GOVERNMENT OF SIKKIM
ENERGY AND POWER DEPARTMENT

M/s WAPCOS Ltd.
76-C, Institutional Area
Sector-18,
Gurgaon-122015

Sub: - “Letter of Award for providing assistance for review & recasting of DPR and Appointment of Project Management Agency (PMA) services for Integrated Power Development Scheme (IPDS) under Energy & Power Department, Government of Sikkim in Seven Towns of Sikkim State”.

Dear Sir,

With reference to your offer vide letter no. WAP/E/GoS/IPDS/DDU/GJ/15-16/2138 dated 14.05.2015 & consequent negotiation confirmation letter no. WAP/E/Sikkim/IPDS/DPR/2015/2097 (I), dated: 25.05.2015 for recasting of DPR and appointment of Project Management Consultant (PMC) for monitoring and supervision of quality of works under IPDS in State of Sikkim, we intend to place an order on you for above work on prices, terms & conditions stipulated hereunder:-

1.0 CONTRACT FEE:

<table>
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<tr>
<th>Sl. No.</th>
<th>Deliverable</th>
<th>Percentage Of total Value</th>
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<tbody>
<tr>
<td>1</td>
<td>DPR: Review/Recasting &amp; preparation of Supplementary DPR (Conditional on the basis of sanction of PFC)</td>
<td>0.5% of sanctioned amount by PFC</td>
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<tr>
<td>2</td>
<td>Bid Process Management with PMC</td>
<td>1% of sanctioned amount by PFC</td>
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2.0 Service tax at prevailing rate shall be allowable over and above the contract fee. Contract Fee shall not be liable for change for subsequent revision of project cost in course of implementation.

3.0 SCOPE OF WORK: - To assist Energy & Power Department, Government of Sikkim in following activities and the scope of PMA as defined in the Guidelines issued by MoP, Govt. of India.

3.1 Energy & Power Department, Govt. of Sikkim has already submitted the DPRs for seven towns of the State to PFC Ltd., the Nodal Agency for its consideration. If incase, the submitted DPRs is required to be reviewed & recast, the Energy & Power Department may ask the consultant to review & recast the DPRs of a particular town or all the towns as per suggestion of PFC Ltd., New Delhi and payment @ of 0.5% of the Contract Value based on the sanction amount for that particular Town(s) as indicated at Sl.No.1 in the terms & condition under Contract Fee shall be paid to the consultant.
3.2 Assist E&PD in preparation of tender documents along with Technical specification, Drawing, BOQ, Work schedule etc., for appointment of turnkey contractor.
3.3 Assist E&PD in bidding process (including pre bid meetings etc.) and Techno-Commercial & Financial Evaluation of bids.
3.4 Assist E&PD for placement of Letter of Award and related activities.
3.5 Assist E&PD in preparation of detailed project / work implementation schedule (PERT) in association with the turnkey contractor.
3.6 Assist E&PD in checking the Bar Chart for execution of the work, on verifying the survey report submitted by the turnkey contractor.
3.7 To monitor and supervise at every stage to ensure high quality construction, erection, commissioning & testing.
3.8 To assist in taking remedial actions to avoid slippages, cost and time overruns, delay by the contractor.
3.9 Finalization and approval of GTP, Technical specifications, drawings, approval of inspection reports and other reports etc.
3.10 Supervision and monitoring of all site works under the scope of implementing agency including quality checks in respect of material used and execution of works with specific emphasis on different elements, completions, timelines etc.
3.11 Supply chain management.
3.12 To ensure that the materials approved after inspection and test as required only are used.
3.13 Provide assistance for measurement of the material supplied, works executed by the turnkey contractor and certification of the bills submitted by turnkey contractor.
3.14 Verification of bills of contractor on the basis of measurement/ Progress of work.
3.15 Attend, organize, conduct meetings as desired by client and submit reports/proceeding of the meetings to client.
3.16 Preparation of work completion reports.
3.17 Preparation of scheme closure reports.
3.18 Successful completion of closure report.

4.0 **Time Schedule of the Project:** Total duration of the assignment would be 30 months from the date of signing of agreement, which includes:

<table>
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<tr>
<th>Sl. No.</th>
<th>Description</th>
<th>Time Schedule</th>
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<tbody>
<tr>
<td>1.</td>
<td>Review &amp; Recasting of DPR including preparation of supplementary DPR (if required) based on the sanction of PFC Ltd. (Conditional on the basis of sanction of PFC Ltd.)</td>
<td>03 Months</td>
</tr>
<tr>
<td>2.</td>
<td>Award of Contracts</td>
<td>03 Months</td>
</tr>
<tr>
<td>3.</td>
<td>Project monitoring as Project Management Agency (PMA)</td>
<td>24 Months</td>
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5.0 PAYMENT SCHEDULE (for Bid Management & PMC):

5.1 95% of contract value will be made to the consultant on pro rata basis i.e.: -

i) 50% of the Contract Value shall be paid in 8 instalments on quarterly basis (once in every three month) for successful completion of milestones without any delay in timelines.

ii) 45% of Contract Value shall be paid @ 1/24 per month for 24 months period, during execution of work by the Agency, for project monitoring by the consultant. This payment shall be applicable from the date of work order issued for turnkey works.

iii) Balance 5% of the Contract value shall be kept as “Retention Money” and will be released after successful completion of the entire work under the scope of the consultants/ agency.

5.2 Although the period of engagement for the PMA shall be 24 months from the date of appointment of the Turnkey contract, 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, the E&PD shall reserve its right to extend the period of engagement for the PMA for another 6 months without any extra remuneration.

6.0 PAYMENT SCHEDULE (for DPR Review & Recasting including preparation of supplementary DPR- if required):

6.1 100% payment of Contract Value shall be paid to the consultant on approval & sanction of the Revised / Recast / Supplementary DPR’s by PFC Ltd.

7.0 CONTRACT PERIOD:
The overall Contract period shall be of 30 months or till the completion of entire works whichever is later.

8.0 OTHER TERMS & CONDITIONS SHALL BE AS FOLLOWS:-

8.1 Work shall be executed as per specification and terms & conditions of Govt. of Sikkim.

8.2 All rules and regulations of Energy & Power Department of Government of Sikkim shall be observed.

8.3 Offices shall be established in Gangtok as well as in the District Headquarter of the towns awarded to you for smooth implementation of the projects with requisite manpower. Consultant/Agency will be responsible for such manpower deployment at its own cost & risk.

8.4 Establishment of offices, other infrastructures and manpower will be same for IPDS & DDUGJY project.
9.0 SECURITY DEPOSIT:
A Security Deposit / Guarantee of amount in Rupees equivalent to 05% of the total Contract Value shall be deposited in the form of Bank Guarantee from Nationalized / Scheduled Bank pledged in favour of Energy & Power Department, Govt. of Sikkim payable at Gangtok. Bank Guarantee shall be deposited within 15 days from the date of sanctioning of DPR. The Bank Guarantee is to remain valid for a period of six months from the date of completion of the contract in the first instance and shall have to be extended if required.

10. CONTRACT AGREEMENT:
You will have to execute a contract agreement with Energy & Power Department within thirty days from the date of placement of Letter of Award (LOA).

11. CORRESPONDENCE:
All correspondences are to be made at the following address:

The Chief Engineer (HQ) - cum- State Nodal Officer (IPDS)
Energy & Power Department,
Government of Sikkim,
Sangam Tshering Marg, Gangtok, Sikkim – 737101
Email: kunwarkb@gmail.com

Please acknowledge the receipt of this letter (LOA) and send your unequivocal acceptance with one signed copy of the LOA within seven days from the date of issue of this Letter of Award (LOA).

Yours faithfully,

(K.B Kunwar)
Chief Engineer (HQ) - cum - State Nodal officer (IPDS)