of the local courts where the headquarters of the Client is situated, viz. Tirupati.

15. FORCE MAJEURE:

If at any time during the continuance of the work the performance in whole or in part by either party or any obligation under this contract, shall be prevented or delayed by reasons, of any war, hostility, acts of public enemy, Civil Commotion, sabotage, floods, explosion, epidemics, fires or other acts of God, strikes and locked out (hereinafter referred to as eventualities) then, provided notice of the happening of any such eventuality is given by either party to the other within 15 days from the date of occurrence thereof, neither party shall on arising of such eventuality be entitled to terminate this contract nor shall either party have any claim for damages against the other in respect of such non performance or delay in performance and construction of work under this contract shall be resumed as soon as practicable after such eventuality has ceased. Appropriate extension in time of completion shall be granted.

In case a Force Majeure situation occurs with the APSPDCL, the APSPDCL may take the case with the contractor on similar lines.

16. ARBITRATION:

In the event of any dispute or difference at any time arising between the parties relating to the construction meaning or effect of this agreement or any other clause or any content of the rights and liabilities of the parties or other matters specified here in or with reference to anything arising out of or incidental to this agreement or otherwise in relation to the terms, whether during the continuance of this agreement of thereafter, such disputes or differences shall be endeavored to be solved by mutual negotiations. If however, such negotiations are in fructuous, they shall be decided by arbitration. Such a reference shall be deemed to be a submission to arbitration under the India Arbitration & Conciliation Act, 1996 and of any modification or re-enactment thereof.

17. DISPUTE RESOLUTION, GOVERNING LAW AND JURISDICTION

i. If at any time any dispute, differences or question arises between the Parties concerning the interpretation, rights, liabilities, duties and obligations arising out this Agreement, then the same shall in the first instance be settled amicably between the Parties through mutual discussions and negotiations.

ii. If mutual agreement cannot be reached within thirty (30) days after the commencement of such negotiations, then either Party shall be free to refer such dispute to arbitration in accordance with the provisions of the (Indian) Arbitration & Conciliation Act, 1996 and/or any subsequent statutory modifications or amendment thereto. A sole arbitrator shall be appointed in accordance with the Arbitration and Conciliation Act, 1996 and his/her decision shall be final and binding on both the Parties. The seat of the arbitration shall be at Tirupati and the language of arbitration proceeding shall be English. Each Party shall bear its own cost for arbitration. This Agreement shall be construed, interpreted, and enforced pursuant to the laws of India.

[Signatures]

EXECUTIVE DIRECTOR
PROJECTS
APSPDCL::TIRUPATI
and all disputes arising out this Agreement shall be subject to the sole and exclusive jurisdiction of the courts of Tirupati.

18. PERFORMANCE SECURITY:

Exempted at the request of the consultant.

For and on behalf of PFC Consulting Ltd.

Signed & delivered by

(Sh. YOGESH JUNEJA)

General Manager

For and on behalf of APSPDCL

Signed & delivered by

(SMT. T. VANAJA)

Executive Director/Projects
### Annexure

Consultancy Amount to be paid to PFCCCL**

<table>
<thead>
<tr>
<th>S.No</th>
<th>Grant Number</th>
<th>Name of Circle</th>
<th>Towns Covered</th>
<th>Approved DPR Cost (Rs.Crs)</th>
<th>1% Approved DPR Cost (Rs.Crs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>31551001</td>
<td>Guntur</td>
<td>Chilakaluripeta, Repalli, Bapatla, Vinukonda, Sattenapalli, Macherla, Guntur, Tenali, Mangalagiri, Narasaraopeta, Ponner, Tadepalli, Piduguralla</td>
<td>81.54</td>
<td>0.8154</td>
</tr>
<tr>
<td>2</td>
<td>31551002</td>
<td>Tirupati</td>
<td>Puttur, Nagari, Madanapalli, Punganur, Chittoor, Palamaner, Srikalhasiliti, Tirupati</td>
<td>45.70</td>
<td>0.457</td>
</tr>
<tr>
<td>3</td>
<td>31551003</td>
<td>Vijayawada</td>
<td>Gudiwada, Nuziveedu, Machilipatnam, Jaggaihpeta, Vijayawada, Pedana</td>
<td>80.84</td>
<td>0.8084</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td>208.08</td>
<td>2.0808</td>
</tr>
</tbody>
</table>

** The consultancy amount for the approved cost of DPRs for 3 districts as on date is shown above and consultancy amount shall be amended whenever PFC sanctions the remaining DPRs for 5 districts under IPDS scheme.

EXECUTIVE DIRECTOR
PROJECTS
APSPDCL::TIRUPATI

[Signature]

11/11/15