



DRAFT AGREEMENT



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FORM OF AGREEMENT

This Agreement is made at on thisday of 20..... between Maharashtra State Electricity Distribution Company Ltd, a Company incorporated under the Companies Act, 1956, having its Registered office at "Prakashgad, Bandra (East), Mumbai 400051", through (office of Executive Engineer of O&M Dn./Authorized representative of the MSEDCL) herein after referred to as the "MSEDCL"(Which expression shall unless it be repugnant to the subject context or meaning thereof be deemed to mean and include its successors and assignee's of ONE PART :

AND

(Name of Agency).....registered underbearing registration no.....having its registered office at(Address).....hereinafter referred to as the Agency which expression shall unless it be repugnant to the subject context or meaning thereof be deemed to mean and include it's successors and assignee's on the OTHER PART :

WHEREAS the Agency is desirous of undertaking the work of collection of payment of energy bills from the L.T. consumers of the MSEDCL and has in the meeting of its Board of Directors / Board of Trustees passed a resolution to that effect (copy of the said resolution is annexed to this Agreement) in accordance with the bylaws of the Society/Agency.



NOW IT IS HEREBY AGREED BETWEEN THE PARTIES HERETO AS FOLLOWS:

This Agreement witnesses that the MSEDCL has entrusted to the Agency L.T. energy bill collection work and the Agency has undertaken and shall perform the work through its branch located at _____ in the **Jurisdiction** of Division (If more than one Division under the same Circle is involved, enclose the list of Divisions) on behalf of the MSEDCL with effect from the said date in consideration of service charges per receipt as specified in **Annexure-I**.

DEFINITIONS

In this Agreement (including the recitals thereof), unless there is something inconsistent with the context, the following terms and expressions shall have the meaning set forth hereinafter:

- a) **"Agency"** shall mean and include "collecting Agent/Agent/Agency"
- b) **"Agreement"** shall mean this Service Agreement together with the Schedules thereto and shall include any modification and alternations, made in writing, after the date of execution of the Agreement;
- c) **"Bill or Bills"** shall mean energy consumption bills issued by the MSEDCL in respect of which the Agency has agreed and authorised by MSEDCL to provide collection services;
- d) **"Cheque"** means the cheque, demand draft, pay order eligible for local clearing;
- e) **"Consumers"** shall mean the customers of MSEDCL who make payment due to MSEDCL using the collection agencies counters;
- f) **"Collection Day"** shall mean the day on which the amount is collected by the Agency from the MSEDCL consumers.
- g) **"Collected Amount"** shall mean, with respect to a Bill, the amount collected by the Agency from the consumers and such amount shall include full amount of bill including any late payment charges or the other charges as applicable as may be stated in the bill;
- h) **"Collection Charges"** shall mean that the charges payable by the MSEDCL to Agency for providing of the services and as set out in **Annexure-I, Annexure-II and Annexure-III**.
- i) **"Confidentiality of Information"** shall have the meaning set forth in Clause No. D-3 under General Terms & Conditions.
- j) **"Due Date"** shall mean the date on which one of the Party is required to pay sum of money due to the other Party, as per the terms of the Agreement;
- k) **"Dispute"** shall mean and include differences arising out of deviations from / interpretations of the Clauses of the Agreement and performance of either party;



- l) **“Engineer In-Charge”** shall mean the Executive Engineer of the (O&M) Division under which the collection counter of the Agency is located.
- m) **“A force majeure”** means any event or circumstance or combination of both including those stated below and on which the Affected Party has no control, that wholly or partly prevents or incapacitates the Affected Party in performing its obligations under this Agreement, even after the affected party having taken all reasonable care or it having complied with prudent utility practices:
 - i) act of God, including, but not limited to lightning, drought, fire and explosion, accident, terrorist activities like sabotage, explosion or criminal damage, strike at National or State level, earthquake, volcanic eruption, landslide, flood, cyclone, typhoon, tornado;
 - ii) any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo.
- n) **“Monthly Invoice”** shall have the meaning set forth in **Annexure-IV**.
- o) **“Services”** shall mean the collection services and other incidental services to be provided by the Agency in relation to the collection amount from consumers and remittance of the same data transfer as per the terms of Agreement.



ARTICLE - 1

GENERAL TERMS AND CONDITIONS

A] SCOPE OF THE WORK & SECURITY DEPOSIT:

I) Scope of the work :

Collection of energy bills from Low Tension (L.T.) consumers of MSEDCL by the Agency through their branch _____ (specify location) in the Jurisdiction of Division, at the places specified by the MSEDCL for purposes of LT energy bills sent by the MSEDCL to the consumers concerned by issuing the computerized receipt. In exceptional cases, manual system will be in operation and in such cases the money receipts provided by MSEDCL is to be issued for each payment received from consumer. In no circumstances, Receipt should be given by embossing on bill stub or by stamping on the energy bill copy of the consumer.

- 1) MSEDCL may, through its Executive Engineer-in-charge of the Division concerned add/delete to the specified places the names of the newly electrified areas/villages/towns as and when necessary.
- 2) Collection includes collection of energy bills and additional security deposits only in terms of Cash/DD/cheque. Any other item of collection shall include service connection charges, deposit towards temporary or permanent service connection, as well as energy security deposits from the consumers, etc. that may be mutually agreed to between the parties to the Agreement.
- 3) The Agency shall collect the payment of computerized energy bills issued to LT consumers only and bills from HT consumer shall not be collected. The collecting Agency shall not accept part payment of bills.
- 4) Bill having manual correction can be accepted provided the same has been duly authenticated by the EE/DY EE/AE of the Division, Sub Division as the case may be under his name, signature & stamp.
- 5) The agency shall remit the amount collected as referred in (1), (2) and (3) above to the MSEDCL's Designated Bank Account maintained at the Division Office.
- 6) The Agency shall provide the bill collection services during the timing as per the requirement communicated by the Executive Engineer of the Division, however in the event of heavy rush of consumers, till such time the last consumers payment is accepted.

II) Security Deposit:

- 1) Initially the Agency will have to pay an amount of rupees **Two lakhs** per collection centre towards Security Deposit in the form of Cash / D.D.



- 2) A first review of Security Deposit shall be taken on completion of 3 months & the Agency will have to pay Security Deposit equivalent to 3 times the average daily **CASH** Collection made by the Agency during last quarter. Out of the total amount of Security Deposit calculated as above, rupees Two lakh per collection centre will have to be deposited in the form of Cash/ D.D. as per (1) above. The balance amount can be deposited in the form of Bank Guarantee (B.G.) from any Nationalized / Scheduled Bank as per prescribed format of MSEDCL (enclosed as **Annexure-VIII**)
- 3) Subsequently, the review of adequacy of the Security Deposit will be taken every six months and the shortfall if any shall be recouped by the Agency. For the purpose of calculation average daily cash collection the period of last quarter will be considered.
- 4) The Agency shall submit the Security deposit in Cash or in terms of B.G. separately for each collection centre.
- 5) MSEDCL will pay interest on the security deposit paid by the Agency in the form of Cash/DD @ 6% p.a. subject to change from time to time. Income Tax shall be deducted at source on interest payable on S.D. held in cash with MSEDCL as per I.T. Act.
- 6) The Security Deposit will be refunded within three months after the expiry of the contract subject to reconciliation / settlement of the account with fullest satisfaction of MSEDCL.
- 7) The Security Deposit would be for proper and satisfactory execution of contract of collection work and shall be liable to be adjusted towards the losses, if any, caused by the Agency to MSEDCL.
- 8) For the purpose of calculation of quantum of Security Deposit to be paid by the Agency, only the amount of Cash collection is to be considered and the quantum of cheque collection need not be considered.

III) Fidelity Insurance and Transit Risk Insurance :- All cash collecting proceeds shall be insured and kept insured throughout the term of the Agreement by the Collecting Agency against all risks and the Agency shall arrange for fidelity Insurance and Transit Risk Insurance for all money held in his custody and hand over the policies to the MSEDCL.

Initially the Agency shall submit the fidelity Insurance policy for the amount equivalent to initial Security Deposit and after review of security Deposit the same shall be revised as per the quantum of Security Deposits.

Initially the Agency shall submit the Transit Risk Insurance policy of **Rs. 1 lakh** and after review the same shall be revised for amount equivalent to the highest amount of one day collection in the review period.

Both the policies shall be revised at the time of review of performance of the agency as per the Clauses of this Agreement.



IV) Computerization :

In view of the advancement of technology MSEDCL expects that the collection process to be computerized by the Agency. For this purpose the customized software prepared by MSEDCL will be provided to the Agency along with the receipts stationery. The Agency shall forward the necessary MIS and Receipts details in soft copy such as CD/ E-mail to the concerned Billing Unit daily.

It is expressly understood that the MSEDCL's Collection Software, M.R. Books / Stationary and the amounts collected by the Agency shall be held by him in trust for the MSEDCL and any loss, shortage, misuse of money receipts either by the Agency or his employee shall make and render the Proprietor/Partner/Director Jointly and severally liable for breach of trust and the Agency shall forthwith make good any loss or damage suffered by the MSEDCL on this account. Loss of money receipts books should be notified to the MSEDCL immediately by the Agency.

B] OTHER TERMS & CONDITIONS :

- 1) Agencies should have necessary infrastructure for computerized collection mechanism.
- 2) No extra cost will be borne by MSEDCL for installation of the software as well as running the software during the currency of the contract.
- 3) Agency shall comply with all the necessary requirements such as Registrations, etc. as per relevant Acts and the contract will be liable for termination if any deficiency is observed during the currency of the contract.
- 4) Agencies shall study the Billing/Collection system as well as MIS requirements of MSEDCL before signing this Agreement. Further, the Agency shall visit MSEDCL's concerned office frequently for proper co-ordination of work.
- 5) MSEDCL reserves the rights to award the energy bill collection work to more than one Agency in the same area.
- 6) Any modifications /amendment / alteration to the Agreement shall be treated as a part of Agreement.
- 7) The concerned O&M Division Office may issue operative instructions for workability of contract and it will be binding on Agency to meet MSEDCL requirements during the contractual period. The changes required by MSEDCL during contractual period will have to be implemented by Agency free of cost.
- 8) The Agency will be responsible for the integrity or otherwise of the person employed by them for the bill collection work. In the event, where an employee or any person deputed by the agency is found involved in pursuing any illegal or unethical activity that may result in any kind of loss to MSEDCL, the contract with the agency shall be liable to be terminated and the quantum of loss incurred by Agency out of such activity will be recovered from any dues payable by MSEDCL to the Agency including Security deposit.



In addition to security deposit the agency will also have to pay three times the revenue lost by MSEDCL due to direct or indirect outcomes of such action(s). In such cases the amount of penalty will be ascertained by MSEDCL & it will be binding on agency. If any of the Agency's employees shall, in the opinion of MSEDCL found guilty of any misconduct or incompetence or negligence, then if so directed by MSEDCL, the Agency shall at once remove such employee and replace him by a qualified and competent substitute.

- 9) The Agency is an independent business establishment doing work of Commission Agent on commission basis and the Agency alone shall be liable and shall bear all costs and expenditure incurred by him for his establishment including office premises staff etc. and the MSEDCL shall in no way be liable for any establishment.
- 10) This Agreement does neither confer any right to the Agency or its employees to seek employment under the MSEDCL for whatsoever reason, nor shall the MSEDCL be liable to absorb the collecting agent or its employees.
- 11) The sub contracting of energy bill collection work allotted to an Agency is not permissible under any circumstances.
- 12) The MSEDCL may in exceptional cases and at its discretion allow the Agency to carry out the collection work at the MSEDCL's own premises. In the event of collection work being allowed in MSEDCL premises as above, MSEDCL shall be entitled to charge such amount per month in lump-sum as prescribed by MSEDCL and in no case entitle the Agency to create any kind of right / title or interest in the said premises and MSEDCL shall be at liberty to stop such user from using MSEDCL premises at any time without issuing any notice and without assigning any reason.
- 13) **Duration of Agreement:** This agreement shall be valid for a period of **Three** years from date of execution of the agreement i.e. w.e.f. _____, unless revoked earlier for reasons stated in the contract by either Party. Though the Agreement period is for 3 years, there will be annual performance review of the work every year and the continuance of the collection services by the Agency shall be subject to satisfactory performance every year. The annual performance review will be taken based on the parameters mentioned in the annual **performance review certificate** as per **Annexure-X**.
- 14) **Restriction on Transfer of Agreement:** This agreement is not assignable, transferable or sub-licensable by Agency, except with prior written consent of MSEDCL.

C) TERMINATION OF AGREEMENT:

This Agreement is terminable by 30 days notice in writing by either party. In the event of discontinuation of the collection work by the Collecting Agent during the first year of the Agreement period of three years, MSEDCL shall recover an amount equivalent to 10% of the security deposit held towards the administrative costs incurred by the MSEDCL.



CONSEQUENCES OF TERMINATION OF AGREEMENT :-

Action pursuant to Termination of Agreement: Upon termination of the agreement, the Agency shall ensure clearance of all dues and claims payable to MSEDCL within Seven days. In case of failure on the part of Agency, the dues shall be recovered by MSEDCL from any amounts payable to Agency, including S.D. paid in cash, DD with interest due & payable thereon and encashment Bank Guarantees submitted by Agency.

Notwithstanding any other rights and remedies provided elsewhere in the agreement, upon termination of the Agreement:

- i) Agency shall not intentionally or otherwise commit any act(s) as would keep a third party to believe that the Agency is still related to the MSEDCL for bill collection work.
- ii) The expiry or termination of the Agreement for any reasons whatsoever shall not affect any obligation of either Party having accrued under the Agreement. Expiry or termination shall be without prejudice to any liabilities of either Party to the other Party existing at the date of expiry or termination of the Agreement.

Notwithstanding anything stated in the agreement in the event of any default or failure on the part the Agency in complying with all or any of the terms and conditions mentioned herein above or in the event of the Agency failure to carry out the contract work to the satisfaction of the MSEDCL, the agreement shall be liable to be terminated immediately without assigning any reason thereof and without prejudice to other rights available to the MSEDCL as provided herein or as per general Law in force to claim compensation for any loss damages etc, suffered by the MSEDCL on account of the such failure/default. In addition to this the MSEDCL may forfeit the security deposit furnished by the Agency in such cases.

In the event of termination of Agreement by MSEDCL the Agency shall forthwith remit all the amounts collected by the Agency and within a week render full up-to date account of money receipts together with all used/unused money receipt books etc.



D) MISCELLANEOUS :

- 1) **Dispute settlement Mechanism & Accountability Centre:** All the routine disputes regarding late repatriation by Agency and non-payment of Service Charges payable by MSEDCL shall be settled in the normal course by the Agency representative and concern Billing Unit In-charge. If the dispute is not settled at Billing Unit level within a period of 30 days, the same shall be escalated to Division level where the Executive Engineer of the (O&M) Division and senior level Authority of the Agency shall deliberate on the issues involved in the dispute so as to resolve the issue within a period of 30 days from the date of reference. In case of dispute such as whether the delay in remittance was beyond the control of the Agency, the decision taken by MSEDCL in consultation with Agency will be final and binding. If the dispute is not settled within prescribed time frame, MSEDCL will be at liberty at its discretion to withdraw the work of energy bills collection/demand letters etc. from the concerned Agency after issuing a notice of 30 days without prejudice to its rights under the Agreement. MSEDCL shall have the right to recover any financial loss out of such dispute from any dues payable to the Agency by MSEDCL.
- 2) **Force Majeure :** If at any time, during the currency of this agreement, the performance in whole or in part, by either party, of any obligation under this is prevented or delayed, by reason of war, or hostility, acts of the public enemy, civic commotion, sabotage, Act of State or direction from Statutory Authority, explosion, epidemic, quarantine restriction, strikes and lockouts, fire, floods, natural calamities or any act of God, provided notice of happenings of any such event is given by the affected party to the other, within 21 days from the date of occurrence thereof, neither party shall, by reason of such event, be entitled to terminate the agreement, nor shall either party have any such claims for damages against the other, in respect of such non-performance or delay in performance. Provided Service under the agreement shall be resumed as soon as practicable, after such event comes to an end or ceases to exist. The decision of MSEDCL as to whether the service may be so resumed or not, shall be final and conclusive. However, the Force-majeure events noted above will not in any way cause extension in the period of the agreement.
- 3) **Confidential Information:** It is understood to mean the business and technical information made available by a Disclosing Party to a Receiving Party in written, machine recognizable, graphic or sample form including, without limitation or performance specifications, its analysis, compilations, studies, notes and all other information and data disclosed orally, visually or electronically which has been developed / is exclusive to the Disclosing Party.

The Receiving Party agrees to use reasonable endeavors in safeguarding the Confidential Information and to protect the information with the same standard of care and precaution it shall use for its own confidential information.



Each Party agrees that the Confidential Information will not be used for any purpose other than pursuant to the Transactions. Each Party will restrict access to Confidential Information to those of its entities controlling, controlled by or under common control with the Party ("Affiliates"), Representative and the Representative of Affiliates, in each case whose access is reasonably necessary for the purposes described herein. Each such recipient of Confidential Information shall be informed by the Party disclosing Confidential Information of its confidential nature, and shall be directed to treat such information confidentially and shall agree to abide by the provisions of this Agreement. In any event, each Party shall be responsible for any breach of this Agreement by any Person to whom that Party discloses Confidential Information.

All Confidential Information shall remain the property of the Disclosing Party. Upon demand, all such information and copies thereof including any documents or record into which such information is merged/stored shall be immediately returned to the Disclosing Party.

No rights or obligations other than those expressly recited herein are to be implied. No license from either party hereto is hereby granted or implied, by estoppels or otherwise, under any copyrights, patents (existing or future) or for any use of Confidential Information except such use which is expressly contemplated by this Agreement.

Except as otherwise required by law or the rules or regulations of the relevant jurisdiction to which a party may be subject, neither Party will, without the prior written consent of the other, disclose to any Person, not a party to this Agreement, any Confidential Information, the fact that Confidential Information has been provided to the Party, that discussions about the Transaction are taking place or any of the terms & conditions or other facts with respect to the Transaction.

Each Party will, promptly upon the request of the other, deliver to the requesting Party the documents comprising the Confidential Information or any part thereof and will destroy any copies, notes, or extracts thereof, without retaining any copy thereof, except that any portion of the Confidential Information that consists of Analyses and any written Confidential Information not so requested and returned, shall be retained and kept subject to the terms of this Agreement, or upon the other Party's request destroyed (such destruction to be confirmed in writing). Provided, however, neither Party shall be required to destroy or alter any computer archival and backup tapes or archival and backup files (collectively, "**Computer Tapes**"), provided that such Computer Tapes shall be kept confidential in accordance with the terms of this Agreement.



In no event, the termination of this Agreement shall affect the obligations already in effect under the Agreement unless otherwise agreed by the Parties in writing.

Unless amended by written agreement of the Parties, the confidentiality provisions of this Agreement shall remain effective continuous and permanent from the date of execution of this Agreement.

- 4) All Circulars/Rules/Regulations of the MSEDCL in this aspect will be applicable to the Agency.
- 5) **Jurisdiction of the Court :** In the event the disputes are not settled at Billing Unit level / Division level and the matter is required to be referred to Judicial authority, the concerned Civil Court under whose jurisdiction the Division Office is located, shall be the appropriate Court for jurisdiction purpose. All the disputes arising under this Agreement or in connection therewith shall be governed by Indian Law.
- 6) **Entire Agreement:** This Agreement constitutes the entire understanding between the parties hereto and supersedes any previous understanding, agreement or arrangement between the parties in relation to the matters contained in this Agreement.
- 7) **Amendments:** No modification, amendment or waiver of the terms and conditions of this Agreement shall be valid or binding unless made in writing and duly executed by the Parties.
- 8) **Provision of Services:** The Agency shall be responsible for maintaining the quality of services as per parameters regarding transfer of funds, data transfer and MIS and consumer services prescribed from time to time on continuous basis to ensure compliance with applicable Indian law.
- 9) Any provision of this Agreement may be amended or waived if, and only if such amendment or waiver is in writing and signed, in the case of an amendment by each Party, or in the case of a waiver, by the Party against whom the waiver is to be effective.
- 10) No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.
- 11) The provisions of this Agreement shall be binding upon successors and permitted assigns.
- 12) Unless otherwise provided herein, all notices or other communications under or in connection with this Agreement shall be given in writing and may be sent by personal delivery or post or courier or facsimile.



- 13) Neither this Agreement nor any provision hereof is intended to confer upon any Person other than the Parties to this Agreement any rights or remedies hereunder.
- 14) In connection with this Agreement, as well as all transactions contemplated by this Agreement, each Party agrees to execute and deliver such additional documents and to perform such additional actions as may be necessary, appropriate or reasonably requested to carry out or evidence the transactions contemplated hereby.
- 15) The invalidity or unenforceability of any provisions of this Agreement in any jurisdiction shall not affect the validity, legality or enforceability of the remainder of this Agreement in such jurisdiction or the validity, legality or enforceability of this Agreement, including any such provision, in any other jurisdiction, it being intended that all rights and obligations of the Parties hereunder shall be enforceable to the fullest extent permitted by law.
- 16) The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof.
- 17) This Agreement has been signed in duplicate, each of which shall be deemed to be an original.
- 18) Neither Party may assign, in whole or in part, the benefits or obligations of this Agreement to any other person without the prior written consent of the other Party.
- 19) In the event of any misappropriation of the amount by the Agency/ its representatives, the Members of Board of Directors / Governing Body Members of the Agency will be liable for the consequences as per the law.



ARTICLE-2

SPECIAL TERMS AND CONDITIONS

- A. **FUNDS TRANSFER:** The amount collected by Agency will be transferred to MSEDCL as per the process flow mentioned in **Annexure "II"**.
- B. **Data Transfer and MIS:** The transfer of Data by Agency to MSEDCL and reporting system will be as per **Annexure "III"**.
- C. Payment procedure for Service Charges payable by MSEDCL to Agency will be as per **Annexure "IV"**.



IN WITNESS WHEREOF the parties hereto have set their hands and seals to these presents on day and year first herein above written.

SIGNED SEALED AND DELIVERED BY

Shri.....,
Executive Engineer,
O&M Division, MSEDCL,..... .

For and on behalf of

THE MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO. LTD.

In the presence of ...

Shri.,
Designation :

Shri.....,
Designation :

The Common Seal of
THE _____ Agency

SIGNED SEALED AND DELIVERED BY

Shri.....,

Authorized signatory as per Authority letter enclosed herewith.

Shri.,
Chairman

Shri.,
Secretary



ANNEXURE "I".

SCHEDULE OF ENERGY BILL COLLECTION CHARGES

MSEDCL shall pay to the Agency, charges for the service rendered towards the collection of the amount energy bills etc. at the following rates.

Energy Bill Collection Charges:

Rate per Receipt -Rs. 3.50/- + Service Tax – For Computerized Collection.

Rate per Receipt -Rs. 3.00/- + Service Tax – For Manual Collection.

- Here Computerized Collection shall mean issue of computerized money receipts by the Agency to the consumer and submission of MIS of collection to the Billing Unit in the soft form. If the Agency issues manual receipts, the rate applicable for manual collection shall be payable to the Agency.
- The above rates are all inclusive charges and **no** other charges such as cheque clearance, cash handling, remittance, RTGS charges, Cost of computerized stationery, CD, Pen Drive etc. are payable by Mahavitaran.
- In no case the Agency shall deduct their amount of Bill towards energy bill collection charges from the collection amount of Mahavitaran.
- MSEDCL shall reimburse the cost of revenue stamp used by the Collecting Agent while issuing receipts for bills to the consumer. For this purpose the collection agent shall furnish the account of revenue stamp used along with the receipt data.



ANNEXURE –II

FUNDS TRANSFER MECHANISM

The Agency shall ensure that they will follow the mechanism for funds transfer as below:

- The Agency shall transfer, the energy bill collection amount to MSEDCL's designated Bank Account as informed by the concerned (O&M) Division Office every day or next day without keeping any balance in hand with the Agency.
- The amount of cash collected shall directly be deposited in MSEDCL's designated Bank account. The Agency shall not deposit cash collected from consumer in its own Bank account and issue cheque to MSEDCL for transfer of such cash from Agency's Bank account to MSEDCL's Account.

If, at any point of time, it is observed that Agency is not depositing the cash collected from consumers to MSEDCL's Bank account as prescribed above, the Agreement for bill collection work with the Agency will be liable for termination.

- In case of any delay in transfer of collections amounts by the Agency, interest at the rate of 18% per annum at 1st instance & 24% per annum for subsequent instances in the same month would be charged & recovered from the Agency. The interest amount will be recovered from the amounts payable to the Agency, on account of energy bill collection charges/Security Deposit.
- The Details of MSEDCL Designated Bank Account will be informed by the concerned Division Office separately to the Agency for remittance of the amount collected from the consumers.



ANNEXURE – III

DATA TRANSFER / RECONCILIATION

The Agency will follow the mechanism for Data Transfer / Reconciliation as below:

- In Computerized Collection System, the computerized receipt stationery along with the collection software will be provided by MSEDCL. Out of two copies of receipt, original copy will be issued to the consumer and 2nd copy will be sent along with Bills Stub to the Billing Unit. The DCCR along with the receipt numbers shall be forwarded by the Agency in soft copy form viz. CD/Pen drive/E-mail to the concerned Billing Unit offices daily.
- The Agency will be supplied with a printed computer receipt stationery by the MSEDCL, at own cost, and Agency shall issue only these receipts to the consumers. The receipts shall be printed in duplicate. The Day end report shall be forwarded to the officer-in-charge of the Billing Unit on the next working day positively along with Bill stubs. No stationery items other than DCCR book and Money Receipt Book will be issued by MSEDCL to Agency.
- The receipts issued by the Agency to consumers will bear the signatures of the authorized official of the Agency and the Agency seal.
- In respect of service connection charges, energy security deposits and other miscellaneous items of collection, the consumers will present to the Agency the demand letters received by them from the authorized officers of the MSEDCL. Receipts will be issued to these consumers by the Agency as per the procedure mentioned above. This is applicable only in those cases where the Agency is authorized by the concerned Officer In-charge of the Billing Unit for collection of other charges in addition to energy bills.
- The Agency shall ensure that proper receipt type code is used while passing the Money Receipt (M.R.) as per **Annexure-IX**.
- The Agency shall furnish on a daily basis the bill collectors Daily Cash Collection Report and Computerized Statement duly accompanied with the counterfoils of Bank pay-in-slip of the amount deposited along with cancelled receipts record to concern billing unit.
- The list of important documents used in the bill collection work by Agency and the frequency of submission of these documents to MSEDCL shall be maintained by the Agency as per **Annexure-VII**.
- The Agency shall keep an account of all the Money Receipts Books/Computerized pre-printed receipts issued to it and such record shall be made available to MSEDCL as and when required.
- The Money Receipts Books issued to the Agency shall be held by the Agency in trust and misuse of the Money receipt will attract appropriate action by MSEDCL including withdrawal of collection services by the Agency. The Agency will be held responsible for any misuse of Money Receipts by its employees.
- If at any time in the opinion of the Executive Engineer in charge of the Division, found that the Agency is not following prescribed procedure and in case of default on the part of Agency in forwarding Daily Reports, as desired by MSEDCL, the collection services provided by the Agency would be liable for termination.



ANNEXURE –IV

PAYMENT MECHANISM FOR BILLS RAISED BY AGENCY FOR ENERGY BILL COLLECTION CHARGES

Bill Submission and Procedure:

- At the end of each month, the Agency shall prefer to the MSEDCLs concerned Division Office, invoice of charges payable by MSEDCL towards bill collection services provided by the Agency giving the details of per receipt charges, expenses on revenue stamps, Service Tax etc. The concerned Division Office shall arrange to pay the bill for collection charges as above, received up to 10th day of the following month from the Agency, within 20 days from the 11th day of the month (i.e. total 30 days from the end of the month for which the energy bill collection charges has been claimed in the “**Monthly Invoice**”). The invoices received from the Agency after 15th day of the month shall be considered in the next month along with the subsequent month’s invoice for collection charges.
- The concerned Agency will submit the monthly invoice alongwith a statement showing details of date wise / subdivision wise transactions and amount collected as per **Format “A”**.
- The cost of the revenue stamps used by Agency will be reimbursed by the MSEDCL to the Agency.
- No charges other than mentioned above shall be payable by MSEDCL to the Agency.
- The Agency shall submit the monthly invoice along with **Format-A** to the concern Subdivision office. The concern subdivision will forward the invoice with due certification to Division office for payment within three days after receipt.
- The Division Office will scrutinize the invoice as per the terms of Agreement and payment will be release within the prescribed time as mentioned above after due audit.
- Payment of the monthly invoice will be subject to completion of job to the entire satisfaction of MSEDCL.
- **No** penal charges, interest or damages in the event of any administrative delays in payment of monthly invoice shall be entertained by MSEDCL.
- MSEDCL shall pay the amount of commission within 30 days from the date of receipt of monthly invoice. In no case the Agency shall deduct the amount of Bill collection charges, if remains unpaid from the amount collected from consumers on behalf of MSEDCL.
- The reimbursement of Service tax will be made as per the Service Tax provisions under Central Excise Act relating to Bill collection work subject to submission of documentary evidence and valid registration of the agency under Central Excise Act for Service Tax purposes.



ANNEXURE - V

PROCESS FLOW FOR COLLECTION OF BILLS IN CASH & CHEQUE

Step 1	Consumer visits the bill collection center with Bill & Cash /Cheque/DD.
Step 2	Consumer presents the bill at the counter of Agency.
Step 3	The Agency verifies the bill's validity, amount of bill, due date for payment, etc. The Agency shall not accept the part payment or less payment of bill. The Agency shall accept the amount towards the latest bill only.
Step 4	While accepting cheque payments it should be ensured that all the required details are filled in the cheque such as sign of the consumer, date of the cheque & amount of cheque. Further, no overwriting shall be allowed on the cheque. The consumer should be asked to record his consumer number on overleaf of the cheque and so also ensure whether cheque payment facility is available to the consumer as per MSEDCL bill.
Step 5	For all the payments accepted by the Agency from the consumers a receipt shall be generated by using proper receipt type code as per the Annexure-IX .
Step 6	In case of computerised collection mechanism, Original receipt will be handed over to the consumer and second copy of receipt will be sent to Billing Unit alongwith Bill stub. In case of manual collection where Triplicate Money Receipt Books are utilized, the additional copy (3 rd copy) of Money Receipt shall be kept as office copy with the Agency.
Step 7	The agency shall deposit the cash collected and cheque/DD received from consumers to the MSEDCL designated Bank account as mentioned in the Annexure-II on same day or next working day of the amount received.
Step 8	The agency shall submit the Daily Cash Collection Report (DCCR) along with Money Receipt, Bill stub and pay-in-slip of amount deposited in the bank for the cash collection and cheque received from consumers and deposited in the bank.
Step 9	A separate list of cheques to be submitted to the Billing Unit with DCCR upto 11.00 a.m of the next day of the collection in soft as well as hard format as prescribed by the MSEDCL.
Step 10	The agency shall submit the date wise details of collection in Format- A to the concerned Billing unit month wise along with the details of amount deposited in the designated bank account of MSEDCL.



ANNEXURE-VI

**STATEMENT SHOWING THE LIST OF
DIRECTORS / GOVERNING BODY MEMBERS
OF THE AGENCY**

[Refer Miscellaneous, Point No.19- under General Terms & Conditions]

Sr. No.	Name of Director	Postal Address	Contact No.

Note :

The above list shall give the names of Directors / Governing Body Members as on the date of execution of Agreement. The Agency shall inform any changes in the above list during the currency of the contract within period of Seven days of such change.



ANNEXURE –VII

LIST OF IMPORTANT DOCUMENTS TO BE SUBMITTED BY THE AGENCY DURING COLLECTION WORK

[Refer Annexure-III, Bullet Point No. 7]

Sr. No.	Name of Document	Time Frame	Remark
1	Money Receipt	Daily	First copy handed over to Consumer and second copy will be sent alongwith Bills stub to the concerned Billing Unit
2	DCCR	Daily	Submitted daily along with Money Receipt stub and Bank Pay in slip to the Concerned Billing Unit .
3	Bank Pay-in-Slip	Daily	Submitted with the DCCR to the concerned Billing Unit.
4	Monthly Invoice for collection charges	Monthly	Submitted by Agency upto 10 th of subsequent Month
5	Format A (details of Bill collection data)	Monthly	To be enclosed with the Monthly Invoice submitted to the concerned Billing Unit.



ANNEXURE – VIII

FORMAT FOR BANK GURANRANTEE

[Refer A-II, Security Deposit under General Terms & Conditions]

Bank Guarantee No:

Bank Guarantee Amount:

Effective From: _____ to _____

Last Date for Lodgment of Claim: _____

To,

Maharashtra State Electricity Distribution Co. Ltd.,

In Consideration of Maharashtra State Electricity Distribution Co Ltd, a company incorporated under the companies Act, 1956 having its registered office at 'Prakashgad', Bandra (East), Mumbai 400 051 (hereinafter referred to as "Agreement") having entered into agreement dtd. _____ with _____ (Name of Agency), _____ (full Address) for Collecting LT Energy Bills from MSEDCL consumers under _____ locations under the Jurisdiction of MSEDCL. We, _____ Bank (Name of Bank), _____ (Full Address along with branch location) at the request of _____ (Name of Agency), do hereby irrevocably and unconditionally undertake to pay to MSEDCL by reason of _____ (Name of Agency) defaulting/failing to pay to MSEDCL any money payable by it under this guarantee on demand made by MSEDCL, received by us on or before _____.

We _____ Bank do hereby undertake to pay the amounts due and payable under this guarantee without any demur, merely on demand from MSEDCL stating that the amount claimed is due from _____ (Name of Agency) to MSEDCL for any reason whatsoever, under the said Agreement. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under the guarantee and shall be restricted to an amount not exceeding _____ (Specify the amount).

We undertake to pay to MSEDCL any sum upto Rs. _____ notwithstanding any disputes raised by _____ (Name of Agency) in any suit or proceeding Pending before any court, Tribunal, arbitrator relating thereto, our liability under this present being absolute and unequivocal. The payment so made by us under this guarantee shall be valid discharge of our liability for payment there under and MSEDCL shall have no claim against us for making such payment.



We, _____ Bank, further agree that the guarantee herein contained shall remain in force and effect during the currency of the said Agreement. Unless a demand or claim under this guarantee is made on us in writing on or before the expiry of this guarantee we shall be discharged from all liability under this guarantee thereafter but not later than _____.

We, _____ Bank, further agree with MSEDCL that MSEDCL has the fullest liberty without our consent and without effecting in any manner or obligation hereunder to vary any of the terms & conditions of the said Agreement or to extend time of performance by _____ (Name of Agency) from time to time or to post pone for any time or from time to time any of the powers exercisable by MSEDCL against _____ (Name of Agency) or forbear or enforce any of the terms and conditions of the said Agreement and we shall not be relieved from our liability by reason or any such variation or by any such matter or thing whatsoever which under the law relating to sureties would but for this provision have effect of so relieving us.

This guarantee will not be discharged due to the change in the constitution of _____ (Name of Agency), including its dissolution.

We, _____ Bank, lastly undertake not to revoke this guarantee during its currency except with the previous consent of MSEDCL in writing.

The validity period of this Bank Guarantee is from the date of issuance of the Bank guarantee till _____.

Notwithstanding anything contained herein above:

1. Our liability under this guarantee shall be not more than Rs. _____.
2. This Bank Guarantee shall be valid upto _____.
3. We are liable to unconditionally and without any demur pay the guaranteed amount or any party thereof under this Bank Guarantee only and only if you service upon us on a written claim or demand on or before _____ at our counters i.e. at _____ Bank, _____ (full Address) failing which all your rights under the guarantee shall be forfeited and we shall be relieved and discharged from all liabilities thereafter.

Date:-

Place:-



ANNEXURE –IX

RECEIPT TYPE

[Refer Annexure-III, Bullet Point no. 5]

<u>Sr. No.</u>	<u>Receipt Type No.</u>	<u>Description</u>
1	01	Energy Bill
2	02	First SLC
3	03	First SD
4	04	Reconnection Charge
5	05	Additional SD
6	06	Meter Cost
8	08	Receipt Reducing The Arrears
9	09	Misc. Receipt Not For System
10	10	Theft Bills
11	11	Malpractice Bills
12	12	Govt. Installment Plans
13	13	Court Bills
14	14	Tariff Revision Bills
15	15	P.D. Advice Bills
16	16	Out right contribution non-ref
17	17	Additional SLC
18	18	Agreement fees
19	19	Other Charges
20	20	refundable ORC(ORC-SLC)
21	21	Interest Receipt
22	22	New S.C.Supervision Charges
23	23	Meter Testing Charges
24	24	CT/PT Testing Charges
25	25	Processing Fees Shifting Chrg
26	26	AG KSY Bill Receipt

**ANNEXURE –X****ANNUAL PERFORMANCE REVIEW CERTIFICATE****[Not applicable for new Agency in the 1st year]****[Refer General Terms & Conditions, B-13]****Name of the Agency:-****Location of the Center:-**

1. A) Starting date of Agency
B) No. of years completed
C) Period under review
2. Whether the Agency still complies with the eligibility criteria on the basis of which the collection was awarded to the Agency such as Audit Class and Financial Parameters. - **Yes/No.**
[Latest Audit Report and Financial Statement should be enclosed]**

3. Security Deposit:-

Sr. No.	Security Deposit available with MSEDCL (Amt. in Lakhs)		3 days average collection in cash for last quarter	Security Deposit required as per the prescribed Criteria of the Agreement (Amt. in Lakhs)		shortfall in Security Deposit, if any	Reasons for shortfall in Security Deposit
	In Cash	In B.G.		In Cash	In B.G.		

4. Remittance of daily collection

- Remittance of daily collection by the Agency to MSEDCL's Bank Account for the period under review is **SATISFACTORY / NOT SATISFACTORY** (Please scratch the option not applicable).
- Details of instances of delay in remittance of collection amount by the Agency.

Sr. No.	Month of Occurrence	Amount Involved (Amt. in Lakhs)	Delay in No. of days	Penalty Charge	Details of recovery of penalty

Note : All the instances should be quoted here.

5. Submission of daily MIS (Data) as per the prescribed format of MSEDCL by the agency was **SATISFACTORY / NOT SATISFACTORY** (Please scratch the option not applicable).
6. **Fidelity & Transit Insurance:-**

Sr. No.	Amount of Fidelity Insurance available to the MSEDCL	Amount of Insurance for Transit Insurance available to the MSEDCL	Whether renewed as per criteria of MSEDCL	Validity Period Policy

Based on the above performance parameters of the agency, the overall performance of the Agency is **SATISFACTORY / NOT SATISFACTORY**.

Reviewed on Date :

 Dy. Manager (F&A)
 _____ Division

 Ex. Engineer
 _____ Division

 Chairman/Secretary/Authorized Signatory
 _____ Agency
Note :

If the performance of the Agency is found "NOT SATISFACTORY", necessary action for termination of the bill collection work shall be initiated by the Division Office.

**FORMAT – A**

**Statement showing (Collection Centre wise date wise) details for Energy Bill Collection Charges bill
for the Month of _____ 2013.
[Refer Annexure-IV, Bullet No. 2]**

Name of Agency :

Collection Counter No.

Sr no	Date of Coll.	Receipt details		No. of rcpts	Amt. of Collection (Amt. in Rs.)		Date of Deposit in Bank (Amt. in Rs.)		Energy bill collection charges (Applicable rate per receipt X no of receipts)	Revenue stamp used	Total (7+8=9)	Details of Cancelled receipt		
1	2	3		4	5		6		7	8	9	10		
		From	To		cash	cheque	cash	Cheque				Date	Sr. No. of Receipt	Amount
1														
2														
3														
4														
5														
6														
7														
8														
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27														
28														
29														
30														
31														
				TOTAL										

Authorized Signatory of Agency**FOR MSEDCL USE**

It is certified that :

- The daily collection is verified from DCCR and found correct.
- The deposit of Cash/Cheque is cross checked with Bank Pay-In-Slip submitted by the Agency.
- Receipt record reconciled. Receipt used during month_____ from Sr. No._____ to _____.
- The cancelled receipt details as per bill are verified & all the cancelled receipts are submitted to this office by Agency.
- Last day collection with agency cash Rs. _____ & Cheque Rs._____ verified and found correct.

 Asstt. Accountant/UDC
 _____Sub Division

 AE/Dy.E.E.
 _____Sub Division

 Dy. Manager (F &A)
 _____Division