INDIA NON JUDICIAL
Government of Karnataka

Certificate No. : IN-KA62203988805711N
Certificate Issued Date: 18-May-2015 02:45 PM
Account Reference: NONACC (FI)/ kabacsl08/ BANGALORE/ KA-BA
Unique Doc. Reference: SUBIN-KAKABACSL0873995341695453N
Purchased by: REC POWER DISTRIBUTION COMPANY LIMITED NEW DELHI
Description of Document: Article 12 Bond
Description: CONTRACT AGREEMENT
Consideration Price (Rs.): 0 (Zero)
First Party: REC POWER DISTRIBUTION COMPANY LIMITED NEW DELHI
Second Party: BESCOM
Stamp Duty Paid By: REC POWER DISTRIBUTION COMPANY LIMITED NEW DELHI
Stamp Duty Amount (Rs.): 200 (Two Hundred only)

Authorized Signatory
For The Bangalore Advocates' Co-operative Society Ltd.

Agreement No. RECPDCL/BESCOM/DPR/14-15/ 329(6)
Dated: 16.06.2015.

This agreement has been executed at Bangalore on 16th day of June 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 “RECPDCL”) of one part and of Bangalore Electricity Supply Company Limited, a company formed and incorporated in India under the Companies Act, 1956, with its registered office located at K. R. Circle, Bangalore-560001 Karnataka (hereinafter called the “BESCOM”) of the other part.

AJAY KUMAR GUPTA
Chief Technical Officer, PARASOL - Nitin Patel
REC Power Distribution Company Ltd.
1016-1023, 10th Floor, Devika Towers, Nehru Place, New Delhi-110019

General Manager, Projects, Corporate Office,
BESCOM.
AND WHEREAS the RECPDCL has submitted the offer vide letter no. RECPDCL/TECH/BD/2014-15/1788 dated 05.01.2015 & subsequent letter no. RECPDCL/TECH/BD/2015-16/244 dated 05.05.2015 for DPR Preparation & Project Management Agency (PMA) under DDUGJY, IPDS & Departmental Schemes of Bangalore Electricity Supply Company Limited (BESCOM) and accepted vide letter no. BESCOM/GM/(proj)/DGM/AGM/BC-14/15-16/201-206 Dated 15.04.2015 & letter no. BESCOM/GM/(proj)/DGM/AGM/BC-14/15-16/505 Dated 16.05.2015 by BESCOM (copy of the letters are enclosed with this agreement as part & parcel of this agreement).

NOW THEREFORE THESE PRESENT WITNESS 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 BESCOM as hereinbefore mentioned the RECPDCL shall and will duly provide & maintain the said work of Preparation of DPR and PMA Services for Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY), Integrated Power Development Scheme (IPDS) and Departmental Scheme of BESCOM 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) for IPDS Scheme:-

a) Assisting in formulation of Detailed Project Report, 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 Preparation of Detailed project reports (DPRs) for DDUGJY Scheme:-

a) Preparation of DPRs and submission online to nodal agency as per guidelines through BESCOM after certification of concerned SEs for 08 Districts of Bangalore Electricity Supply Company Limited as per the requirement of BESCOM, for laying Rural Electricity Infrastructure and electrification of RHH/BPL and electrification of villages/habitations based on physical survey.

b) The field survey through GPS may be done covering all villages/habitations, i.e. habitations having population less than 100 only; their status shall be assessed in respect of Electrified, Partially Electrified and Un-Electrified habitations. SLD/data shall be provided for same.

c) To cater the left out works in the habitations (un-electrified/de-electrified & partially electrified) towards energisation of habitations as per census 2011 to release the service connection to left out rural households & not covered under the survey of RGGVY earlier scheme.

d) The location of existing (covering DT & HT), proposed infrastructure network (covering HT & DT) shall be assessed during survey, however other parameters shall also be assessed based on the acceptable records / documents /information provided by BESCOM, However feeder segregation covered under NJY State Govt. scheme shall not be covered in this DPR.

e) Since record of habitations is not available with BESCOM, National Habitation Survey data (NHS) 2003 (http://164.100.194.23/habquery/sel_level.asp.) will be referred for initiating the survey of the area.

Signed by:

[Signature]

General Manager (Ele.)

Projects, Corporate Office,
f) BPL households shall be covered as declared by Govt. of Karnataka and as provided by BESCOM. Block-wise/village-wise/habitation-wise updated authenticated data about the BPL households shall be provided by BESCOM in advance prior to take up the field survey work. Record of BPL, APL, ST & SC consumers already electrified shall be assessed during survey.

g) Village under Saansad Adarsh Gram Yojana (SAGY) shall be surveyed in consultation with BESCOM.

1.3 Monitoring and coordination of bidding process:


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.

1.4 Project Planning and Implementation

a. Assisting BESCOM 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.

1.5 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).

1.6 MIS & Web Portal up-ation.

a. Assisting utilities in timely up-ation of information on Web portal.

b. Periodic reporting to the Project Management Cell of BESCOM.

2. Time Schedule of the Project:

The total duration of the contract period would be Thirty Four (34) Calendar Months from the date of entering into Agreement / date of award of work / receipt of advance payment / providing related documents whichever is later, shall be as below:

2.1 Three (3) Calendar Months for Preparation of Detailed Project Reports (DPRs) under DDUGJY, however 1 extra calendar month shall be provided if field survey required for DPR preparation under IPDS scheme.

2.2 Three (3) Calendar Months for bidding process.

2.3 Twenty Four (24) Calendar Months for Project Monitoring.

2.4 Four (4) Calendar Months for project closure.

General Manager (Ele.,) Projects, Corporate Office, BESCOM.
3. Financial Implication

3.1 Contract Fee:

The contract fee will be @1.75 % of the DPR cost submitted to Nodal officer i.e. GM(Project) BESCOM as per joint survey conducted and verified by SEE's and approved by BESCOM.

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 NAD value(approx. 380 crores of DDUG.JY and 350 crores of IPDS). Balance amount on account of difference in DPR cost (submitted to Nodal officer i.e. GM(Projects) BESCOM after verification of concerned District SEE, BESCOM) from tentative NAD cost whichever is higher shall be payable at stage (b).

b) 20 % of the Consultancy Fee (of DPR cost submitted to Nodal officer i.e. GM(Projects) BESCOM after verification of concerned District SEE, BESCOM) on pro rata linked with the no. of Districts for which DPRs are approved, plus the balance amount as referred above at stage (a) shall be released.

c) 20 % of the Consultancy Fee (of DPR cost submitted to Nodal officer i.e. GM(Projects) BESCOM after verification of concerned District SEE, BESCOM) shall be released on Finalization and Award of Contract.

d) 40% of the Consultancy Fee shall be paid as under:

i. Fixed monthly payment @1/24 of 40% of the Consultancy Fee (of approved DPR cost submitted to Nodal officer i.e. GM (Projects) BESCOM after verification of concerned District SEE, BESCOM) shall be released on pro rata monthly basis.

e) 5% of the Contract Fee (of approved DPR cost submitted to Nodal officer i.e. GM (Projects) BESCOM after verification of concerned District SEE, BESCOM) shall be released on physical completion of the project.

4. Other Conditions:

a. In order to ensure smooth operations, the General Manager (projects) would be appointed by BESCOM 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/inputs required for the assignment, is not available from the BESCOM, suitable assumptions would be made by the RECPDCL under intimation to the BESCOM.

[Signature]

General Manager (Ele.,) Projects, Corporate Office, BESCOM.
c. If the anticipated information/facility/decision is delayed from the BESCOM, and the nature of inputs from the BESCOM is such that it is essential for the continuation of the assignment, the BESCOM and RECPDCL shall agree on how the affected part of the services shall be carried out.

d. All payments would be made by the BESCOM within 30 days from the date of invoice.

e. In case of any dispute, the matter shall be mutually decided between MD, BESCOM 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 BESCOM.

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 BESCOM. 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 BESCOM. 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 BESCOM/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 BESCOM 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. Only one time preparation of Detailed Project Reports (DPRs) is covered in the present scope of work and NOFN DPR will not cover in present scope of work.

m. The BESCOM 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 BESCOM in such activities relating to such law suits.

n. Recommendations, suggestions of the RECPDCL for stages once accepted by the BESCOM shall not be revisited or revised.
o. 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.

p. 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.

q. 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 BESCOM or any other party in any manner whatsoever.

r. 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, the RECPDCL would be charging, in addition to the above mentioned Consultancy fee, efforts put in by RECPDCL manpower @ Rs.35,000/- per manday (plus Taxes as applicable) 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 actuals, as certified by RECPDCL or as may be mutually agreed between the BESCOM and the RECPDCL.

5. Documents to be provided by BESCOM

   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 BESCOM.

   b) Block-wise/village-wise/habitation-wise updated authenticated data about the BPL/RHH households electrified and unelectrified.

   c) Updated and latest schedule of rates for various item of work shall be provided by BESCOM.

   d) List of Block-wise/village-wise/Habitations name having less than 100 populations, offgrid 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 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 40 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, BESCOM 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 BESCOM and RECPDCL good offices. The law applicable to the contract shall be the law in force in India. The Courts of Bangalore 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 BESCOM 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:**

BESCOM 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 BESCOM to make payment to RECPDCL in consultation with BESCOM, 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 BESCOM.

10. **Agreement:**

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

IN WITNESS WHEREOF THE PARTIES HAVE SCRIBED THEIR RESEPCTIVE HANDS ON THESE COVENANTS ON THE DAY AND YEAR HERE IN AFORE MENTIONED:

For REC Power Distribution Company Ltd. For Bangalore Electricity Supply Company Ltd.

![Signature](Image)

(Ajay Kumar)

Chief Technical Officer

In the presence of:

Witness

[Signature]

Mary Kumar

Sr. Proj. Manager, RECPDCL

[Signature]

Witness

[Signature]

BESCOM.

[Signature]

GMS, Projects, Corporate Office, BESCOM.

[Signature]

Witness

[Signature]

BESCOM - 560 001.
**Appointment of PMA for DDUGJY and IPDS – Reg**

gmprojects

**Sent:** Friday, June 19, 2015 1:11 PM
**To:** MDBESCOM
**Cc:** dtbescom

**Sub:** Appointment of PMA for DDUGJY and IPDS – Reg.
**Ref:** Mail dated 16.06.2015.

Respected sir,

In continuation to the trailing mail dated 16.06.2015 and as discussed yesterday morning regarding change of payment terms in the MoU draft approved earlier, I am here with attaching the MoU executed with West Bengal State Electricity Distribution Company Ltd., by M/s RECPDCL for kind perusal. The details of comparison in payment terms is as follows,

<table>
<thead>
<tr>
<th>As draft approved</th>
<th>RECPDCL request for change in payment terms.</th>
<th>MoU Executed with West Bengal State Electricity Distribution Company Ltd., by M/s RECPDCL</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 Contract Fee:</td>
<td>3.1 Contract Fee: The contract fee will be @1.75% of the DPR cost submitted to Nodal officer i.e. GM(Project) BESCOM as per joint survey conducted and verified by SEE’s and approved by PSCOM.</td>
<td>Payment Terms: Payment of contract fees will be in the following manner</td>
</tr>
</tbody>
</table>
| **The fee would be payable in the following manner:** | 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 NAD value(approx. 380 crores of DDUGJY and 350 crores of IPDS). Balance amount on account of difference in DPR cost (submitted to Nodal officer i.e. GM(Projects) BESCOM after verification of concerned District SEE, BESCOM) from tentative NAD cost whichever is higher shall | a)20% (Twenty percent) of the estimated contract fee with full adjustment of Mobilization Advance shall be released on submission of draft DPRs (pro rata linked with the no. of Districts for which DPRs are submitted). Balance amount on account of difference in total Project Cost as per approved DPR from sanctioned project cost shall be payable at stage (b), after adjustment of balance amount of Mobilisation Advance based on District wise approved project cost. |
| **b) 5% (Five percent) of the contract fee (an approved District wise Project Cost as per approved DPR) shall be released on approval of DPRs from Monitoring Committee (pro rata linked with the no. |

[tps://webmail.bescom.co.in/owa?actItem=84&nwesId=RgAAAAAz%2FqijG6%2FQR8lLrld%4EoeBwAtljZ3UR4PEnJTcDAAAAUaqHAAAAtljZ3U... 14/4]
be payable at stage (b).

b) 20% of the Consultancy Fee (of DPR cost submitted to Nodal officer i.e. GM(Projects) BESCOM after verification of concerned District SEE, BESCOM) on pro rata linked with the no. of Districts for which DPRs are approved, plus the balance amount as referred above at stage (a) shall be released.

c) 20% of the Consultancy Fee (of DPR cost submitted to Nodal officer i.e. GM(Projects) BESCOM after verification of concerned District SEE, BESCOM) shall be released on Finalization and Award of Contract.

d) 35% of the Consultancy Fee shall be paid as under:

i. Fixed monthly payment @1/24 of 35% of the Consultancy Fee (of approved DPR cost submitted to Nodal officer i.e. GM(Projects) BESCOM after verification of concerned District SEE, BESCOM) shall be released on pro rata monthly basis.

e) 10% of the Contract Fee (of approved DPR cost submitted to Nodal officer i.e. GM(Projects) BESCOM after verification of concerned District SEE, BESCOM) shall be released on physical completion of the project.

f) 20% of the Consultancy Fee (of DPR cost submitted to Nodal officer i.e. GM(Projects) BESCOM after verification of concerned District SEE, BESCOM) on pro rata linked with the no. of Districts for which DPRs are approved plus/minus the balance amount as referred above at stage (a) and “Mobilisation Advance” clause shall be released.

g) 5% (five percent) of the contract fee (on total Project Cost as per approved DPR) shall be released on finalization of tender documents and issuance of NITs.

d) 5% (Five percent) of the contract fee (on total Project Cost as per approved DPR) shall be released on Finalization and Award of Contract.

e) 60% (sixty percent) of the contract fee shall be paid in two components:

i. Fixed monthly payment @ 1/24 of 30% of contract fee (on total Project cost as per approved DPR) shall be released on monthly basis after award of contract on turnkey agency.

ii. Balance 30% of the contract fee (total project cost as per approved DPR) shall be released pro rata linked with the disbursements for the project (for every 10% disbursement 3% of consultancy fee).

f) 3% (Three percent) of the contract fee (on total project cost as per approved DPR) shall be released on physical completion of the project.

g) Balance 2% (Two percent) of the contract fee (on total project cost as per approved DPR) shall be released on final closure of the contracts.
3 (e) 10% of the Contract Fee (of approved DPR cost submitted to Nodal officer i.e. GM (Projects) BESCOM after verification of concerned District SEE, BESCOM) shall be released on physical completion of the project.

05% of the Contract Fee (of approved DPR cost submitted to Nodal officer i.e. GM (Projects) BESCOM after verification of concerned District SEE, BESCOM) shall be released on physical completion of the project.

All other terms & conditions were agreed by M/s RECPDCL.

Above is for perusal and if approved necessary changes in the payment terms will be modified and MoU will be executed as per the directions.

With regards,

(Koteppa S)
General Manager (Ele.,)
Projects, BESCOM.