



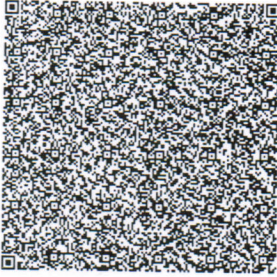
सत्यमेव जयते

INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	: IN-DL753159432909660
Certificate Issued Date	: 25-Jul-2016 03:15 PM
Account Reference	: IMPACC (IV)/ dl780003/ DELHI/ DL-DLH
Unique Doc. Reference	: SUBIN-DL780003500980750231430
Purchased by	: MANIPUR STATE POWER DISTRIBUTION COMPANY LIMITED
Description of Document	: Article 5 General Agreement
Property Description	: Not Applicable
Consideration Price (Rs.)	: 0 (Zero)
First Party	: MANIPUR STATE POWER DISTRIBUTION COMPANY LIMITED
Second Party	: GOVERNMENT OF MANIPUR AND OTHERS
Stamp Duty Paid By	: MANIPUR STATE POWER DISTRIBUTION COMPANY LIMITED
Stamp Duty Amount(Rs.)	: 150 (One Hundred And Fifty only)



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This e-Stamp forms an integral part of the Tripartite Memorandum of Understanding dated 26th July, 2016 executed amongst Ministry of Power, Government of India, Government of Manipur and Manipur State Power Distribution Company Limited (MSPDCL) at New Delhi

**TRIPARTITE MEMORANDUM OF UNDERSTANDING
AMONGST**

Ministry of Power, Government of India

AND

Government of Manipur

AND

Manipur State Power Distribution Company Ltd. (MSPDCL), (DISCOM)

For achieving operational turnaround of MSPDCL (DISCOM)

This **TRIPARTITE MEMORANDUM OF UNDERSTANDING** (hereinafter referred to as the “Tripartite MOU” is made this 26th day of July 2016.

BY AND AMONGST

Ministry of Power, Government of India, having its Office at Rafi Marg, Sansad Marg Area, New Delhi – 110001 which expression shall unless it be repugnant to the subject or context thereof, include its successors and assigns, of the **FIRST PART**:

AND

Government of Manipur (hereinafter referred to as “Government of Manipur”) which expression shall unless it be repugnant to the subject or context thereof, include its successors and assigns, of the **SECOND PART**

AND

Manipur State Power Distribution Company Ltd. (herein after referred as to “MSPDCL”) which expression shall unless repugnant to the context or meaning thereof includes its successors and assigns) of the **THIRD PART**

The Government of India, the Government of Manipur, and MSPDCL is hereinafter also referred to collectively as the “**Parties**” and individually as the “**Party**”

Definitions:

“**Effective Date**” means the date of signing of the MOU

“**MSPDCL (DISCOM)**” means Manipur State Power Distribution Company Ltd.

Preamble:

The Government of India, The Government of Manipur and MSPDCL, have entered into a tripartite MOU in order to improve the operational efficiency of the MSPDCL (DISCOM) to enable the operational turnaround of the DISCOM.

NOW IT IS HEREBY AGREED BY AND AMONG THE PARTIES HERETO as follows:

1. Obligations / Commitments:

1.1 The Government of India to take following measures:

- a) Faster completion of ISTN lines:

1.3 MSPDCL (DISCOM) to take the following measures:

- a) MSPDCL shall endeavour to reduce AT&C losses from 44.20% in FY 2015-16 to 15.00% by FY 2018-19 as per the following trajectory:

Year	2016-17	2017-18	2018-19
AT&C Loss	25.15%	18.70%	15.00%

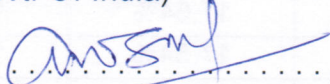
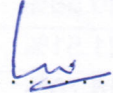
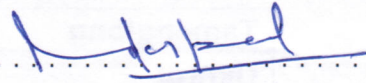
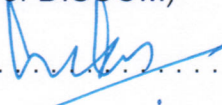
However, if the target in a particular year is not met, then MSPDCL shall strive to achieve the targets in the subsequent years so as to achieve the desired target of 15.00% AT&C losses by FY 2018-19. The Division wise targets have been finalized as indicated in **Annexure- A**.

The DISCOMs shall increase hours of power supply in areas showing reduction in AT&C losses.

- b) MSPDCL shall eliminate the gap between ACS and ARR by FY 2018-19. Detailed computation of year wise ACS-ARR gap along with financial projections has been attached as **Annexure-B**.
- c) MSPDCL shall submit the detailed action plan by 31st August 2016 to achieve the projected trajectory for AT&C loss and ACS-ARR gap.
- d) MSPDCL shall achieve operational milestones as specified in DDUGJY & IPDS:
- e) MSPDCL shall take the following measures for Loss Reduction;
- Undertaking name and shame campaign to control power theft from time to time.
 - Preparing loss reduction targets at sub-divisions / divisions / circle/ zonal level and making concerned officers responsible for achieving the loss reduction targets; the loss reduction targets at the Division level have been attached as **Annexure-A** of MOU.
 - Implementing performance monitoring and management system MIS for tracking the meter replacement, loss reduction and day to day progress for reporting to top management.
 - Achieving 100% Distribution Transformer (DT) Metering by 30 June 2017.

- g) MSPDCL shall undertake the following tariff measures:
- i) Quarterly tariff revision particularly to offset fuel price increase;
 - ii) Timely filing of Tariff Petition before the JERC so that Tariff Order may be issued for the year as early as possible.
 - iii) Timely preparation of annual accounts of MSPDCL which shall also enable timely filing of the Tariff Petition.
- h) MSPDCL shall undertake the following measures to increase employee engagement:
- i) Initiating capacity building of employees to enhance technical, managerial and professional capabilities at induction level and in subsequent refresher trainings;
 - ii) Devising Key Performance Indicators (KPIs) for each officer in-charge on areas of AT&C loss reduction and improvement in metering / billing / collection efficiency. The performance of officer in-charge shall be linked to KPIs achieved and will attract incentive / penalty.
- i) MSPDCL shall implement the following Consumer Service Strategy:
- i) Setting up of Centralized Customer Call Centre for timely resolution of complaints related to no current and other technical complaints, harassment by official, reporting of theft and safety related complaints;
 - ii) Introducing more avenues to consumers for bill payment, which could be in terms of e-payment through net banking, credit/ debit card, kiosks at banks and post offices, village panchayats, mobile collection vans, etc.
- j) MSPDCL shall procure power through the transparent process of competitive bidding.
- k) MSPDCL shall identify the key personnel for implementing the scheme (UDAY)
- l) MSPDCL shall devise the mechanism to motivate and encourage the staff.
- m) CMD/MD of MSPDCL shall monitor the performance of MSPDCL on monthly basis.

IN WITNESS whereof the Parties hereto have executed these presents the day, month and year first herein above written.

<p>SIGNED AND DELIVERED BY (on behalf of MOP, Govt. Of India)</p> <p>Signature </p> <p>Name & Designation: डा. अरुण कुमार वर्मा DR. ARUN KUMAR VERMA Joint Secretary to Government of India विद्युत मंत्रालय / Ministry of Power भारत सरकार / Government of India नई दिल्ली 110002 / New Delhi 110002</p> <p>Address: Ministry of Power, New Delhi</p>	<p>In the presence of</p> <p>Signature</p> <p>Name & Designation</p> <p>.....</p> <p>Address</p> <p>.....</p>
<p>SIGNED AND DELIVERED BY (on behalf of State Govt.)</p> <p>Signature </p> <p>Name & Designation: Shri Vineet Joshi, Commissioner (Power), Government of Manipur (VINEET JOSHI) Commissioner (Power) Government of Manipur</p> <p>Address: Imphal, Manipur</p>	<p>In the presence of</p> <p>Signature </p> <p>Name & Designation: INDERPAL ALO</p> <p>Address: Govt. of Manipur New Delhi</p>
<p>SIGNED AND DELIVERED BY (on behalf of DISCOM)</p> <p>Signature  Managing Director MSPDCL</p> <p>Name & Designation: Shri R. Sudhan, Managing Director, Manipur State Power Distribution Company Ltd.</p> <p>Address: Imphal, Manipur</p>	<p>In the presence of</p> <p>Signature</p> <p>Name & Designation</p> <p>.....</p> <p>Address</p> <p>.....</p>

Financial Projections of MSPDCL DISCOM

Annexure B

Key Assumptions:

• Tariff Hike:

FY16*	FY17	FY18	FY19
Rs. 4.12 / KWH	Rs. 4.46 / KWH	Rs. 5.13 / KWH	Rs. 6.00 / KWH

* Actual as per TO dated 29-02-2016

• AT&C Loss Trajectory:

FY17	FY18	FY19
25.15%	18.70%	15.00%

• Billing Efficiency:

FY17	FY18	FY19
74.85%	81.30%	85.00%

• Collection Efficiency:

FY17	FY18	FY19
95%	98%	99%

Income Statement- Detailed

Amount in Rs. In Crore	FY17	FY18	FY19
INCOME			
Revenue from Sale of Power	210	290	360
Other receipts	-	-	-
Other Income (Including Revenue from trading)	55	70	100
TOTAL INCOME	265	360	460
COSTS			
Power Purchase Costs	275	278	280
R & M Costs	3	3	3
Employees Costs	80	82	85
Administration & General Costs	3	3	3
Depreciation	2	3	3
Interest & Finance Costs	6	8	8
Other debits (Transmission	60	70	80
Sub-total costs	429	447	452
Less: Incidental expenses	-	-	-
TOTAL COSTS	429	447	452
NET INCOME w/o Subsidy	-164	-87	8

ACS- ARR Gap

Amount in Rs.	FY17	FY18	FY19
Cost Components			
<i>Power Purchase Cost</i>	4.39/KWH	4.44/KWH	4.54/KWH
<i>Cost of Energy Lost</i>	1.47/KWH	1.02/KWH	0.80/KWH
PP per unit sold	5.86/KWH	5.46/KWH	5.33/KWH
O&M and Estt Cost	0.13/KWH	0.13/KWH	0.13/KWH
Depreciation Cost	0.02/KWH	0.03/KWH	0.03/KWH
Interest Cost	0.13/KWH	0.15/KWH	0.15/KWH
Other Debits	-	-	-
ACS	6.14/KWH	5.77/KWH	5.64/KWH
ARR	4.46/KWH	5.13/KWH	6.00/KWH
Gap	1.68/KWH	0.64/KWH	-0.36/KWH

Clause no	Activity	Unit	Status/ pending at the end of FY 16	FY-17		FY-18		FY-19		Officer Responsible	Resources in INR
				H 1	H 2	H 1	H 2	H 1	H 2		
1.3 (e-vii)	Feeder separation (separation of Ag load)on feeders	%	NA								Yet to be prepared and furnished
1.3 (e-viii)	Installation of Smart meters/ other than Ag. (Abv. 500 Units)	%	(75%)	80%	90%	100%				Manager (Commercial)	
	Installation of Smart meters/ other than Ag. (Below 500 Units)	%	(75%)	80%	85 %	90%	95%	100%		Manager (Commercial)	
1.3 (e-ix)	Domestic connections (in lakhs) under 24X7 PFA	Nos (in Lacs)	2.43 Lacs	85 %	90%	95%	98%	100%		Manager (Commercial)	
1.3 (e-x)	Implementation of ERP System	-	70%	90%	100%					Manager (Commercial)	
1.3 (f-i)	Providing LED bulbs under DELP	Lacs	1 Lac	40%	60%	75%	90%	100%		Manager (Commercial)	

Monthly monitoring format for States participating in UDAY

Name of the State:

Status as on:

B Operational Parameters

- 1 AT&C loss (%)
 - Target
 - Actual
- 2 Billing efficiency (%)
 - Target
 - Actual
- 3 Collection Efficiency (%)
 - Target
 - Actual
- 4 Gap ACS - ARR (Rs per unit)
 - Target
 - Actual
- 5 Distribution loss (%)
 - Target
 - Actual
- 6 Total number of un metered Feeders
- 7 Number of Feeders metered in the current month
- 8 Total number of un metered Distribution Transformers (DTs)
- 9 Number of Distribution Transformers (DTs) metered in the current month
- 10 Total Number of Smart Meters to be installed
- 11 Number of Smart Meters installed in the current month
- 12 Total number of LED Lamps to be replaced