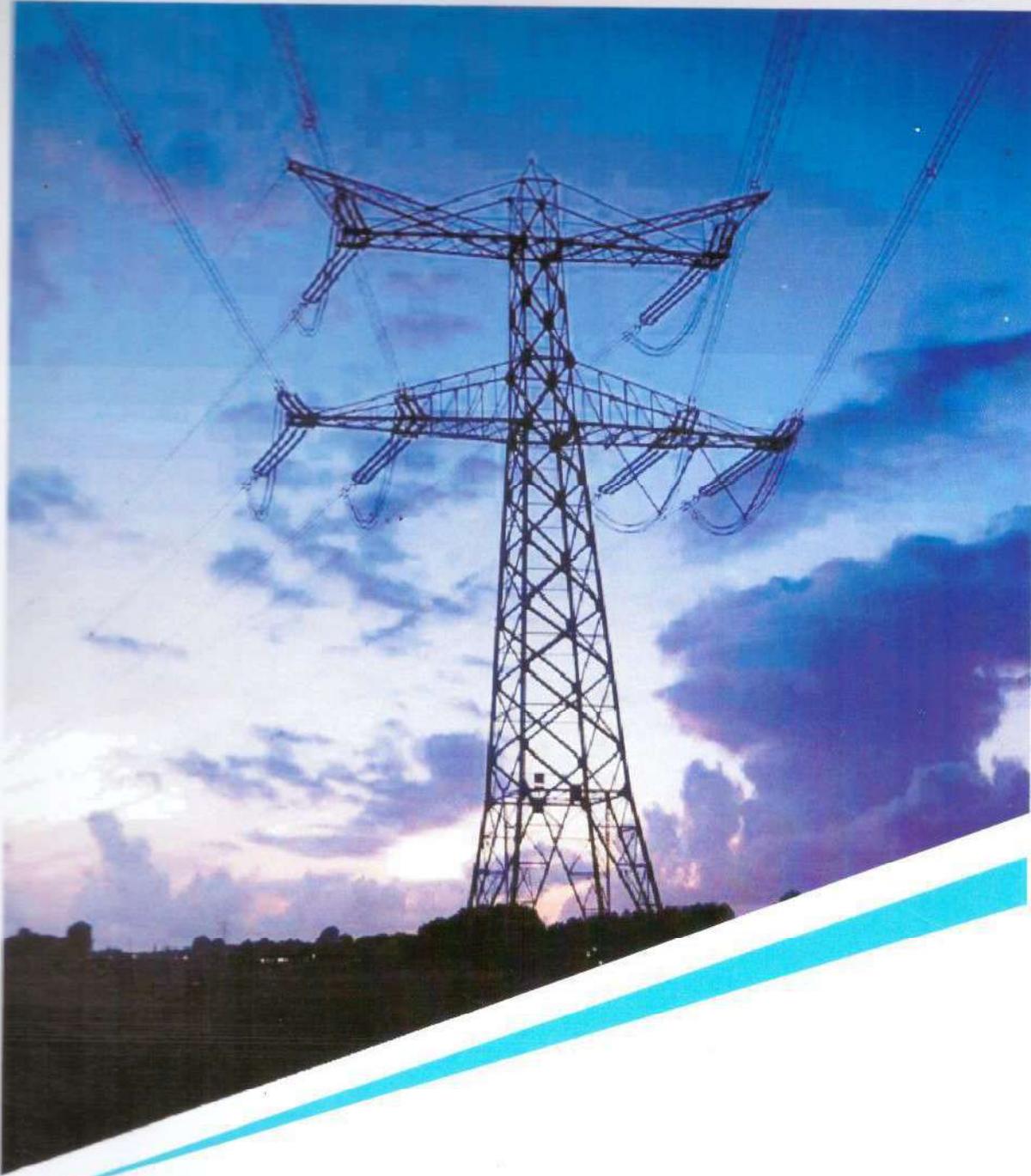


WORKS & PROCUREMENT POLICY (WPP)



Uttar Pradesh Power Transmission Corporation Ltd.

A Uttar Pradesh Government Undertaking

**WORKS
&
PROCUREMENT POLICY (WPP)**

Preface

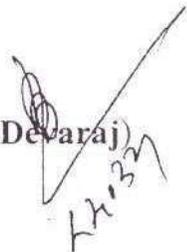
U.P. Power Transmission Corporation Limited, incorporated under the Companies Act 1956 in April, 2007, has achieved several milestones as State Transmission Utility. It has been the backbone of electricity supply by establishing, constructing, erecting, renovating, modernizing, maintaining and operating extra high voltage electrical transmission lines and associated substations, equipment etc. in Uttar Pradesh to meet a maximum demand of 25,000 MW. The organization has grown manifold since its inception, with increase in Transmission Capacity and Network size to meet the ever growing demand of the State. The widespread and fast paced expansion has increased the quantity of procurement along with increasing complexities thereof.

The primary objective behind developing the manual is to achieve more transparency, efficiency, cost effectiveness and statutory compliance for all stakeholders, by bringing together the knowledge of the corporation gained over the years and the best practices being followed by Government and other Transmission Companies elsewhere in the country. This '**Works and Procurement Policy**' has been prepared to achieve these stated objectives.

I would like to express sincere thanks to the team of UPPTCL behind this effort led by Shri Bibhu Prasad Mahapatra, Director (F), UPPTCL and duly assisted by Shri Akhilesh Srivastav, SE, ETDC, UPPTCL.

I hope this first edition shall address the policy guidelines required for various areas of procurement and evolve with time.

(M. Devaraj)



24/3/21

PREFACE

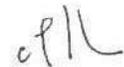
U.P. Power Transmission Corporation Limited is one of the largest State Transmission Utilities in India. At present the total number of substations has gone up to 602 numbers and transmission line to 47,200 Ckt-Km. The system, at present, all set to meet maximum demand of 25,000 MW.

In order to meet the ever growing demand, there is a need for continuous strengthening of the existing system and proper maintenance of the same. Therefore, the Procurement of works, Goods and Services in an efficient and time bound manner is absolutely essential. While achieving efficiency and effectiveness in procurement, a need of proper framework of policies and procedures is very much required.

UPPTCL has always endeavored to ensure that the procurement of Goods, Works and Services is carried out by following the basic doctrines of public procurement such as transparency, fairness, equity and least cost while conforming to required specifications, quality, service, delivery, reliability and least total cost of ownership. Towards this end, a procurement policy has been consolidated in a manual of '**Works and Procurement Policy**' so as to cater to the needs of changing scenario of business and to shift procurement methods towards IT enabled processes.

This policy is prepared in fluent and simple language and covers various aspects, which will certainly help to give new direction to procurement in UPPTCL.

I express my sincere appreciation and congratulate to all concerning Directors & team, whose hard work has resulted this policy. I am sure that this 'Works and Procurement Policy' manual will bring more transparency and good governance in procurement process.



(Dr. Senthil Pandian C.)

CONTENTS

Clause Reference	Particulars	Page No.
	Chapter-1	
1.0	Introduction & Abbreviation	5-13
	Chapter-2	15-26
2.0	Pre-Award Works/Projects	
2.1	Project Approval	
2.1.1	General	
2.1.2	Technical Approval	
2.1.3	Preparation of Estimate	
2.1.4	Preliminary Works (Including Acquisition of Land)	
2.1.5	Administrative/Investment Approval	
	Chapter-3	27-68
3.0	Tender Preparation	
3.1	General (NIT, ITB, GCC, SCC, Bid Forms etc.)	
3.2	Tender Document Fees / Bid Security/Validity of Bid	
3.3	Splitting of Projects/Works	
3.4	Project Timeline	
3.5	Qualifying Requirement	
3.6	Price Bid Parameter	
3.7	Price Variation (PV)	
3.8	Terms of payment	
3.9	Composite Bank Guarantee	
3.10	Payment Methodology	
3.11	Liquidated Damages(LD)	
3.12	Taxes, Duties and Cess	
3.13	Force Majeure	

	Chapter-4	69-97
4.0	Tendering	
4.1	Methods of Tendering	
4.2	E-Procurement	
4.3	Type of Tendering	
4.4	Pre-bid Conference	
4.5	Modification/Withdrawal of Bid	
4.6	Bid Opening	
4.7	Techno-Commercial Evaluation	
4.8	Financial Evaluation	
4.9	Dealing with Single Tender	
4.10	Post- Tender Price Negotiation	
4.11	Issue of Letter of Award (LoA)	
4.12	Snap Bidding	
4.13	Annulment of Tender	
4.14	Re-Bidding	
4.15	Tender Committee	
	Chapter-5	99-121
5.0	Post Award Works/Project	
5.1	Change of Scope (Deviations/Omissions)	
5.2	Amendment of the LOA	
5.3	Solving Right Of Way(ROW)/ Way Leave	
5.4	Monitoring the Progress of Projects/Works	
5.5	Grant of extension of Time	
5.6	Inspection at Factory/Site	
5.7	Delivery Instruction (DI)	
5.8	Signing of Indenture Bond	
5.9	Invoice Handing Procedure	
5.10	Passing of Substandard Supply/Work Bill	

5.11	Validity of BG and Insurance	
5.12	Ensuring Safety of Materials/Equipment & Workman	
5.13	Dispute Resolution Mechanism	
5.14	Event of Default	
5.15	Termination of Contract	
5.16	Short Closure	
5.17	Execution of Balance Works	
5.18	Debarring of Contractor (High Risk Contractor)	
5.19	Blacklisting of Contractor(s)	
5.20	Post Completion of Projects/Works	
	Chapter-6	123-143
6.0	Procurement of Goods	
6.1	General	
6.2	Indent of Materials/Equipment	
6.3	Initiation for Procurement	
6.4	Technical Specification, Drawing, Type test etc.	
6.5	Qualifying Requirement	
6.6	Technical Experience	
6.7	Commercial (Supply) Experiences	
6.8	Performance Criteria	
6.9	Minimum Offer Quantity	
6.10	Financial Qualification	
6.11	Commercial Criteria	
6.12	Debar/Black Listing/Legal Dispute	
6.13	Minimum Local Content	
6.14	Exemption for MSME Bidders	
6.15	Evaluation of Price Bid	
6.16	Splitting of Tender Quantity	
6.17	Delivery Schedule and Validity of the Order	
6.18	Inspection & Testing	

6.19	Payment Terms	
6.20	Price Variation (PV)	
6.21	Guarantee	
6.22	Repeat Order	
6.23	Procurement through GEM	
6.24	Other Applicable Policy for Procurement of Goods	
	Chapter-7	145-158
7.0	Procurement of Services	
7.1	Back ground	
7.2	Administrative Approval	
7.3	Selection of Service Provider and Award of Service Contract	
7.4	Award of Contract on Nomination Basis- Govt. Organisation	
7.5	Category of Services	
7.6	Outsourcing of Manpower for Operation/ Maintenance/ Watch & Ward/ Administrative jobs	
7.7	Job Outsourcing: Contract for Operation and/or Maintenance Job of Substation/ Lines	
7.8	AMC/ATS	
7.9	Technical Services	
7.10	Professional Services	
7.11	Consultancy Services	
7.12	Standard Terms of Reference (TOR)	
7.13	Standard Terms & Conditions of Service Contracts	
7.14	Signing of the Service Contract Agreement	
7.15	Other Applicable Policy for Procurement of Services	
7.16	Procurement through GEM	

Introduction

1.1 Introduction:

- i. U.P. Power Transmission Corporation Limited (UPPTCL) incorporated under The Companies Act 1956 in April, 2007, has main objective to acquire, establish, construct, erect, renovate , modernize maintain and operate extra high voltage electrical transmission lines and associated substations , equipment etc. in the State of Uttar Pradesh. It has been functioning as STU (State Transmission Utility) in the state of UP.
- ii. It also undertakes, for and on behalf of customers, construction, erection, operation, maintenance and management of extra high voltage electrical transmission lines and associated sub-stations, equipment etc.
- iii. The Projects undertaken to fulfill the above objectives inter alia, involve award and execution of contracts for procurement of works, goods and services, under various modes of funding, such as, loans from FIs/Banks , State Govt. equity , loans from multilateral financial institutions, own resources, deposits from customers , Central/State Govt. Grant/Loan etc.
- iv. The Works and Procurement Policy (hereafter named as The WPP) has been prepared keeping in view the existing Policy/Practices followed by UPPTCL, Government of India Finance Rules-2017, Government of India Policy for Procurement of Works-2019, General Financial Rules of Govt. Of UP , Policy followed by POWERGRID / other state PSUs.
- v. This document of UPPTCL is intended to spell out guidelines for governance framework for Procurement of Works, Goods and Services, covering entire gamut of activities relating to procurement i.e. need assessment, requisite Technical/Administrative/Investment approvals, issue of invitation of bid, evaluation bid, award of purchase order, award of service contract, award of works contract, execution of contract, closure of the contract and post closure evaluation.

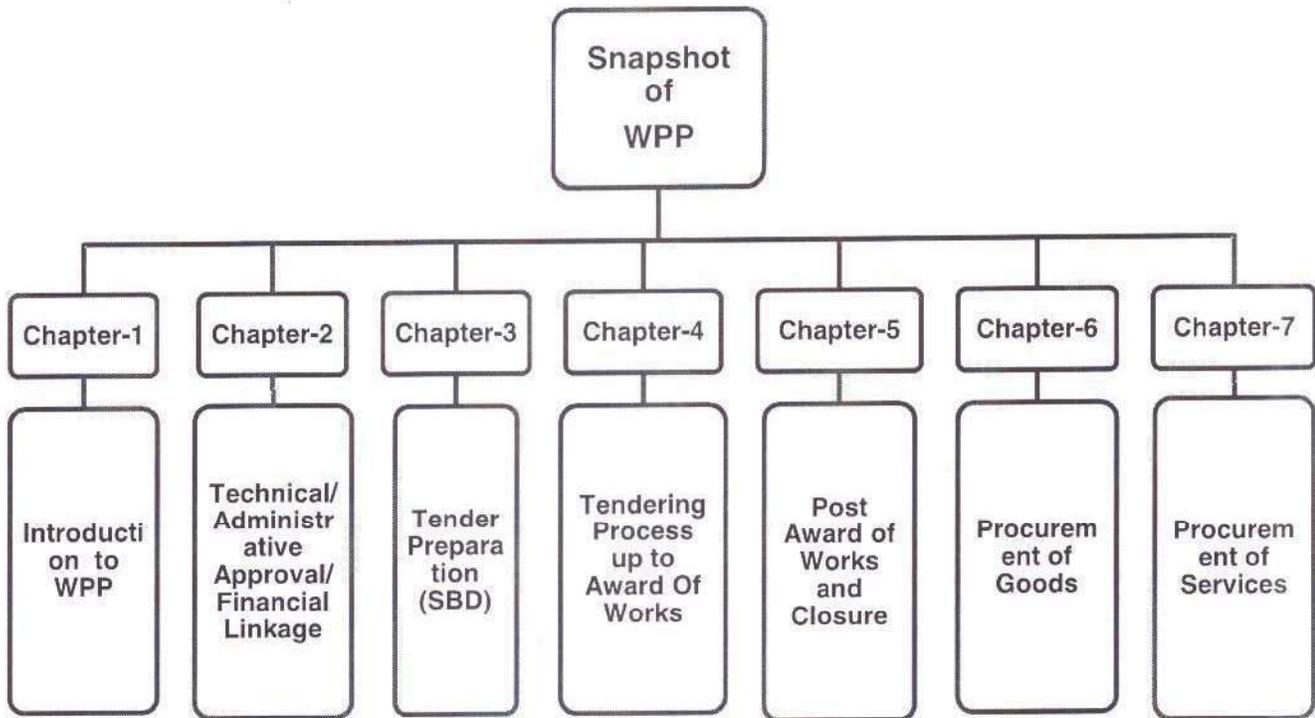
- vi. The purpose of this document is to articulate policy for UPPTCL's governance framework for procurement and to serve as guideline. However, for procurement funded by multilateral funding agencies, the financing agreement with them would prevail over the WPP. In other words the policy for procurement in such cases will generally be governed by the WPP excepting those terms and conditions which are specifically mentioned to be considered in the agreement.
- vii. This document in the normal course shall be revisited after 5 (five) years from its adoption or such period as may be considered appropriate by the Management. However, modifications/ additions by way of amendments to the WPP may be approved from time to time with the approval of Board of Directors.
- viii. If any clarification is required or difficulty arises in giving effect to the provisions of the WPP, MD of UPPTCL is empowered to give the clarification or interpret the provisions of this Policy consistent with the broad frame work and intent of the policy based on the recommendation of a committee representing Technical, Commerce and Finance Departments.
- ix. A public procurement contract, besides being a commercial transaction, is also required to comply the provisions of Public Procurement Acts. There are number of laws that may regulate various commercial aspects of public procurement contracts. UPTTCL procurement professional is expected to be generally aware of the implications of various laws affecting procurement of Works, Goods & Services.
- x. While every care has been taken to ensure that the contents of the WPP are accurate and up to date, the procuring department is advised to check the precise current provisions of law and other applicable rules and regulations from the original sources. In case of any conflict between the provisions stipulated in the WPP and the prevailing laws, the provisions contained in the extant law shall prevail.

1.2. Overview of WPP:

The Works and Procurement Policy (WPP) elucidate the Principle/Guideline to be followed relating to Procurement of Works (Turnkey Contracts), Procurement of Goods and Procurement of Services. The WPP is segregated into seven chapters as follows:

- **Chapter-1:** Covers the Introduction part outlining the Background, Need of WPP, Purpose, Scope etc.
- **Chapter-2:** Defines Technical Approval, Administrative Approval, Preparation of Estimate, Financial Linkage etc. of Projects/Works.
- **Chapter-3:** Contains Preparation of Standard Bidding Documents (SBD) containing ITB, GCC, SCC, BoQ, Qualifying Requirement, Payment Terms etc.
- **Chapter-4:** Describes Tendering of Works covering detailed guideline of E-Procurement, Evaluation of techno-commercial/financial bid, Dealing with Single Tender, Post Tender Negotiation, Snap Bidding, Issue of LoA etc.
- **Chapter-5:** Covers Post Award Issues such as Quality Assurance, Change in Scope, Revision of Cost Estimate, Extension of Time, Dispute Resolution, Short Closure, Termination of Contracts, Risk and Cost etc.
- **Chapter-6:** Discusses on Procurement of Goods viz. Indent, QR, Evaluation, Minimum Local Content, Exemption for MSME Bidder, Splitting of Quantity, Repeat Order, Procurement through Gem etc..
- **Chapter-7:** Describes Procurement of Service, Manpower Outsourcing, Job Outsourcing, Technical/Professional Services, QCBS Method of Evaluation etc..

Note: Chapter-2 to 5 deal with Procurement of Works/Project, Chapter-6 with Procurement of Goods and Chapter-7 with Procurement of Services. The principle which is not explicitly mentioned under Procurement of Goods/Procurement of Services chapters but find place in Chapter-2 to 5 (Procurement of Works) shall by default be applicable for Procurement of Goods as well as Procurement of Services, mutatis mutandis.



Abbreviations

1	1S1E	Single Stage Single Envelope System
2	1S2E	Single Stage Two Envelope Systems
3	ACS	Additional Chief Secretary
4	ACSR	Aluminum Conductor Steel-reinforced Cable
5	ADB	Asian Development Bank
6	AI	Artificial Intelligence
7	AIS	Air Insulated Sub-station
8	AMC	Annual Maintenance Contract
9	AS	Activity Schedule
10	ATS	Annual Technical Services
11	BDS	Bid Data Sheet
12	BG	Bank Guarantee
13	BOC	Bid Opening Committee
14	BOCW	Building and Other Construction Workers
15	BoD	Board Of Director
16	BoQ	Bill Of Quantities
17	CA	Chartered Accountants
18	CEA	Central Electricity Authority
19	CGST	Central Goods and Service Tax
20	CPBG	Composite Performance Bank Guarantee
21	CPRI	Central Power Research Institute
22	CPSU	Central Public Sector Undertakings
23	CPWD	Central Public Works Department
24	CT	Current Transformer
25	CVT	Current Voltage Transformer
26	DCB	Domestic Competitive Bidding

27	DGS & D	Directorate General Sales & Disposals
28	DI	Dispatch Instruction
29	DIPP	Department of Industrial Policy and Promotion
30	DLC	Defects Liability Certificate
31	DOP	Delegation Of Power
32	DPR	Detailed Project Report
33	DSR	Delhi Scheduled Rate
34	EEC	Execution of Projects/Works through Empanelled Contractors
35	EHT	Extra High Tension
36	EMD	Earnest Money Deposit
37	EOC	Engineers of Contract
38	Eoi	Expression of Interest
39	EOT	Extension of Time
40	EPC	Engineering Procurement and Construction
41	EPF	Employee Provident Fund
42	EREDA	Electrical Research and Development Association
43	ESI	Employee State Insurance
44	FDR	Fixed Deposit Receipt
45	FIs	Financial Institutions
46	FoR	Free On Road
47	GCC	General Conditions of Contract
48	GEM	Government E-Marketing
49	GFR	General Financial Rules
50	GI survey	Survey using Geographical Information System
51	GIS	Gas Insulated Sub-station
52	GOI	Government Of India
53	GST	Goods and Service Tax
54	GTP	Guaranteed Technical Particulars/Parameters
55	HT	High Tension

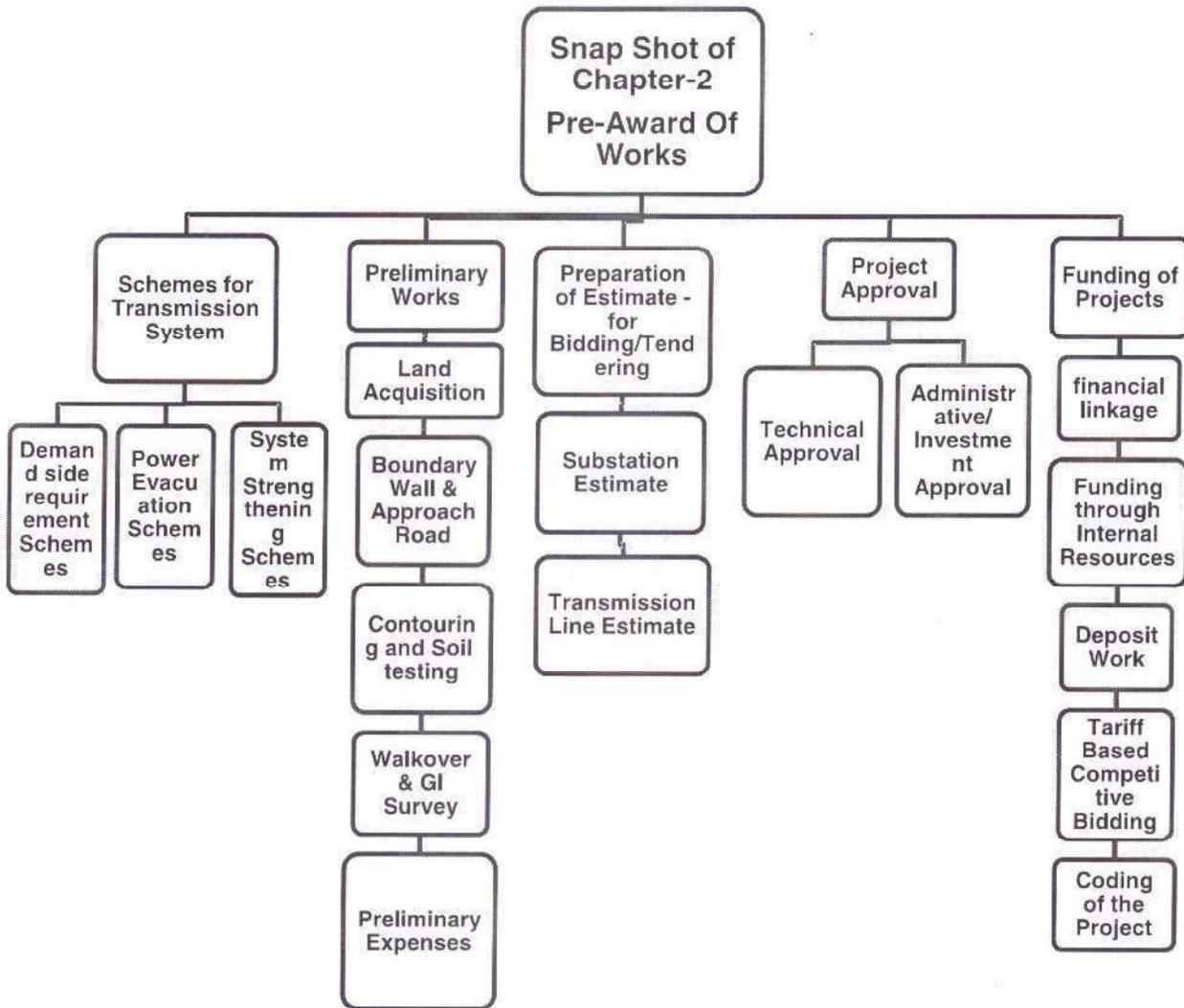
56	ICB	International Competitive Bidding
57	ICC	Indian Chamber of Commerce
58	ICC	International Chambers of Commerce
59	IGST	Integrated Goods and Service Tax
60	INCOTERMS	International Commercial Terms
61	IS	Indian Standard (Technical Specification)
62	ISS	Indian Statistical Service
63	ITB	Instructions to Bidders
64	JICA	Japan International Cooperation Agency
65	JMC	Joint Measurement Certificate
66	JV	Joint Venture
67	KFW	A German state owned Development Bank
68	L/C	Letter of Credit
69	LA	Lightning Arrester
70	LD	Liquidated Damage
71	L-I	Lowest Bidder
72	LOA	Letter Of Award
73	LOI	Letter Of Intent
74	LTE	Limited Tender Enquiry
75	MAAT	Minimum Average Annual Turnover
76	MD	Managing Director
77	MRS	Material Reconciliation Statement
78	MSME	Micro, Small and Medium Enterprises
79	MVAR	Material Verification and Acceptance Report
80	NABL	National Accreditation Board for Testing and Calibration Laboratories
81	NCLT	National Company Law Tribunal
82	NEFT	National Electronic Funds Transfer
83	NHAI	National Highway Authority Of India
84	NIC	National Informatics Center

85	NIT	Notice Inviting Tenders
86	O&M	Operation and Maintenance
87	OEM	Original Equipment Manufacturer
88	OEM	Original Equipment Manufacturer
89	OES	Original Equipment Supplier
90	OPGW	Optical Ground Wire
91	OSM	Owner's Supplied Materials
92	OTE	Open Tender Enquiry
93	P&L A/C	Profit And Loss Account
94	P.O.	Purchase Order
95	PAN	Permanent Account Number
96	PCC	Plain Cement Concrete
97	PERT	Program Evaluation Review Technique
98	PLCC	Power Line Carrier Communication
99	PMC	Project Management Consultants
100	PMS	Project Management Services
101	PSUs	Public Sector Undertakings
102	PV	Price Variation
103	QCBS	Quality and Cost Based Selection
104	QR	Qualifying Requirement
105	RCC	Reinforced Cement Concrete
106	RoW	Right Of Way
107	RTGS	Real Time Gross Settlement
108	S/s	Sub-Station
109	SAC	Service Account Code
110	SBD	Standard Bidding Document
111	SCADA	Security Control And Data Acquisition
112	SCC	Special Conditions Of Contract
113	SOR	Schedule Of Rate
114	STE	Single Tender Enquiry

115	STU	State Transmission Utility
116	TBCB	Tariff Based Competitive Bidding
117	TC	Tender Committee
118	TDR	Term Deposit Receipt
119	TDS	Tax Deducted at Source
120	TOR	Terms Of Reference
121	TPIA	Third Party Inspecting Agency
122	TS	Technical Specification
123	TTRs	Type Test Reports
124	TWC	Transmission Working Committee
125	UoM	Unit of Measurement
126	UPERC	Uttar Pradesh Electricity Regulatory Commission
127	UPGST	Uttar Pradesh Goods and Service Tax
128	UPPTCL	Uttar Pradesh Power Transmission Corporation Limited
129	VA rating	Volt Ampere Rating
130	VCB	Vacuum Circuit Breaker
131	WPI	Wholesale Price Index
132	WPP	Works and Procurement Policy

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Chapter-2
(Pre-Award of Works)



Chapter-2 (Pre-Award of Works)

2. Project Approval:

2.1 General:

The transmission system is generally planned for the following:

- i. Expansion of existing network i.e. new project to handle the expected peak demand of DISCOMs and Long Term Open Access consumers.
- ii. For evacuation of power from generating stations within the state.
- iii. Renovation/Up-gradation/Augmentation of existing network considering the operational constraints in the transmission system and/or to improve the overall performance in respect of reliability, safety and stability of the grid.
- iv. Modernization due to improvement in Technology.

2.2 Schemes for Transmission System:

- i. **Demand side requirement Schemes:** For planning of new 220/132 kV S/s, DISCOM intimate the details in respect of existing loading of S/s, load growth anticipated and the details of upcoming 33/11 kV S/s in the area. The DPR for new 220/ 132 kV S/s is prepared in consultation with DISCOMs.

Further, to ensure the authenticity of the requirement of the 220/132 kV S/s a committee consisting of Director (Distribution), UPPCL (on behalf of DISCOMs), Director (Operation), UPPTCL & Chief Engineer (D&P), UPPTCL has been constituted to review and recommend the proposal for new 220/132/33 kV S/s submitted by field unit and up-gradation of transformation capacity in existing S/s.

- ii. **Power Evacuation Schemes:** Based on the generation addition plan and the time of addition of the generation, evacuation of power from the proposed new generating stations or from the existing generating plants where capacity is augmented, to the load center is planned by UPPTCL.

After receipt of proposals for generation addition by various generating companies viz., UPRVUNL, Power Grid and Private generators and the likely time period by which these are planned to be added, the required power evacuation schemes is prepared by planning wing of UPPTCL in consultation with CEA, CTU and field units of UPPTCL.

- iii. **System Strengthening Schemes:** Apart from above schemes, transmission system (765 kV,400 kV etc.) are envisaged in the initial stage of five year planning period by planning wing in consultation with CEA, CTU and field units of UPPTCL and are for extension of transmission network, system strengthening or to transmit power up to load centers and evacuation of power from large generating projects.

All the Projects associated with 400 KV & 765 KV systems are to be submitted to CEA for their concurrence.

2.3 Preliminary Works (Including Acquisition of Land):

Following preliminary steps may be initiated prior to preparation of estimate, technical approval and administrative approval;

- i. **Land Acquisition:** The land for substations is normally provided by Government free of cost. If Govt. land is not available, private land may be acquired through Land Acquisition Act or purchase through District Administration as per Govt. guidelines. In this connection separate guidelines has been issued by the corporation from time to time. Arrangements for

acquisition of land shall be done prior to processing for Administrative Approval.

- ii. **Boundary Wall & Approach Road:** It is always desirable that construction of boundary wall and approach road should be taken up before going for bidding for construction of a Sub-station.
- iii. **Contouring and Soil testing:** Steps should be taken for Contouring and Soil testing of proposed site of Sub-station for preparation of Architectural and Structural Drawings properly.
- iv. **Walkover & GIS Survey:** In respect of transmission lines Walkover Survey & GIS Survey is essential to find out the optimal route. In order to reduce the cost as well as time as far as possible River crossing, crossing of Railway Line, Forest area etc. may be avoided at the planning stage.
- v. **Preliminary Expenses:** The preliminary expenditures like walkover Survey, GIS Survey, Contouring and Soil Testing being very small amount may be socialized at this juncture and charged to Profit and Loss Account. However, with the implementation of ERP which is in process, the expenditure may be allocated to the respective projects.

2.4 Preparation of Estimate - for Tendering/DPR :

The estimate shall be prepared based on Cost Data notified by the corporation on yearly basis. However, it may be reviewed on half yearly basis.

2.4.1 Substation Estimate:

- i. The estimate will have two parts, i.e. SQ-1 Electrical and SQ-2 Civil.
- ii. For preparation of SQ-1, the latest discovered price (Exclusive GST) of major equipment like transformer, reactor, circuit breaker, CT, CVT, isolator, LA, control and relay panel, control cable, conductors, cables etc. in the corporate office tenders shall be considered for notifying cost dat.

- iii. However, as regards minor equipment, the average unit cost (Inflation adjusted) of the said item in the BoQ of three latest awarded EPC Contract may be worked out. While calculating the average price, abnormal price shall not be considered.
- iv. In case of new equipment/item, whose prices are not available as above, budgetary quotations may be obtained directly from reputed manufacturers through website or through leading E-Market place namely GEM, Amazon, Flipkart etc..
- v. The cost of equipment should also include the cost of mandatory spares and cost of guarantee, if any.
- vi. A charge of 7.5% on the total cost may be added toward Erection Cost, Labor cess, cost of Survey, Drawing, Insurance, Storage, Finance charges for opening CPBG, Working Capital Interest, Site Office Expenses etc.
- vii. For preparation of SQ-2, i.e. Estimate of Civil works, lowest of the average price of each civil item in BoQ of latest three EPC tenders awarded by the corporation or CPWD/UP PWD Schedule of rates shall be considered.
- viii. GST at the applicable rate (At present 18 percent) for Works Contract shall be applied on gross total of SQ-1 and SQ-2. The gross total of Taxable Value and applicable tax becomes estimated cost for the purpose of bidding/tendering.
- ix. Further, it is to be ensured that the cost of Owner's Supplied Material (OSM) like Transformer, Switchgear etc. if any, are not included in the Estimated Cost for the purpose of bidding/tendering.
- x. DPR: In addition to above, Cost of Land and Land development, Interest during construction (IDC) @ of 5% per year, PV @ 3% per year, Contingency @3%, Transportation Cost, Loading & Unloading, Testing and Commissioning and T&P @ 4% on the cost of Owner's Supplied Material Establishment Cost at the rate of 9%, 7% and 5%, shall be added in respect of 132Kv Substation, 220Kv substation and 400Kv/765Kv substation respectively over the above estimated cost may be taken into consideration for arriving at Project Cost for DPR.

- xi. In case of Deposit work, Supervision charge at applicable rate shall be added to the cost of the project instead of Establishment Cost while ascertaining Project Cost (for DPR) to be quoted to the customer.

2.4.2 Transmission Line Estimate:

- i. The estimate will have two parts, i.e. LQ-1 Electrical Supply, LQ-2 Erection.
- ii. The average unit cost (Inflation adjusted) of items of supply as well as items of erection in BoQ of three latest awarded EPC Contract may be considered for notification of Cost data. While calculating the average price, abnormal price shall not be considered.
- iii. The estimate of Electrical Supply Items for lines (LQ-1) and estimate for Erection (LQ-2) may be prepared based on the cost data notified from time to time.
- iv. The applicable tax (GST at present @18%) on gross total of taxable value i.e. aggregate of LQ-1 and LQ-2 shall be applied which becomes estimated cost for the purpose of bidding/tendering.
- v. Further, it is to be ensured that the cost of Owner's Supplied Material (OSM) like conductors, cables, etc. if any, are not included in Estimated Cost for the purpose of bidding/tendering.
- vi. In addition to above, Cost of Land compensation and Crop compensation @7.5%, Interest during construction (IDC) @ of 5% per year, PV @ 3% per year, Contingency @3%, Establishment Cost at the rate of 9%, 7% and 5% shall be added in respect of 132Kv line, 220Kv line and 400Kv/765Kv line respectively over the above estimated cost may be taken into consideration for arriving at Project Cost for DPR.
- vii. In case of Deposit work, Supervision charge at applicable rate shall be added to the cost of the project instead of Establishment Cost while ascertaining Project Cost (for DPR) to be quoted to the customer.

2.5 Technical Approval:

- i. Technical Approval is a sort of confirmation or assurance that the proposed work is very much essential for strengthening the transmission system and technically viable as well as financially feasible.
- ii. It is absolutely essential to ensure the need of the project and its size. The Competent Committee as stated above has to deliberate and approve the proposal provisionally. Thereafter, a DPR (Detailed Project Report) for the project is prepared by field units with requisition/consent of Distribution Company/Customer and sent to Planning Department at Corporate Office.. The Planning Department is to ensure that the proposed project is found place in the approved Business Plan or in the Draft Business Plan filed before UP Electricity Regulatory Commission (UPERC) and pending for approval for more than three months. If the project does not find place in approved business plan or draft business plan filed before UPERC but considered essential, the same may be taken up in anticipation of approval. However, in such case, the post facto approval may be sought from UPERC.
- iii. The planning department is to make sure that the proposed route of lines is optimum based on Walkover Survey/ GIS survey report received from field. Besides the requirement of type and nature of tower, conductor and cables etc. required. Further, in case of substation, the planning department has to examine the availability of land, type of technology to be adopted (e.g. AIS or GIS) etc.
- iv. The estimate shall be checked based on quantity of material required and approved Cost Data. The cost estimate and financial feasibility study based on wheeling of power need to be concurred by Finance.
- v. After being found that the project is technically feasible and commercially viable, it shall be placed before Transmission Works Committee (TWC) for deliberation and approval, thereafter, need to be placed before the Board of Director for final approval.

- vi. All other activities like obtaining Administrative Approval/ Investment Approval from competent authority, ensuring Financial Linkage, Floating of Tender, Award of Contract, and Execution of Work etc. shall follow Technical Approval.

2.6 Administrative/Investment Approval:

To undertake a project (new /renovation/modernization), the proposal shall be appraised by the different Committees established at the different levels based on the value of the proposal. After appraisal of the proposal, these projects being approved by the Committees Constituted for such purposes. In this respect, Energy Private Investment Cell vide order no. OM No. 1/2017/417/24-EPIC/17-2 (Cell)/03 dated 23.08.2017 issued guideline which shall be followed as produced herein below:

Sl. No.	Limit of Value of the Proposal	Level of Appraisal Needed	Level of Approval Needed
1	Till Rs. 10 Crores	Concerned Chief Engineer	Board of Directors
2	More Than Rs. 10 Crores till Rs. 50 Crores	Appraisal Committee under the Chairmanship of ACS/Principal Secretary (Energy)	Recommendation of concerned Board of Directors, thereafter recommendation of Appraisal Valuation Committee under the Chairmanship of ACS/ Principal Secretary (Energy) and finally the approval of Hon'ble Minister, Energy via administrative department.
3	More Than Rs. 50 Crores till Rs. 200 Crores	Appraisal Committee under the Chairmanship of	Recommendation of concerned Board of Directors, thereafter recommendation of Appraisal

		ACS/Principal Secretary (Energy)	Valuation Committee under the Chairmanship of ACS/ Principal Secretary (Energy), then recommendation of Energy Task Force and finally the approval of Hon'ble Chief Minister via Hon'ble Minister.
4	More Than Rs. 200 Crores	Appraisal Committee under the Chairmanship of ACS/Principal Secretary (Energy)	Recommendation of concerned Board of Directors, thereafter recommendation of Appraisal Valuation Committee under the Chairmanship of ACS/Principal Secretary (Energy), then recommendation of Energy Task Force and finally the approval of Hon'ble Council of Ministers via Hon'ble Minister.

NOTE- The figures in the above table may undergo changes from time to time with the issue of revised orders. The same may be kept in view while processing for Administrative approval.

2.7 Financial Linkage:

These Projects involving construction of new substation and transmission line as well as renovation/augmentation of existing Substation and Line are essentially Capital in nature and funded by Debt/Equity. These projects are taken up under various modes of funding, such as, loans from FIs/Banks , State Govt. equity , loans from multilateral financial institutions, own resources, deposits from customers , Central/State Govt. grant/loan etc. It is essential that Financial Linkage is in place before award of work for construction of the project.

2.7.1 Steps for Financial Linkage:

- a) All projects having capital outlay of more than Rs.10Cr are placed before Appraisal Committee/Energy Task Force of Govt. of Uttar Pradesh for Administrative/Investment Approval.
- b) Govt. of UP while giving administrative approval, usually accord 30% Equity approval.
- c) UPPTCL approaches PFC/REC/Banks/Other FIs for balance percentage of project cost for debt financing. A proposal along with DPR is forwarded for the purpose.
- d) Financial Institution/Bank process and after due appraisal sanction the loan and issue sanction letter containing rate of interest, tenure, moratorium, security etc to UPPTCL.
- e) The sanction letter is placed before BoD for consideration and approval. Loan agreement is executed following the approval of BoD.
- f) Reimbursement claim is submitted for drawl of loan from time to time.

2.7.2 Funding through Internal Resources:

For small capital projects less than Rs. 5 crore viz. Capacity Augmentation, Renovation of existing asset, Addition of Bay etc. funding is done through Internal Resources of UPPTCL. However, for all projects above Rs. 5 Crore, Corporation goes for debt financing to the extent required.

2.7.3. Deposit Work:

These are basically of two types, one for evacuation/drawl of power and other one is strengthening of existing system/utility shifting. The funding of these projects are made entirely by the Customer. The Customer may carry out the work on its own by depositing supervision charge with the corporation or may request corporation to execute the work by depositing the estimated cost along with supervision charge. Guidelines towards percentage of supervision charge and timing of deposit of funds by the customer issued from time to time are to be adhered to.

2.7.4 Projects through Tariff Based Competitive Bidding:

Presently, as per the Govt. of UP guideline, all the works/projects of 765 Kv & 400 Kv is to be implemented through TBCB route (PPP model).

2.7.5 Coding of the Project:

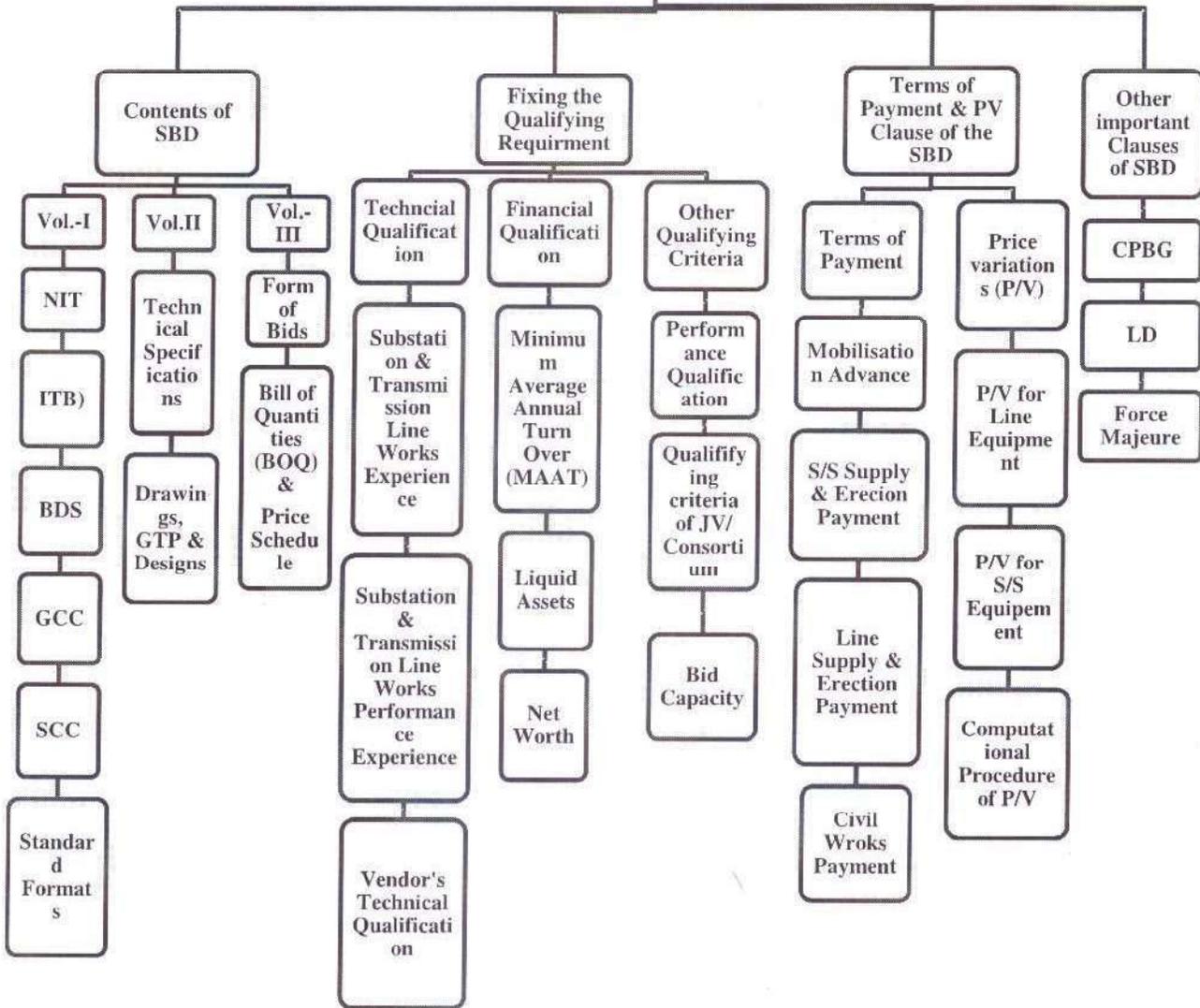
A unique code for each and every project is allotted which is very much useful for proper accounting and monitoring purpose. At present, Finance wing allots unique code to all projects up to Rs.5 Cr. However, for projects value more than Rs. 5 core, the unique loan sanction number issued by REC/PFC is used as a code for keeping track. With the implementation of ERP System which is underway, each project will be provided a unique code for better accounting, monitoring and control.

XXXXX

Chapter-3

(SBD)

Snap Shot of Chapter-3
Preparation of SBD



Chapter-3

(Preparation of SBD)

3.1 Standard Bidding Document (SBD):

This chapter contains the important clauses of SBD (Up to tendering stage) such as NIT, Guideline for submission of bid, EMD, Payment Term, BoQ/Price Schedule, Taxes and Duties, Price Variation etc.

3.1.1 General (NIT, ITB, BDS, GCC, SCC, Bid Forms etc.):

The contents of Standard Bid Document (SBD) generally comprises of the following;

Volume-1

- i. Notice Inviting Tenders (NIT)
- ii. Instructions to Bidders (ITB)
- iii. Bid Data Sheet (BDS)
- iv. General Conditions Of Contract (GCC)
- v. Special Conditions Of Contract (SCC)
- vi. Standard Formats

Volume-2

- vii. Technical Specifications
- viii. Drawings, GTP & Designs

Volume-3

- ix. Form of Bids
- x. Bill of Quantities (BOQ) & Price Schedule

Bid Document is always to be prepared/ finalized strictly based on SBD which does not require specific approval. However, any material change incorporated in the Bid Data Sheet, Special Condition of Contract (SCC) and change in the clause of SBD need prior approval of Competent Authority as per the DOP before floating of the Tender.

Guidelines on critical components of the bidding documents are given in the following paragraphs;

i. Notice Inviting Tenders (NIT):

The Notice Inviting Tender (NIT) shall inter alia include the following key information;

- All notices for inviting tenders (NIT) should be in a standard form.
- Every NIT should be so framed so as to provide key contents of the tender i.e. Name of the Tender Portal, UPPTCL Website, Tender Value, Scope, EMD, Last date of Submission, Place, Communication Address etc. for clear and concise information for the Bidder.
- For fair & competitive bidding, abridged version of the NIT (e-NIT) shall be published in two widely circulated National Daily (English Language) in all India edition, one widely circulated National Daily (Hindi Language) in all India Edition and one Local Daily (Hindi Language) having wide circulation giving reference to the tender portal for view and downloading of bid documents..
- The e-NIT shall also be published in the Tender portal and UPTTCL's website.
- Specific remark to be given in the NIT requesting the prospective bidder that they shall regularly visit Official website/e-Tender Portal of UPPTCL only, for amendment /errata /corrigendum (if any) and any other information regarding the tender.
- The e-NIT shall be window advertisement (i.e. precise form) with the reference of tender portal/website for detailed views.

ii. Instructions to Bidders (ITB):

The Instructions to Bidders (ITB) shall inter alia include the following key clause(s);

- **Tendering Schedule:** Information on Downloading/Availability of Tender Documents (Tender Portal/Website Reference), Tender/Package Estimated Cost, Cost Of Tender Documents, Tender Processing Fees, Amount of EMD, Pre-bid Conference (Date, Time & Place), Last Date of Submission of Bid, Opening of Part-1-Technical Bids (Date, Time & Place) and Opening of Price Bid.
- **Standard Qualifying Requirements (QRs) of Bidder(s):** Technical Qualification, Financial Qualification and Other qualification (Bid Capacity). Qualifying Criteria for Consortium/Joint Venture are also to be included in the ITB.
- **Important Instruction to Bidders:** Official Correspondence on tender relating to amendment/errata/corrigendum and any other information.
- **Submission of key documents in Hard form** (Paper form) to be submitted to UPPTCL and in Soft form to be uploaded (Attachment Files & Schedules).
- **e-Tender Processing Guidelines:** e-Tendering information and Enrolment of Bidder(s) on Electronic Tendering System.
- **Preparation of Bids;** Site visit to assess local condition Mode of Payment of Tender Cost, Mode of Submission of EMD (Earnest Money Deposit), Period of Validity of Bids, Bid Price, Price Basis and Payments, Taxes and Duties, Mobilisation Advance/ Inception Cost and Associated Bidding Cost.
- **Submission of e-Bids:** Mode & Date Line of Submission of Bids, Modification and Withdrawal of Bids.
- **Bid Opening and Evaluation of bid(s):** Opening of the Part-1 (Technical Bids) subject to submission of Tender Cost, Tender processing Fees & EMD and Other relevant documents, Procedure of evaluation of Techno-Commercial qualifying criteria, Short listing of Techno-Commercially

responsive/qualifying Bidder(s), Opening of the Price Bid(s) and Selection of the Lowest evaluated Bidder(s).

- **Award Criteria**, Right to accept or reject any bid, Letter of Award, Signing of the Contract Agreement and submission of Contract Performance Bank Guarantee.
- **Disclaimer**.

Note: The Standard Clauses of ITB of Bid Document shall not be changed without the approval of BoD. Any changes required to be made due to any specific project and under special circumstances, the same can be provided/included in the Bid Data Sheet as detailed below with the due approval of Competent Authority as per DoP.

iii. Bid Data Sheet (BDS):

Normally the Instruction to Bidder (ITB) section of the Standard Bidding Document (SBD) is developed for the regular nature of work/ project being undertaken by UPPTCL. However, the clauses given in the Instruction to Bidder (ITB) need to be modified/changed based on the specific work/project under special circumstances only such as bigger size of the works/project, new type of work/project, special circumstances etc.. All such modification/changes that are necessary shall be included in the Bid Data Sheet (BDS). **The clauses included in the BDS shall supersede the clauses of ITB.**

iv. General Conditions Of Contract (GCC):

The General Conditions Of Contract (GCC) of the Standard Bidding Document (SBD) should contain the detail terms and conditions of contract which inter alia includes following important clauses;

A. Introduction:

- Definition of Terms.
- Manner of Execution of Contract
- Enforcement of terms and conditions of the Contract
- Standards
- Contractual Obligation

B. Guarantees & Liabilities in Execution of Contract:

- Time – The Essence of Contract
- Effective date of Contract
- Liquidated Damage for delay in Supply & Erection
- Contract Performance Guarantee
- Embossing/Punching/Casting
- Inspection & Testing
- Rejection of Material/Equipment
- Latent Defect Warranty
- License
- Obtaining Of Statutory Approval
- Deviation To The Scope Of Works
- Engagement Of Sub-Contractor
- Liability Of The Contractor
- Training of Personnel
- Progress Reports

C. Contract Security & Payments:

- Composite Performance Bank Guarantee
- Nature of Price i.e. Firm or Variable
- Taxation
- Mode of Payment
- Currency of Payment
- Due date for Payment
- Terms of Payment
- Deduction from Contract Price

D. Materials/Equipment Handling & Storage:

- Storage-Cum-Erection Insurance
- Contractors Stores, Workshop and Construction Equipment
- Spares (including Mandatory Spares)
- Facilities to be provided by UPPTCL

E. Contractor's Obligation (Safety and Liability):

- Work & Safety Regulations
- Regulation of Local Authorities And Statutes
- Liability for Accidents And Damages

F. Contract Closure :

- Reconciliation of Materials and Payment
- Pre-Commissioning Trials and Initial Operations
- Trial Operation
- Handing Over & Taking Over
- Punch Points

G. Dispute Resolution:

- Event of Default
- Consequence of Default
- Force Majeure
- Termination of Contract
- Suspension of Work
- Settlement of Disputes
- Arbitration
- Jurisdiction of Courts

H. Other Terms and Conditions:

- Contractors Performance Feedback & Evaluation System
- In-eligibility for future tenders
- Grafts & Commissions

v. Special Conditions Of Contract (SCC):

Normally the Clauses included in the General Conditions Of Contract (GCC) section of the Standard Bidding Document (SBD) consider the provisions applicable for regular nature of works/ projects being undertaken by the UPPTCL. However, the clauses given in the General Conditions Of Contract (GCC) needs to be modified/ changed and wherever applicable new clauses are to be rationally incorporated based on the specific requirement of the work/project. All such modification/ change/ inclusion is included in the Special Conditions of the Contract (SCC). The clauses included in the SCC shall supersede the clauses of GCC. Clauses incorporated under Special Conditions of Contract shall be approved by the Competent Authority as per DoP prior to publication of the tender. While drafting SCC, the circumstances warranting them shall be duly considered, including but not limited to the following:

- a) Where the wording in GCC specifically requires that further information is to be included in SCC and the conditions would not be complete without that information;
- b) Where the wording in GCC indicates that supplementary information may be included in SCC, but the conditions would still be complete without that information;
- c) Where the type, circumstances or locality of the works requires additional clauses or sub-clauses.

vi. Standard Formats:

While preparing the SBD, some of the standard sample formats are to be included in this section for smooth tendering process;

- Bank Guarantee for EMD
- Composite Performance Bank Guarantee (CPBG)
- Extension of Bank Guarantee
- Contract Agreement
- Project Related Turnover Format
- Availability of credit facilities format

- Net worth Format
- Bid Capacity related Format
- Joint Venture/Consortium Agreement
- Power of Attorney for Joint Venture/Consortium
- Acceptance of Fraud Prevention Policy
- Manufacturer's Authorization
- Self-declaration - Black Listing/debarring Action
- Technical Deviation Sheet
- Commercial Deviation Sheet
- Works Completion Schedule
- Affidavit of the Bidder
- MSME Declaration

vii. Technical Specifications:

- a. The technical specifications should be prepared in line with the approved Scope of Works, Basic Engineering, Standards for Equipment & Erections and all essential technical, qualitative, functional, performance characteristics and requirements (such as material composition, physical, dimensions and tolerances, workmanship and manufacturing process wherever applicable; test schedule; if any), including guaranteed or acceptable maximum or minimum values, as appropriate.
- b. While preparing the Technical specifications, following major aspects needs to be maintained & followed;
 - Brief Scope of Works and place
 - Technical Details of each Major Materials/Equipment
 - Erection/Commissioning procedure and standards
- c. A special note to be incorporated that if there is any, ambiguity/ difference in the technical parameters/ descriptions vis-à-vis the line items in the BOQ. However,

the technical parameters/descriptions mentioned in the original technical specification shall prevail.

viii. Drawings, Guaranteed Technical Parameters (GTP) & Designs (Civil Works):

- While floating the tender standard Drawings, Guaranteed Technical Parameters (GTP) of Major Materials/Equipment including standard drawings and designs of Civil Works shall be clearly provided in the Technical part of the SBD for bidders to quote their price.
- However, during the execution of works the Drawings, GTP & Design specified in the SBD may be changed/ modified as per the field conditions without compromising the guaranteed technical outcomes stated in the SBD and without any financial benefit to the contractor.

ix. Employer's Requirement:

The Employer's Requirements must therefore, specify exactly the Scope of works in terms of the quantity under the Project/works. The scope of works mentioned in the quantitative terms shall be used to assess the technical qualifying requirement under the Project/works.

x. Form of Bids:

In e-tendering mode, it is essential to develop some of the prescribed formats in .xls sheet for submission of data/information along with attached documents (in .pdf) files for Techno-commercial evaluation purpose. These standard forms help to make Techno-Commercial comparative Statement in an effective manner with savings of time. Some of the standard forms asked for are given below for reference;

- Form-I: Bidder's Information
- Form-II: Acceptance of Important Terms & Conditions
- Form-III: Check List of attached documents submitted in .pdf
- Form-IV: Technical Qualifying Requirement Sheet

- Form-VI: Vendor's Qualifying Requirement Sheet
- Form-V: Financial Qualifying Requirement Sheet
- Form-VII: Other Qualifying Requirement Sheet

xi. Bill of Quantities (BOQ) & Price Schedule

The Bill of Quantities & Price Schedule, should be developed in .xls formats for submission of Price Bid by the Bidders. The BOQ & Price Schedule shall be so prepared which will automatically evaluate the price bids submitted by the bidders. Therefore while preparing the Bill of Quantities & Price Schedule, special care shall be taken on the following points;

- Separate schedule shall be prepared for Sub-Stations & Line Electrical Works
- There shall be three major Parts in BoQ and Price Schedule i.e. (i) Supply, (ii) Erection, Installation & Commissioning and (iii) Associated Civil Works. However, for all purposes the contract shall be considered as single contract. Under GST law, the project/works involves both supply and erection including associated Civil work shall be considered as single Works Contract and single GST rate shall be applicable. Hence, the contractor (s) shall use SAC code of Works Contract for Supply, Erection, Installation & Commissioning and Associated Civil Works under the Project/Works.
- Each price schedule should be so prepared that it should include all the major key activities of supply & erection which will match with the key activities defined in the Scope of works.
- There shall be unique BOQ code for each supply component and corresponding erection component. However, for some supply items for which the erection code could not be generated the same shall be deemed to be included in some other works and to be shown separately.
- The Unit of Measurement (UoM) of the Supply & Erection component for each item shall be uniform and to be defined properly.

- The descriptions of each BOQ should clearly mention the item Particulars like total Weight/Length, Voltage/ Current/VA rating, reference drawings no./design nos. contained in the technical specifications.
- If any BOQ item does not contain the reference of drawings & design, the same shall be mentioned as per available/applicable electrical standards.
- Under first part there are distinct component of BoQ having unique code for each component of supply of equipment, in the second part, there are distinct component for each activity of erection/installation/Commissioning in the BoQ having unique code for each activity and under third part there are distinct component of Civil Works having unique code for each component. The contractor has to mention price against each component of all parts of BoQ. The Price shall indicate FoR destination Price (Taxable Value) , i.e. Landed Price inclusive of Basic Price, freight, Insurance, all other incidental expenses, Labour Cess etc . GST shall be mentioned separately at applicable rate.
- While preparing the price schedule, special care should be taken so that the bidder would not be able to quote different prices for same items contained in the different price schedules. These same items are to be linked each other in the .xls sheet.

3.2 Tender Document Fees / EMD/Validity of Bid:

3.2.1 Tender Document Fees:

The tender document fee should be as low as possible considering the cost/ effort of preparing documents. .The tender document fees shall be deposited through RTGS/NEFT/Demand Draft in favour of UPPTCL, sufficiently before the scheduled date & time. The scanned copy of the tender document fees deposited shall be uploaded in the tender portal Tender document fees deposited by the bidder(s) shall be non-refundable. Non submission of Tender Document Fees

(except exemption) shall make the bid non-responsive and liable for rejection by UPPTCL.

Structure Of Tender Document Fees

Estimated Value of Tender	Tender Document Fees (Excluding GST)
Below Rs. 25 lakhs	Rs. 500.00
Rs. 25 Lakhs to Rs. 2 Crore	Rs. 1,500.00
Rs. 2 Crore to Rs. 25 Crore	Rs. 2,500.00
Rs. 25 Crore to Rs. 50 Crore	Rs. 5,000.00
Rs. 50 Crore to Rs. 100 Crore	Rs. 10,000.00
Above Rs. 100 Crore	Rs. 10000.00 + Rs.5000.00 for each Rs.100.00 Crore addition or part thereof limiting to Rs.50,000.00.

3.2.2 Earnest Money Deposit (EMD):

- The Earnest Money Deposit (EMD) is required to protect the UPPTCL against the risk of Bidder's conduct, which would warrant the guarantee forfeiture. Hence, all bids shall be accompanied with requisite Earnest Money Deposit (EMD) unless otherwise exempted in specific cases. The Earnest Money Deposit (EMD) shall generally be 1% of estimated cost.
- The Earnest Money Deposit (EMD) may be deposited by cash by way of payment through RTGS/NEFT/Demand Draft, submission in form of Bank Guarantee in the prescribed proforma or FDR/TDR of scheduled Bank pledged in favour of UPPTCL as the case may be. The scanned copy of the EMD duly countersigned by the Bidder shall be uploaded in the tender portal and the original document shall be submitted before the Tender Issuing Authority within seven days from the schedule date of opening of the Part-I Technical Bid.
- Normally the EMD/Earnest Money Deposit (EMD) BG shall remain valid for a period of 45 days over and above the bid validity period.

- Non-submission of Earnest Money Deposit (EMD) in accordance with paras mentioned above will make the bid non-responsive and liable for rejection by UPPTCL.
- The Earnest Money Deposit (EMD) shall be forfeited:
 - a) If a Bidder withdraws its bid during the period of bid validity specified in the bid documents or an extended bid validity period as agreed to by the Bidder from the time to time; or
 - b) If a successful Bidder does not acknowledge the Letter of Award (LOA); or
 - c) If a successful bidder does not execute the contract agreement within the stipulated time schedule; or
 - d) If the successful Bidder fails to furnish the Contract performance Bank Guarantee within the stipulated time schedule.
- Non-Responsive Bidder's EMD shall be discharged/ returned as promptly as possible by UPPTCL.
- The unsuccessful but responsive bidder's EMD shall be kept valid and discharged upon the successful Bidder's signing of the contract agreement and submission and acceptance of the Composite Performance Bank Guarantee(CPBG).
- The successful Bidder's EMD shall be kept valid and discharged upon the Bidder's signing of the contract agreement and submission and acceptance of the Composite Performance Bank Guarantee(CPBG).
- No interest shall be payable by UPPTCL on the EMD deposited in the form of Cash.

3.2.3 Validity of Bid:

- Normally, the bid(s) shall be valid for a period of 180 days from the date of opening of the Part-I bid which is sufficient to enable the UPPTCL to award the contract. However, UPPTCL may consider shorter validity period wherever appropriate.

- If circumstances occur in which award cannot be made within the original bid validity period, extensions in writing will be requested from bidder(s), in accordance with the bidding documents.
- Bidders who refuse this request may withdraw from the bid without incurring any penalty, but bidders who agree to a bid extension will also be required to extend their bid securities for two month more than extended period.

3.3 Splitting of Projects/Works:

- Normally splitting the Works/Projects into parts is not permitted. Similarly, the Works/Projects should not be too big to restrict the bidder or too small to experience difficulties in coordinating large number of small projects. Hence, the scope of the Works/Projects can be decided based on reasonable volume of work, Time line, Cluster basis etc for smooth execution of the project/Works, better co-ordination & interfacing, attracting competition & facilitating cost effective procurement.
- Usually, the Substation and line works are considered as separate Project/Works.
- One or more similar type of projects(s)/works may be clubbed for appropriate sizing of a projects/works for Techno/Commercial advantage.

3.4 Project Timeline:

- Normally, 132kV/220kV Substation and 132kV/220kV lines of standard length should be completed within 12-24 months from the date of issue of Letter of Award (LOA). In case, the project/works requires more time (more than 24 Months), Competent Authority as per DOP shall decide the time line of the projects/works.
- The time schedule may be prepared in the form of Bar and PERT Chart giving broad schedules of main activities such as preparation of drawings, survey, obtaining Statutory Clearances, Factory Inspection, procurement of materials/equipment, erection of material/equipment, testing and commissioning, trial run and handing over. In the Bar and PERT chart, both commencement and completion dates of each activity are to be indicated.

- iii. The time schedule (Bar and PERT Chart) may be prepared in a realistic manner so that it can be executed within the time line. Hence, adequate care shall be taken to the seasonal lead time i.e. rainy season, harvesting season, festival season etc.
- iv. The time schedule (Bar and PERT Chart) may be used for monitoring of the works/projects in a regular manner.
- v. The time line of the projects/works may be rescheduled looking at the progress of the works, probable completion time of the un-finished works, force majeure and any other eventualities like delay in handing over of the Land and obtaining the Statutory clearance and RoW etc during execution phase with justification by Competent Committee as per DoP.

3.5 Qualifying Requirement:

1. The purpose of Qualification Requirement (QR) is to award the work to such bidder(s) who have the financial capability/ Technical expertise/experience of executing similar type of works/project in the past . Simultaneously, while fixing QR, UPPTCL shall also ensure adequate participation of the bidders to the extent possible for getting a competitive price.
2. The policy of fixation of Standard minimum Qualifying Requirement (QR) is sacrosanct in a Transparent Procurement Process. It should not be changed frequently. However, it may be modified if the situation requires so considering complexity of works/project on case to case basis by two layer of Competent Committee as per DoP. However, any changes in the policy of fixation of the standard minimum qualifying requirement (QR) shall be informed to the BOD, UPPTCL to incorporate the same in the tender document.
3. This assessment of QR shall inter-alia include (i) Technical Experience; (ii) Financial Position (iii) Bid Capacity i.e. details of works executed, works in hand, anticipated in future & the balance capacity available for the present scope of work; (iv) details of plant and machinery, manufacturing and testing facilities, manpower and financial resources; (v) Vendor's Qualification; (vi) past experience and performance; (vii) Past Litigation History etc.

3.5.1 Technical Qualification:

a. Substation Works (AIS and GIS) Minimum Qualifying Experience:

The bidder, as a Principal Contractor (Not as a Sub-Contractor) or as a partner in a Joint Venture/Consortium shall demonstrate that it has successfully executed at least 50% of the Scope of works (rounded off to the next integer) as mentioned under Scope of Work on EPC Contract (Engineering, Supply, Erection and Commissioning) basis in India for any Transmission/ Generation Utility of State/Central and/or for any PSU/CPSU/Statutory Corporation/Authority under State/Central and/or for any Transmission Licensee under Tariff Based Competitive Bidding(TBCB) project in India during last 7 (Seven) years reckoned from the last date of submission of bid, so as to meet the Sub-Station Works (AIS or GIS as the case may be) Minimum Qualifying Experience Criteria as reiterated below.

Sl. No	Scope of Work(s)	Single entity	JV/Consortium as a whole	Lead partner of the JV/ Consortium	Other Partner of JV/ Consortium
01	For 132 kV/ 220kV/ 400kV/ 765kV AIS Substation Works-..... nos.	Must have constructed 50%* of the number of S/Ss under the Scope (Rounded off to nearest integer) in the same voltage or higher	Must have constructed 50%* of the number of S/Ss under the Scope in the same voltage or higher	Must have constructed 25%* of the number of S/Ss under the Scope in the same voltage or higher	Not Applicable

02	For 132 kV/ 220kV/ 400kV/ 765kV GIS Substation Works-..... nos.	Must have constructed 50% of the number of S/Ss (Rounded off to nearest integer) under the Scope in the same voltage or higher	Must have constructed 50% of the number of S/Ss under the Scope in the same voltage or higher	Must have constructe d 25% of the (No of S/Ss under the Scope) in the same voltage or higher	Not Applicable
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* In case of a bidding for a Single Substation, the QR is obviously One.

b. Substation Works (AIS or GIS) Performance Experience:

Out of the above, bidder shall demonstrate that at least 50% (rounded off to the next Integer) of the number of substations as required as Minimum Qualifying Experience stated above should have been under successful operation for a minimum period of 01 (One) year for AIS/GIS S/s reckoned as on initial date of opening of bid so as to meet the Substation Works (AIS or GIS as the case may be) Performance Experience Qualifying Criteria, respectively.

Note: In this respect, the Bidder shall be required to upload copies of the relevant Work Orders along with Handing Over and Taking over Certificate or Client certified copies of Commissioning Certificate in proof of successful Execution of Works and Performance Certificates duly signed by the competent authority of the Principal employer in proof of successful operation of the above quantum of works.

c. Transmission Line Works Minimum Qualifying Experience:

The bidder, Single Entity or Joint Venture/ Consortium, must be Tower Manufacturer and must have successfully executed Transmission line involving tower foundations, erection, stringing, testing and commissioning with a cumulative line length of at least 50% of the Ckt-Km of Scope of works (rounded off to the next integer) as mentioned under the Employer's Requirement on EPC Contract (Engineering, Supply, Erection and Commissioning) basis in India for any Transmission/ Generation Utility of State/Central and/or for any PSU/CPSU/Statutory Corporation/Authority under State/Central and/or for any Transmission Licensee under Tariff Based Competitive Bidding (TBCB) process in India during last 7 (Seven) years reckoned from the last date of submission of bid, so as to meet the Transmission Line Works Experience Qualifying Criteria.

The bidder should have its own manufacturing capacity of at least 3000 MT, for bidding in one package, for 132 KV or higher class Transmission Line/Telecom towers/Sub-Station structure having minimum average annual production of 3000 MT in last 3 years. The bidder should enclose certificates of operational experience of 3 yrs. of trouble free operation of manufactured towers/ Telecom towers / Sub- Station structures from utilities to whom they have supplied material.

The minimum requirement of technical experience is provided here in below in tabular form for better appreciation:

Sl. No.	Scope of Works	Single entity	JV/Consortium as a whole	Lead partner of the JV/ Consortium	Other Partner of JV/ Consortium
01	For 132 kV/ 220kV/ 400kV/	Must be a Tower Manufacturer	One of the partner must be a	Must have constructed 25% of the	Not applicable

765kV Transmission Line Works -no of..... Ckt-KM.	and Must have Constructed 50% of the Ckt-KMs of line as mentioned in the scope (Rounded off to nearest integer)in the same voltage or higher	Tower Manufacturer and other partner Must have constructed 50% of the Ckt-KMs of line as mentioned in the scope in the same voltage or higher	Ckt-KMs of line as mentioned in the scope in the same voltage or higher	
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d. Transmission Line Works Performance Experience:

Out of the above Transmission Line Works , bidder shall demonstrate that at least 25% (rounded off to the next Integer) of Ckt-Kms of line as required for Minimum Qualifying Experience stated above should have been under successful operation for a minimum period of 01 (one) year reckoned as on last date of submission of bid, so as to meet the Transmission Line Works Performance Experience Qualifying Criteria.

Note: In this respect, the Bidder shall be required to upload copies of the relevant Work Orders along with Handing Over and Taking over Certificate or Client certified copies of Completion Certificate in proof of successful execution of Works and Performance Certificates duly signed by the competent authority of the Principal employer in proof of successful operation of the above quantum of works.

e. Vendor's Technical Qualification:

At present, UPPTCL has the policy to supply different sizes of Power Transformers & Conductors as Owner's Supplied Materials (OSM) to the Contractor(s). Contractors are required to supply the other Equipment/ Materials sourced from the approved vendor(s) of UPPTCL. In the absence of list of approved vendor, the Contractor(s) are allowed to source such equipment/materials from the vendor(s) who meets the Vendor's Technical Qualification given as under;

- The Vendor should have Manufacturing facilities and having own service base in India. In case Vendor's/ Manufacturer's Manufacturing facilities is situated outside India, they should have a tie up with Indian Manufacturer having adequate service base in India from where they will be providing after sales services of the equipment/materials supplied under this contract.
- The equipment/materials shall have Valid Type Test Report conducted at the Accredited Laboratory of repute such as CPRI/EREDA. Such Type of Test Reports (TTRs) shall remain valid for the period mentioned in the CEA Guidelines as issued from time to time reckoned from the date of submission of the tender.
- The Equipment/Materials shall meet the minimum guaranteed Technical Particulars specified in the tender.
- The Vendor should have supplied at least 50% of the tender quantity to any State Transmission/Distribution Utility and/or to any PSU/CPSU/Statutory Corporation/Authority under State/Central and/or to any Transmission Licensee executed project under Tariff Based Competitive Bidding (TBCB) during last 5 (five years) reckoned from the last date of Submission of the Bid.
- The supplied quantity must have one year successful operation.

- In this respect, the Vendor shall be required to submit relevant documents to EoC along with Authorisation Certificate in the manner prescribed in the tender document towards successful performance.

3.5.2 Financial Qualification:

The Financial Qualification includes Minimum Average Annual Turnover (MAAT), Liquid Assets & Access To or Availability Of Credit, and Net Worth as detailed under;

- a. **Minimum Average Annual Turnover (MAAT):** The Minimum Average Annual Turnover (MAAT) i.e. Average of the Best Three Financial Years Turnover out of the Last Five/Four Financial Years preceding to the year of NIT is published . In case the Bidder is in existence for less than five financial years the Minimum Average Annual Turnover shall be average of the turnover of the completed no of financial years. The bidder who is in existence for less than one complete financial years, shall not be qualified. The MAAT shall not be less than the Amount [Estimated Cost/Schedule Completion Period in year]. .The project related turnover of the bidding company on standalone basis only (excluding its Associate companies/Holding Company)shall be considered for this purpose. The bidder(s) shall meet the MAAT Qualifying Criteria as shown herein below:

Sl. No.	Particulars	Minimum Average Project Related Annual Turnover (MAAT)	Single entity	JV/Consortium as a whole	Lead partner of the JV/ Consortium	Other Partner (s) of JV/ Consortium
01	Estimated Cost of the Projects/ Works – In Rs.....	[Estimated Cost/ Schedule Completion Period in no of year(s).]	Must meet 100%	Must meet 100%	Must meet at least 20%	Must meet at least 20%

- b. **Liquid Assets & Access To or Availability Of Credit;** The liquid assets (Cash at Bank & Fixed Deposit) and Un-Utilised credit facility (both Fund & Non Fund based) available from bank(s) duly certified by the Bank(s) at the end of Month preceding to the previous Month of Tender opening, shall not be less than 15% (Fifteen Percent) of estimated cost of the package(s)/works. For this purpose the liquid Assets and Un-Utilized Credit facilities of Partners of Joint Venture/Consortium shall be considered together.

Sl. No	Particulars	Liquid Assets & Access To or Availability Of Credit (LA)	Single entity	JV/Consortium as a whole	Lead partner of the JV/ Consortium	Other Partner (s) of JV/ Consortium
01	Estimated Cost of the Package/ Projects/ works – In Rs..... ..	15% (Fifteen Percent) of estimated cost of the Projects/ Works.	Must meet 100%	Must meet 100%	Must meet at least 20%	Must meet at least 20%

c. Net Worth:

Net worth of bidder as per the audited financial results shall be positive on the last day of the preceding financial year. Net Worth means the sum total of the paid-up share capital and free reserves(excluding reserves created out of the revaluation of assets, write back of depreciation provisions and amalgamation& Capital Reserve) net of P&LA/C (Dr. balance) and miscellaneous expenses to the extent not adjusted or written off.

Note; In order to establish the Qualification of Financial QR, bidder is required to furnish CA Certificate. The financial QR shall mandatorily be checked by a Finance Personnel.

3.5.3 Bidder's Performance Qualification:

- The bidder(s) who stand currently debarred / by UPPTCL/Any DISCOM of UP / Govt. Of UP or black listed by any other Distribution / Transmission / Generation Utility in India as on the initial date of opening of bid shall not be eligible to participate in this tender. This is also applicable to Joint Venture (Joint Venture/Consortium) bidder. If any one of the Joint Venture partner suffers from any of the above disqualification, the bids submitted by the Joint Venture/ Consortium shall be rejected.
- The bidder(s) should not have any pending litigation with UPPTCL with regard to any project or related activity. The bidder should certify/ declare the same in unequivocal terms by way of an affidavit duly sworn before a Magistrate/ Notary. Bid furnished by the bidder shall not be eligible for consideration if it is not accompanied by the Affidavit. Further, the Bid/LOA/LOI shall be liable for outright rejection/ cancellation at any stage if any information contrary to the affidavit is detected.
- The bidder(s) shall also disclose if he was black listed by any utility in the past and the blacklisting order was subsequently withdrawn by the utility suo-moto or set aside by any court order. Detection of the bidder's non-disclosure of these facts at any stage will lead to rejection of the bid or termination of the contract with forfeiture of EMD/ CPBG.
- The bidder must not have been declared Insolvent. In such a case the bid are liable to be rejected. In this respect one undertaking from the bidder that they are not declared as Insolvent shall be submitted along with the bid. Non-disclosure of this fact by the bidder will lead to rejection of the bid or termination of the contract with forfeiture of EMD/CPBG.

- The bidder should not have been referred to National Company Law Tribunal (NCLT). In case it has been referred to NCLT, the status of the case must be informed in the bid. The bid shall be liable for rejection depending upon the status of NCLT case. Non-disclosure of this fact by the bidder will lead to rejection of the bid or termination of the contract with forfeiture of EMD/CPBG.

3.5.4 Qualifying Requirement for Joint Venture/Consortium:

Sometimes, a bidder who falls short of QR, goes for forming Consortium/JV. In such case the sum total of qualification of all the partner is considered towards fulfilling QR. However, Lead partner is expected to have at least fifty percent of Technical QR. It is observed that many a time, Lead partner choose to bring a finance partner to meet the Financial QR as well as to avail BG/Working Capital support from the other partner. Therefore, Lead Partner Financial QR is kept at minimum level of 20%.

Bid submitted by a Joint Venture/Consortium Bidder shall have following qualifying requirement:

Sl. No.	Qualifying Requirements	Remarks
01	Status of Joint Venture/ Consortium Partners	<ul style="list-style-type: none"> • All Partners of Joint Venture/Consortium shall be domiciled in India. • Lead partner of the Joint Venture / Consortium should be an EPC/ TURNKEY Electrical Contractors. • The partners of the Joint Venture/ Consortium together shall meet the Technical Qualification & Financial Qualification criteria mentioned above. • Such Joint Venture/ Consortium shall be formed through Joint Venture/Consortium Agreement as per the format and manner specified in the annexure to this Tender Documents.

02	No. of Partner(s)	Maximum number of Partners in a Joint Venture/ Consortium for a Package is limited to TWO (02) only including the lead partner. In case project costing more than Rs.100.00crore and complex in nature involved multiple activities, Competent Committee for PQR as per DoP, if feel, may enhance the maximum no. of partners limited to three (03) nos. of bidders.
03	Technical Qualification Criteria	<ul style="list-style-type: none"> • Joint Venture/Consortium Partners together should meet 100% of the Technical Qualification requirement. • However, Lead Partner of the Joint Venture/Consortium shall meet at least 50% of the Technical qualifying requirement mentioned above.
04	Financial Criteria	<ul style="list-style-type: none"> • Joint Venture/Consortium Partners together should meet 100% of the financial qualifying requirement. • Lead Partner of the Joint Venture/Consortium shall meet at least 20% of the financial criteria (MAAT & Liquid Assets).
05	Contract Performance Bank Guarantee	In case of Joint Venture/ Consortium the Contract Performance Bank Guarantee shall be ten percent (10%) of the Contract Price which shall be submitted by the Partners jointly in their profit/work sharing ratio.
06	Statutory Valid Documents	Partners of the Joint Venture/Consortium should submit the following documents as part of qualifying criteria. <ul style="list-style-type: none"> i. Valid Electrical (HT/EHT) license issued by the Authority anywhere in India (for the Lead partner of Joint Venture/Consortium only). ii. PAN (for both the partners of Joint Venture/Consortium) iii. EPF registration.

		<p>iv. GST Registration Number. (for both the partners of Joint Venture/Consortium)</p> <p>v. Board Resolution towards forming of Joint Venture/ Consortium and Power Of Attorney to sign the tender document.</p> <p>Note: Lead partner in Joint Venture/Consortium shall have to furnish, ESI and Labour license within 45 days of receipt of the order on behalf of both the partners.</p>
07	Lead Partner of Joint Venture/Consortium	One of the partners fulfilling the Technical qualifying criteria prescribed for lead partner shall be nominated as Lead Partner by the Joint Venture/Consortium and the lead partner shall be exclusively authorized to incur liabilities and receive instruction for and on behalf of Joint Venture/Consortium and its other partner. This authorization shall be evidenced by submitting a power of attorney and Joint Venture/Consortium agreement signed by legally authorized signatories of the partners.
08	Liability of the Joint Venture/ Consortium Partner(s)	All partners of the Joint Venture/Consortium shall be jointly and severally liable for the execution of the Contract.
09	Conflict of Interest	<p>A Partner of a Joint Venture/Consortium Bidder shall not have a conflict of interest. A Joint Venture/Consortium Bidder may be considered to have a conflict of interest with other bidder(s) in the bidding process, if:</p> <p>a. A Partner of one Joint Venture/Consortium is also a Partner in another Joint Venture/Consortium participating in the bidding process, or</p>

		<p>b. Any Partner of the Joint Venture/Consortium bidder participates independently in the bidding process, or</p> <p>c. In case of conflict of interest, all the concerned bidders shall be disqualified & their bids shall be summarily rejected.</p>
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3.5.5 Bid Capacity:

A bidder shall be eligible to participate in any of the Project/Works /package(s) subject to meeting the Qualifying Criteria. However, prior to opening of the price bid Bidder's bid capacity Qualification shall be considered for award of the works.

i.	Bidder's Participation in the bid	A bidder may participate in the bidding of any of the Project/works/Package(s) floated in the single NIT, irrespective of bidder's bid capacity.
ii.	Bidder's Eligibility	Bidder's eligibility shall be based on the qualifying requirement mentioned under (Qualifying Requirements (QRs) of Bidder(s) except Bidder's Bid Capacity.
iii.	Bidder's Price Bid Opening Eligibility based on the Bidder's Bid Capacity Qualification.	<p>The bidder shall be eligible for opening of the Price Bid based on the available bid capacity defined as under;</p> <p>Available bid capacity: $= [(2 \times A) - (0.5 \times B) - C]$, should be equal to or more than the tendered estimated price where , A= Highest Project Related Annual Turnover of the Bidder (excluding it's Associated Companies on Standalone Basis/Holding Company as the case may be) in any financial year during last three financial years. B= Total Order Value of Ongoing Work /LOAs placed by UPPTCL and Other Organizations on the Bidder on the</p>

		<p>date of opening of the Technical bid excluding those which have been commissioned.</p> <p>C= Package(s)/Works finalized but yet to be awarded in favour of the Bidder by UPPTCL.</p> <p>Note:</p> <p>In respect of (B) & (C) above for Joint Venture/ Consortium, share of each partner would be as per agreed profit/work sharing ratio in the Joint Venture /Consortium Agreement. In absence of the same, it would be considered as equal sharing.</p>
iv.	Opening of the Price Bid	<p>The price bid opening of all the Projects/Works/Package of the Technically eligible bidder(s) shall be on the date and time as decided by the UPPTCL and communicated to the eligible bidder through tender portal. The price bid of the bidder shall be opened subject to meeting the available bid capacity limit considering Para-iii above.</p> <p>The bid capacity shall be considered based on estimated cost prior to the opening of the price bid. If the evaluated price of the bidder becomes (L-I), which exceeds the available bid capacity, the price bid of the bidder shall not be rejected on this ground.</p>
v.	Award for the Projects/Works	<p>After opening of the price bids of all the Projects/Works/Package under the NIT, the price bids of the responsive bidder(s) shall be evaluated Projects/Works wise adopting the price evaluation methodology to derive the lowest evaluated bidder(s).</p>

3.6 Price Bid Parameter:

- i. The Price Bid of shall be broken into 3 major parts i.e. (i) Supply, (ii) Erection, Installation & Commissioning and (iii) Associated Civil Works. However, for all purposes the contract shall be considered as single contract. Under GST law, the projects/works involves both supply and erection shall be considered as single Works Contract and single GST rate shall be applicable. Hence, the contractor (s) shall use SAC code of UPPTCL for Supply, Erection, Installation & Commissioning and Associated Civil Works under the Projects/Works. Accordingly, bidder(s) shall quote item wise Basic Price (Taxable Value) and Applicable CGST plus UPGST or IGST, as the case may be as per the GST Act. Hence, asking for a bid-price inclusive of GST would be a violation of the GST Act.
- ii. The basic Price (taxable Value) shall include the cost of manufacturing, packing, forwarding, freight and insurance, other associated cost such as overheads and all taxes and duties including labour cess and expenses associated with preparation and submission of its bid including pre and post-bid discussions, technical and other presentations etc.. UPPTCL will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the e-bidding process.
- iii. The Basic Price (Taxable Value) shall remain FIRM in case the projects/works original scheduled completion period is 18 months or less except statutory variation in the rate of applicable GST, which shall be to the account of UPPTCL against Tax Invoice.
- iv. In case original project completion period is stipulated for beyond 18 months, Price variation shall be allowed as per Wholesale Price Index(WPI) for the Major items as mentioned in the Price Variation Clause .
- v. During the original contractual period, any changes in the rates of GST shall be to the account of UPPTCL. In case, the original contract period gets extended and the reason of delay is not attributable to Contractor, the variation (Upward) in the rate of GST may be allowed to the Contractor. In case, the reason of delay is attributable to Contractor, any upward variation in the rate of GST during extension period may not be allowed to the Contractor and any downward variation in the rates of GST during the extended period, however will be applied to the contractor.

3.7 Price Variation (PV):

- a. The price adjustment deals with rise and fall of the prices in construction materials/ labour and other key inputs. However, price adjustment shall not be applicable in the contracts where schedule period of completion is eighteen months (18) or less.
- b. Bidding documents shall state whether (a) bid prices will be fixed (fixed price basis), or (b) price adjustments will be allowed due to upwards or downwards variation. In case original project completion period is beyond 18 months, Price variation shall be allowed for the contract period as per Wholesale Price Index(WPI) for the Major items as mentioned below considering 85% of Taxable value as base price (Taxable Value).

1. Transmission Line:

- i. Fabricated Tower members(including Stubs & templates)- on the basis of WPI for Steel Structures(under Head 'Manufacture of fabricated metal products, except machinery and equipment')
- ii. Nuts &Bolts(Including Washers) for tower structures – on the basis of WPI for Bolts, screws, nuts & nails of Iron & steel (under sub-head "Manufacture of other fabricated metal products of Head 'Manufacture of fabricated metal products, except machinery and equipment')
- iii. Conductor- on the basis of WPI of ACSR Conductor or Aluminium/ Alloy Conductor as applicable (under Head "Manufacture of Electrical Equipment")
- iv. "Reinforced Cement Concrete" (RCC) & "Plain Cement Concrete"(PCC) – on the basis of monthly WPI of All Commodities

2. Sub-Station:

- i. Conductor - on the basis of WPI of ACSR Conductor or Aluminium/ Alloy Conductor as applicable (under Head "Manufacture of Electrical Equipment")

- ii. Substation structures (Including Stubs & templates)- on the basis of WPI for Steel Structures(under Head 'Manufacture of fabricated metal products, except machinery and equipment')
- iii. Nuts & Bolts(Including Washers) for sub-station structures – on the basis of WPI for Bolts, screws, nuts & nails of Iron & steel (under sub-head "Manufacture of other fabricated metal products of Head 'Manufacture of fabricated metal products, except machinery and equipment'")
- iv. Power Transformers- on the basis of WPI of Transformers (under Head "Manufacture of Electrical Equipment")
- v. "Reinforced Cement Concrete"(RCC) & "Plain Cement Concrete"(PCC) on the basis of monthly WPI of All Commodities.

c. Computational procedure:

- For computation of price variation, there has to be a base month and update period for which price variation (positive or negative) is to be worked out.
- The monthly WPI for the month of tender opening is to be considered as base month.
- Index for the month of supply in case of supply of items/Joint Measurement Certificate (JMC) in case of PCC & RCC to be considered for updating the price. Price variation bills/debit or credit notes are to be submitted by the firm for all items that are subject to variable price for a quarter.
- WPI data for a month are published around 14th of subsequent month. However, WPI data for last two months of published data remain provisional. As such, price variation computation can be done after final WPI figures are available.
- The price variation for an item is to be limited to (+ or -) 40% of Taxable Value.

3.8 TERMS OF PAYMENT:

3.8.1 Mobilization Advance:

5% of Taxable Value component of supply of electrical equipment/ material (including mandatory spares) shall be paid as an interest bearing initial advance after signing the contract Agreement and on submission of and approval of (a) Advance Bank guarantee of 110% amount of mobilization advance having validity up to three months after scheduled completion period with six months claim period thereafter. However in case of delay of completion of S/S the validity of this shall be extended by the period of such delay. (b) Submission and approval of an unconditional Performance Bank Guarantee towards faithful performance of the contract at the rate 10% of contract value. (c) Submission of detailed Bar Chart and its approval by UPPTCL. (d) In case of mobilization advance, liability of GST, if any, as per GST Act shall be borne by the contractor.

Note: This advance payment is an optional payment. The contractor has the option of taking the interest bearing initial advance or otherwise. In case, the contractor opts for this interest bearing initial advance, the same shall be paid to the contractor on fulfillment of above conditions and an interest will be charged at the rate of 10% per annum or as fixed by UPPTCL from time to time. The Mobilization advance shall be recovered from the running bill at the same percentage (i.e. 5%) of gross value of the bill along with interest. In case, the contractor opts not to take advance, it would be still mandatory for him to submit the documents listed at Sl. No. (b) & (c) above within Twenty Eight (28) days of issuance of LOI.

3.8.2 Sub-Station Supply Payment:

Sl. No.	Progressive Payment Towards Supplies (Quantity wise)	Minimum erection work required for payment of supplies (Inter-Lock)
1	70% payment of supplied Sub-Station Materials .	After completion of Foundation work of the equipment.

2	20% payment of supplied Sub-Station Materials after erection	After satisfactory erection of equipment subject to earth filling of associated switchyard and completion of associated cable trench up to control room.
3	10% payment of supplied Sub-Station Materials after Commissioning.	After satisfactory commissioning of entire substation, 100% completion of Electrical & Civil works, adjustment of liquidated damages, if any, Completion of Material Reconciliation, settlement of Price Variation (Positive or Negative) and issuance of taking over certificate

Note:

- i. Payment of major equipment shall be done as per above even if inspection/supply is made earlier.
- ii. Control & Relay Panel along with SAS-After completion of control room
- iii. Control & Power cable-After completion of control room & cable trench.
- iv. ACDB, ACLDB, DCDB, Battery Set & Charger- After completion of control room.

3.8.3. Transmission Line Supply Payment:

3.8.3.1. Payment of 90% of transmission Line supply material value shall be made on receipt of the material in good conditions. However payment for supplies shall be done only after completion of minimum erection work as per details below:

Sl. No.	Details of Supplies (Quantity wise)	Minimum erection work required for payment of supplies
1	50% stubs & 100% templates	On start of Survey
2	Beyond 50% stubs	70% of survey & profiling

3	25% Towers	After completion of 10% foundation work
4	25% Tower to 50% Tower	After completion of 50% foundation and 10% erection work
5	Beyond 50% Towers and up to 75% towers	After completion of 65% foundation and 25% of erection work.
6	Beyond 75% Towers and up to 100% towers	After completion of 80% foundation, 50 % of erection work and start of stringing work.
7	Line Material (Minor materials)	After completion of 25% Tower erection work

Note: i) For smaller lines of less than 20 Km. length, UPPTCL may consider to relax the above provisions depending upon merit of the case. However, the contractor shall have no claim over it.

ii) The payment shall be released on receipt of Tax Invoice, Challan, Inspection report etc.

3.8.3.2. Balance 10% payment of Transmission Line material supply on commissioning of line.

3.8.4. Sub-Station & Transmission Line Erection Works:

3.8.4.1 Sub-Station Erection Works Payment:

Sl. No.	Details of Works (Quantity wise)	Terms of Payment
1	On erection of Sub-Station Equipment/Materials	Progressive payment of 90% of the Erection Running Bills submitted Monthly.
2	On satisfactory commissioning of entire Sub-Station Works and After 100% completion of all electrical and civil works and Issue of Taking Over Certificate	10% payment of Erection Running Bill.

3.8.4.2 Transmission Line Erection Works Payment:

Sl. No.	Details of Works (Quantity wise)	Terms of Payment
1	On erection of Transmission Line Materials	Progressive payment of 90% of the Line Erection Running Bills submitted Monthly.
2	On satisfactory Commissioning of entire Transmission Line Works and After 100% completion of all electrical and civil works and Issue of Taking Over Certificate	10% payment of Line Erection Running Bill.

3.8.5 Civil Erection Works Payment:

Sl. No.	Details of Works (Quantity wise)	Terms of Payment
1	On progressive completion of Civil Works	Progressive payment of 90% of the Civil Erection Running Bills submitted Monthly.
2	On completion of 100% civil works and Issue of Taking Over Certificate	10% payment of Civil Erection Running Bill.

Note:

- i GST as applicable shall be paid as per the extant provision of GST Laws.
- ii Liquidated Damage, if any, shall be recovered from the final 10%retention amount payable after Commissioning .
- iii. TDS shall be deducted while releasing the above Payment.
- iv. Other deductions if any shall be recovered from the running Invoices.

3.9 CONTRACT PERFORMANCE BANK GUARANTEE (CPBG):

- i. The successful Bidder, to whom Letter of Award is issued shall be required to furnish a Contract Performance Bank Guarantee (as per the prescribed format) issued in favour of UPPTCL within 30 (Thirty) days from the date of issue of LOA. The guarantee is a composite one. It acts as Security against the risk towards Successful Completion of works and there after covers the risk of Guarantee/Warrantee given by the contractor.
- ii. The Contract Performance Bank Guarantee (CPBG) amount shall be equal to ten percent (10%) of the Contract Price (including GST). The CPBG shall be valid for 45 days over and above the work completion period plus Guarantee Period. (Guarantee period for AIS Sub-Station-1 year, Transmission Line -1 year and GIS Sub-Station -5 years). If the projects/works completion period gets extended the Contract Performance Bank Guarantee shall be extended accordingly. In case the contract price gets revised over and above five percent, the Contractor shall submit the enhanced Bank Guarantee to that effect.
- iii. In case of Joint Venture/ Consortium the Contract Performance Bank Guarantee shall be ten percent (10%) of the Contract Price which shall be submitted by the Partners jointly in their profit/work sharing ratio.
- iv. The validity period of the performance guarantee shall be as least 45 days over and above the guarantee period. In case the guarantee period gets extended the performance guarantee shall be further extended to that extent. The aforesaid CPBG shall be returned to the Contractor after successful completion of the guaranteed obligations under the contract.
- v. In case the successful bidder fail to submit the CPBG within the schedule time or such extended allowed time, the Work Order (LoA) is to be cancelled and EMD will be forfeited.

3.10 Payment Methodology:

- i. Normally, payment through RTGS shall be made against running bills of works. Any payment made by cheque/bank draft may be done with recording reasons and with approval of Head of office . However, in case of Corporate office, the approval of Director Finance shall be taken for payment to be made in cheque/draft. . Other mode of payment like Letter of Credit (L/C) facilities shall be used in case of imported material. .
- ii. In case of JV/Consortium bidder, payment is to be made to the lead partner unless otherwise agreed upon.
- iii. Other Payment viz; Statutory fees payable to Forest/Railway/NHAI/License fees etc. shall be paid through RTGS by UPPTCL directly to the Authority.

3.11 Liquidity Damage (LD):

- i. Normally, the Projects/Works shall be completed within the scheduled Completion Period. However, the Original Schedule Completion Period gets extended from time to time due to delay on the part of the Contractor or Handing Over of Land/Obtaining Statutory Clearances/ Supply of OSM by UPPTCL/ Force Measure/Any Other Reason as the case may be.
- ii. For such extension of time, the Contractor shall be required to request before the concerned Engineers Of Contract (EOC) giving the reasons of delay. The Engineers of Contract (EOC) after due examination may recommend provisional extension from time to time with right to levy LD. However, the reason of delay identified by the EOC shall be placed before the Competent Committee as per DoP for final approval.
- iii. In the event of reason of delay is attributable to the Contractor, LD so imposed shall be recovered from the final 10% bill. ;
- iv. Amount of Liquidated Damages for delay in Completion for the reasons of delay attributable to the Contractor shall be @0.5% of the taxable value of items so delayed for each week of delay or part thereof limited to maximum of 10% of the balance Contract Price of items delayed. GST shall be charged on the amount of such LD”.

3.12 Taxes, Duties and Cess:

- i. Since, Contracts under UPPTCL being considered as works contract as per GST Law, the contractor (s) shall use SAC code of UPPTCL for Supply, Erection, Installation & Commissioning and Associated Civil Works under the Projects/Works in the TAX Invoice(s).
- ii. GST payable by the Contractor in respect of the transaction between the Contractor and UPPTCL shall be shown separately in the bid price and no separate claim on this behalf including statutory variation if any, will be entertained by UPPTCL.
- iii. UPPTCL is to deduct GST TDS as per the extant provision of the GST Act from the Tax invoices. The amount so deducted shall be deposited timely and necessary return(s) filed. Income Tax TDS as per the provisions of the Income Tax Act, 1961 is also to be deducted from bills of contractor towards Erection and civil works. TDS so deducted shall be deposited with the Income Tax Authorities by the UPPTCL, necessary return filed timely.
- iv. As the Basic Price(Taxable value) is inclusive of applicable Labour Cess @1% of the Contract Value both for supply & erection, UPPTCL shall deduct Labour Cess at applicable percentage (At present @1%) of the Basic Price from the Tax Invoice towards Building and Other Construction Workers (RE&CS) Act,1996.
- v. In the event rates of GST changed during the contractual period shall be to the account of UPPTCL. Any variation (Upward and Downward) in the rate of GST shall be applicable within schedule completion period, In case, the reason of delay is attributable to Contractor, any upward variation in the rate of GST beyond schedule completion period shall not be allowed to the Contractor and any down word variations in the rates of GST shall be applied. However, any upward revision of GST rate during extended completion period is allowable if the reason(s) of delay is not attributable to Contractor.

3.13 Force Majeure:

- i. Conditions beyond control of either parties like war, hostility, acts of public enemy, civil commotion, sabotage, serious loss or damage by fire, explosions, epidemics, strikes, lockouts or acts of God come under the legal concept of Force Majeure (FM).
- ii. Force Majeure shall not include occurrences as follows:
 - Late delivery of materials caused by congestion of Vendor's facilities or elsewhere, and oversold condition of the market, inefficiencies, or similar occurrences.
 - Late performance by Contractor and / or Vendor caused by unavailability of raw materials, supervisors or labour, inefficiencies of similar occurrences
 - Mechanical breakdown of any item of Contractor's or its Vendor's equipment, plant or machinery
 - Delays due to ordinary storm or inclement weather
 - Non-conformance by Vendor/Sub vendor.
 - Force Majeure shall not include financial distress of Contractor or any Vendor.
- iii. Delays in performance of contractual obligations under influence of Force Majeure conditions are condonable by the other party without any right to termination or damages, provided, notice of the happening of any such event is given by the affected party to the other within 30 (thirty) days from the date of occurrence.
- iv. Works under the contract shall be resumed as soon as practicable after such event has come to an end or ceased to exist. However if such event continue for a period exceeding 180 days, either party may at its option terminate the contract by giving notice to the other party.
- v. Any delay or failure in performance by either party hereto shall not give rise to any claims for damages or loss of anticipated profits if and to the extent, such delay or failure is caused by Force Majeure.

3.14 Limited Liability:

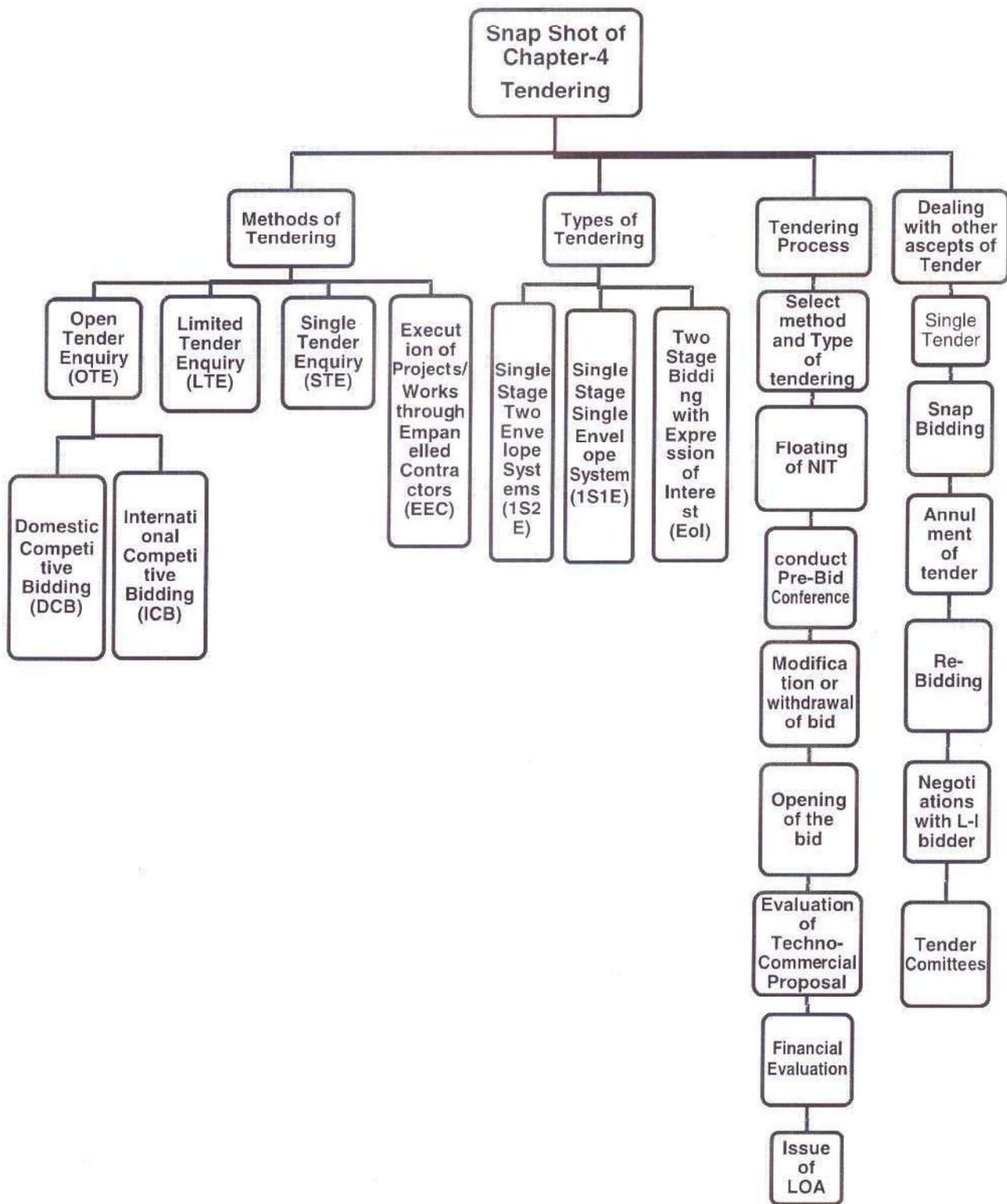
The final payment by UPPTCL in pursuance of the Contract shall mean the release of the Contractor from all his liabilities under the Contract except for liabilities under Guarantee period and Latent Defect Warranty period. Such contractual liabilities and responsibilities of the Contractor shall prevail till expiry of the Latent Defect Warranty period even after the final payment is released.

Notwithstanding anything to the contrary mentioned herein and to the extent permitted by law, the aggregate liability of Contractor to UPPTCL, whether in contract, tort or otherwise, will be limited to 100% of the contract value.

XXXXX

Chapter-4

(Tendering)



Chapter-4

(Tendering)

4.0 Tendering:

4.1 Methods of Tendering:

UPPTCL shall adopt suitable method of Tendering depending upon the circumstances as indicated herein below:

- a. Open Tender Enquiry (OTE)
 - i. Domestic Competitive Bidding (DCB);
 - ii. International Competitive Bidding (ICB);
- b. Limited Tender Enquiry (LTE).
- c. Single Tender Enquiry (STE)
- d. Execution of Projects/Works through Empanelled Contractors (EEC).

a. Open Tender Enquiry (OTE):

Open Tender Enquiry shall be default mode of procurement in order to ensure transparency and secure competitive price. For this purpose, attempt shall be made to attract the widest possible competition by publishing the Notice Inviting Tender (NIT) simultaneously on the designated websites and in the leading newspapers as per the UPPTCL policy. Normally, Open Tender Enquiry (OTE) involves two type of bidding.

1. Domestic Competitive Bidding (DCB) and
2. International Competitive Bidding (ICB).

1. Domestic Competitive Bidding (DCB);

- In DCB, the UPPTCL should post the complete bidding document (SBD) in its web site/tender portal to enable prospective bidders to make use of the document by viewing/downloading from the web site/ tender portal.

- The view facilities & downloading of tender documents against NIT should not be restricted and should be available freely. However, for the purpose of participation, bidder has to pay cost of tender document and fulfill the e-tender norms.
- While inviting DCB, adequate care shall be taken towards Minimum Local Contents Requirement as per Notification No. 11/05/2018-coordination of Ministry of Power, Govt. of India dated 20.12.2018 in pursuance to DIPP Notification No. P-45021/2/2017 (BE II) dated 28.05.2018 and subsequent amendment from time to time.
- The method of pre-qualification shall be in line with the prescribed guideline envisaged under Chapter-3 of this document.
- For DCB, sufficient time shall be given for sale of bid documents and for submission of the tenders, normally 21 days to 30 days from the date of publication of NIT.

2. International Competitive Bidding (ICB);

- Normally, where the works/projects either requiring foreign technology and foreign Expertise, or, absence of a sufficient number of competent domestic bidders likely to comply with the required technical specifications, or, possibility of cartel formation among indigenous bidders, participation of International bidders would enhance value for money. In such case, UPPTCL may opt for International Competitive Bidding (ICB). However, ICB is permitted beyond a threshold limit of tender value (At present it is Rs.200 Cr.).
- In case projects/works cost below Rs.200 Crore requires Foreign Technology/ Foreign Expertise International Competitive Bidding (ICB) mode may be adopted with the prior approval GOI on case to case basis. Also where Project funded by multilateral agencies such as World Bank, ADB, JICA, KFW etc. where the agreement requires that Procurement shall be made through ICB, UPPTCL shall go for ICB.

- In ICB tenders copies of NIT should be circulated to Indian Embassies of relevant countries and Embassies of those countries in India;
- SBD tender documents must be in English and the price should be asked in Indian Rupees or US Dollars or Euros or Pound Sterling or Yen or in currencies under the Reserve Bank of India's notified basket of currencies or a mix of any of these currencies.
- The due date fixed for opening of the tender shall be usually about six weeks from the date of advertisement which may vary taking into account the nature of Project in question as well as the time required to prepare the bids. The due date may be subsequently extended with the approval of the Competent Committee as per DoP to promote better competition.
- While inviting ICB, adequate care shall be taken towards Minimum Local Contents Requirement as per Notification No. 11/05/2018-coordination of Ministry of Power, Govt. of India dated 20.12.2018 in pursuance to DIPP Notification No. P-45021/2/2017 (BE II) dated 28.05.2018 and subsequent amendments from time to time.
- Special care shall be taken towards Commercial INCOTERMS framed by International Chambers Of Commerce (ICC), Provision for payment in Foreign Currencies, Exchange Rate, and Procedure of Inspection etc. while preparing the International Standard Bidding Documents.

b. Limited Tender through Empanelled Contractors (EC):

- Normally, Limited Tender option is resorted to for routine nature work and works of small value to reduce the time and cost of processing tender. It is carried out through empanelled contractor(s) so that the techno-commercial evaluation for each tender is not required.
- The Small Repair/Renovation work, balance un-finished projects/works, projects/works on debitable basis and small deposit works up to an Estimated Cost upto Rs.50 Lakhs can be taken up under this option of Limited Tender.

- UPPTCL is to supply major Equipment/Materials (OSM) as required for such Work(s) and the Empanelled Contractors are to supply minor material and carry out the erection .
- For the purpose of calculation of ceiling limit of Rs.50Lacs, the Estimated Cost of Minor Material and Erection Services shall only be considered. The cost of OSM shall not be considered.
- Contractors are required to be empanelled Zone wise through open tendering process.
- Based on the value of the Projects/Works contractor(s) are to be categorised as under;
 - a. Category-B: Up to Rs.10 Lakhs.
 - b. Category-A: Beyond Rs. 10 Up to Rs.50 Lakhs
- Respective Zonal Office shall fix the minimum qualifying norms (Technical & Financial) for empanelling the contractor(s) through open advertisement.
- Bidder(s) who have been Techno-Commercially qualified shall be included in the list of approved empanelled Contractors. Such empanelment process shall be conducted annually to include the name of the new Contractor(s). The performance of the existing empanelled contractors shall also be reviewed annually to decide whether to continue or strike off their name from the approved list of empanelled contractor(s).
- Whenever any projects/works mentioned above needs to be executed tender form free of cost shall be sent to all the approved empanelled contractor(s) in their respective category through their official registered e-mail for submission of their best price offer by a fixed date and time. The tender notice shall also mandatorily published in UPPTCL website. A simplified version of bid document shall be used for this purpose.
- Such empanelled contractors shall be required to submit their price bid through e-tender mode only . However, where the work value is less than Rupees Ten Lakhs the E-bidding procedures may be dispensed with In such case the Contractor has to submit in hard copy in sealed envelope. Each contractor is permitted to submit only one price bid.

- Price bid submitted by the empanelled contractor(s) shall be considered as valid, when at least three no. of empanelled contractors have participated in the bidding process to avoid possible cartel formation.
- The work order (s) shall be issued in favour of approved empanelled contractor whose price bid become lowest (L-I) evaluated price among the participant bidder(s).
- The quoted L-I price shall vary (increases/decreases) within the limit of $\pm 5\%$ of the estimated cost of the projects/works. In case, the quoted L-I price increases beyond 5%, approval of Competent Committee is required as per the DOP and the quoted L-I price below 15% of Estimated Cost shall not be considered for evaluation and the tender shall be finalised basing on the merits of rest of bid(s).
- For the performance of the Contract, the approved empanelled contractors are required to submit fixed deposit FD (Endorsed in favour of UPPTCL) or BG of five percent of the LOA value (Excluding GST) of the Projects/Works towards performance of the contract as well as one year guarantee .. In case of contractor fails to deposit FD/BG, five percent shall be retained from its running bill which shall be refunded after successful completion of guarantee period.
- Payment shall be made as per the standard terms of payment of the UPPTCL.

c. Single Tender Enquiry (STE):

- i) Normally, Projects/works of proprietary nature to be sourced from the single source for which Single Tender Enquiry (STE) may be adopted.
- ii) UPPTCL may invite Single Tender Enquiry (STE) under following conditions:
- iii) Projects/Works that represent a natural continuation of previous work carried out by the firm when considering the limited size of the additional work in relation to the original procurement and the reasonableness of the price it will be cost effective to

resort to single source procurement and approval of Competent Committee as per DoP is obtained. . However, the incremental work should not be more than 25 (twenty-five) percent of the original contract value. In an event, the price quoted by the firm is not reasonable, an Open or Limited tender may be invited with the option of first refusal of the existing Contractor.

- iv) In case of an emergency situation, situations arising after natural disasters, situations where timely completion of the work is of utmost importance subject to the reason for such decision being recorded and approval of the Competent Committee as per DoP may be obtained post facto;
- v) In case there is an urgent need for the work and engaging in open tendering process would, therefore, be impractical, provided that the circumstances may give rise to the emergency condition and approval of Competent Committee as per DoP is obtained.
- vi) Situations where execution of the work may involve use of proprietary techniques or only one contractor has requisite expertise and the approval of Competent Committee is obtained;
- vii) In case of renovation and modernisation of existing sub-station (GIS) where there is requirement of sourcing of Goods & Services from Original Equipment Manufacturer (OEM) and approval from competent committee as per DoP is obtained.
- viii) The reasons for a STE and selection of a particular firm or OEM must be recorded and approved by the Competent Committee as per the Delegation of Powers (DoP), prior to inviting the Single Tender Enquiry (STE) except in case of iv above in a situation arising out of Natural Disaster.
- ix) The UPPTCL shall ensure that the prices are reasonable and consistent with market rates for work of a similar nature; and the required work is not split into smaller size procurements.

4.2 E-Procurement:

- Normally, e-procurement is aimed at open, non-discriminatory and efficient procurement through transparent procedures.
- Presently, e-procurement is mandatory for all projects/works valued above Rupees Ten Lakhs at present. However, the prescribed limit may be modified as per the extant rule of the UPPTCL from time to time.
- In case of International Competitive Bidding (ICB), Competent Authority as per DOP to decide the projects/works may be exempted from e-procurement, as the bidders may face problems in obtaining digital signatures which is pre-requisite for bidding.
- UPPTCL shall engage a service provider (at present NIC) to float the tender for the projects/works.
- Even under e-procurement, UPPTCL shall publish NIT both in the newspapers (Two National Daily English Paper all India edition, One National Hindi all india edition and One Hindi Local Daily having wide circulation) and in the e-tender portals/website of the UPPTCL.
- E-Procurement would be handled either fully online by way of uploading/downloading/ emails or automatically generated SMSs or else partly online and partly offline submission.
- Under e-procurement, bidders will have to upload scanned copies of various documents required for eligibility and all other documents as specified in NIT, techno-commercial bid in Part-I, and price bid in Part-II through online only. However, for the purpose of realisation and verification, the bidder shall send the document i.e. Tender Cost , EMD, JV/Consortium Agreement, Power Of Attorney and Authorised Signatory in original to the designated officer through post or by hand so as to reach within seven days from the schedule date of the opening of the Part-I bid.
- In case of exemption of EMD, the scanned copy of the document in support of exemption will have to be uploaded by the bidder during bid submission

- Corrigendum, clarifications, modifications and withdrawal of bids shall be carried out online through e-tender portal only.
- Both the techno-commercial and price bids are opened online jointly by two Officials of UPPTCL, one from Procuring Unit and one from Finance/Associate Finance out of group of four designated officers, two from Procuring Unit and two from the Finance/Associate Finance. Participant bidders can simultaneously take part in bid opening online and can see the resultant bids of all bidders.
- Any document not uploaded by the bidder can be asked for by the UPPTCL online through tender portal. However, if the portal does not have such facility, the documents may be obtained through E-mail.. One opportunity will be provided to bidders to upload any required document in support of any claim.
- The evaluation of techno-commercial and price bids is done offline in the same manner as in the normal tendering process based on the documents uploaded in the tender portal.
- The shortlisted bidders are informed through system generated e-mails and SMS alerts.
- Award of the contract is done offline and a scanned copy is uploaded on the portal.

4.3 Type of Tendering :

Normally, bidding systems are designed to achieve an appropriate balance between the need for Right Quality, Right Source and the Right Price under different criticality of Technical requirements and value of procurements. In certain critical requirements, the technical and financial capability of Source of supply becomes an important determinant for value for money. Depending on the criticality, Technical of requirement, Criticality of capability of Source and value of procurement, following types of bidding systems may be used.

- a. Single Stage Two Envelope Systems (1S2E).
- b. Single Stage Single Envelope System (1S1E).
- c. Two Stage Bidding with Expression of Interest (EoI).

a. Single Stage Two Envelope Systems (1S2E).

- This is considered as default mode of Procurement in UPPTCL. Under Single Stage Two Envelope Systems (1S2E) tendering, UPPTCL, if required, may organize pre-bid conference for better understanding of the requirement of prospective bidders.. A common reply of the pre-bid queries shall be prepared and the same shall be uploaded in the tender portal for information of all participants.
- Based on the outcomes of the pre-bid conference, If required, UPPTCL shall modify the Technical specification and Techno-commercial conditions and upload such modification as corrigendum in the tender portal.
- In Single Stage Two Envelope Systems (1S2E), the first envelope, called the techno-commercial bid, contains the eligibility, technical quality and performance aspects, commercial terms and conditions and documents sought in the tender and relevant financial details, except the price bid and the second envelope is called the price bid. Both the envelopes are to be uploaded together in the e-tender portal.
- The techno-commercial bids are to be opened in the first instance on the bid opening date and time, and scrutinised and evaluated by the Competent Tender Committee (CTC) as per DoP with reference to parameters prescribed in the tender documents and responsive, eligible and technically compliant bidders are to be notified. . Thereafter, in the second instance, the financial bids of only the techno-commercially responsive/qualified bidders (as decided in the first instance above) are to be opened on a pre-announced date and time for further scrutiny, evaluation, ranking and placement of LoA. The financial bids of technically non-compliant bidders shall not be opened.

b. Single Stage Single Envelope System (1S1E).

- UPPTCL shall adopt single stage single envelope system (1S1E), where eligibility, technical/ commercial and financial details are submitted together with price bid in the same envelope.

- The lowest responsive priced bid that meets the eligibility criteria, technical and commercial requirements laid down in the bid documents is declared as successful.
- UPPTCL shall award the contract to the successful Techno-Commercially Responsive Bidder whose price bid becomes lowest (L-1) and the offer price is reasonable to execute the projects/works.
- This system may be followed for Works valued less than Rupees Two Lakh or as decided from time to time by the Competent Authority as per DoP.

c. Two Stage Bidding with Expression of Interest (Eol):

- Where the Projects/Works are of complex nature and UPPTCL doesn't possess the full knowledge of either the various technical solutions available or the likely Contractors for such Works and to meet the desired objectives through a transparent procurement , it would be prudent to invite a two-stage Expression of Interest (Eol) Bids by the UPPTCL.
- Expression of Interest (Eol) shall be invited to explore the market and to finalise specifications based on technical discussions/ presentations with the experienced contractors in a transparent manner.
- Under Expression of Interest (Eol) the bidder is expected to carry out a detailed survey or investigation and undertake a comprehensive assessment of risks, costs and obligations associated with the proposed project. .
- While inviting Two Stage Bidding with Expression of Interest (Eol), UPPTCL shall adhere the following process;
 - a) In the first stage of the bidding process, UPPTCL shall invite Eol bids containing the broad objectives, technical and financial eligibility criteria, terms and conditions of the proposed procurement of project etc. without a bid price. On receipt of the Expressions of Interest, technical discussions/ presentations may be held with the short-listed Contractors, which are prima facie considered technically and financially capable of executing the proposed work, giving equal opportunity to all such bidders to participate in the discussions. During these technical discussions stage the UPPTCL may also add those other stake holders in the discussions who could add

value to the decision making on the various technical aspects and evaluation criteria. Based on the discussions/ presentations so held, one or more acceptable technical solutions could be decided upon laying down detailed technical specifications for each acceptable technical solution, quality bench marks, warranty requirements, delivery milestones etc., in a manner that is consistent with the objectives of the transparent procurement. At the same time care should be taken to make the specifications generic in nature so as to provide equitable opportunities to the prospective bidders. Proper record of discussions/ presentations and the process of decision making should be kept. In revising the relevant terms and conditions of the procurement, if found necessary as a result of discussions with the shortlisted bidders, UPPTCL shall not modify the fundamental nature of the procurement itself;

- b) In the second stage of the bidding process, the procuring entity shall invite bids from all those bidders whose bids at the first stage were found responsive/qualified , to present final bid with bid prices in response to a revised set of terms and conditions of the procurement and any bidder, invited to bid, but not in a position to execute the projects/works due to modification in the specifications or terms and conditions, may withdraw from the bidding proceedings without forfeiture of any EMD that he may have been required to provide or being penalised in any way, by declaring his intention to withdraw from the procurement proceedings with adequate justification;
- c) If UPPTCL feels that after EOI stage, there is likelihood of further participation by many more bidders , the second stage bidding may not be restricted only to the shortlisted bidders of EOI stage and it may be so declared in the EOI document from the very beginning.. Thereafter in the second stage, normal DCB/ ICB bidding may be done in case EOI is 'Non-committal'.
- d) UPPTCL shall specify a 'fail-pass criteria' with the minimum qualifying requirement for each of the criterion , such as minimum years of experience, minimum number of Works executed and minimum financial turnover in the Eoi document. Bidders who meet the minimum requirement, as specified, should be shortlisted/qualified.

- e) UPPTCL shall open the price bid of the short listed/qualified bidders and award shall be made to the Contractor(s), whose price bid is lowest evaluated price offer (L-I) and the price is reasonable to execute the projects/works.

4.4 Pre-bid Conference:

- While preparing the SBD for EPC contracts, a suitable provision is to be kept in the bidding documents for inviting the bidders or their official representatives to attend one or more pre-bid conference(s) at a specified place and time, for clarifying issues and clearing doubts, if any, about the specifications/ Terms of Reference and other allied technical/ commercial details of the work, services, plant, equipment and machinery etc, if required.
- Bidders should be asked to submit written queries in advance of the pre bid conference. It is a good practice to consolidate all queries received either as part of pre-bid conference or just after issuing bidding documents.
- After the pre bid conference, Minutes of the pre-bid conference including all the queries and replies shall be prepared in a comprehensive way. These pre-bid minutes shall be uploaded in the designated tender portal of UPPTCL only.
- In case, any Corrigendum/Addendum/Errata /Clarification to the SBD need to be issued, it shall be uploaded in the designated e-tender portal only with due approval from the Competent Authority as per the DOP.
- Concerned procuring department shall revise the SBD in line with the outcomes of the pre-bid conference and the same shall also be uploaded in the designated tender portal of UPPTCL.
- Normally, after the issue of clarifications/ modifications consequent to the pre-bid conference, at least two clear weeks should be given to the prospective bidder(s) for submission of their bids. However, in the exigency situations shorter time (at least one week) shall be given to the prospective bidder(s) for submission of their bids after uploading such clarifications/ modifications, with due approval from the Competent Authority as per the DOP.

4.5 Modification/Withdrawal of Bid:

- Bidder(s) may be permitted to withdraw, substitute or modify its bid through the relevant provisions on the e-tender portal of UPPTCL up to the date and time of submission of bid indicated in tender notification. Bidder may withdraw, substitute or modify its bid through the relevant provisions of portal only.
- No bid shall be modified/ withdrawn subsequent to the dead line (date and time) for submission of bids given in the tender portal.
- In the event, bid(s) withdrawn, substituted or modified in the interval between the last date for submission of bids and expiry of the period of bid validity, UPPTCL shall forfeit of EMD of the Bidder(s).
- Any modification by the bidder(s) after due date & time of submission of bid(s) delineate in the tender portal shall be considered as un-solicited bid and the same shall not be taken in to consideration for evaluation purpose.
- However, Bidder(s) may be allowed to submit the negotiated price offer when specifically asked in writing by the UPPTCL for such purpose.

4.6 Bid Opening :

- Under e-procurement, submission of bid(s) after due date and time is not permitted. Hence, UPPTCL shall open the Techno-Commercial (Part-I) bid(s) online on the tender portal only of all the participant Bidder(s) after the deadline for submission of bid(s) given in the tender portal.
- Normally, Bid(s) shall be opened in the presence of the participant bidders or their representative who choose to be present at the time of opening of the part-I bid(s). UPPTCL shall open the part-I bid(s) irrespective of physical presence of participant bidders or their representative as the same can be viewed remotely by themselves.
- A record of opening of bids will be maintained, including signatures of bidders present.
- Normally, tenders floated for International Competitive Bidding (ICB) shall be submitted through offline (without the use of e-tender portal) for which bidder(s) have been asked to submit their bid(s) in hard form by hand/through

courier/dropped in the tender Box. Hence, receipt and custody of such bids shall be done in a transparent manner to maintain the credibility of the process. The following guidelines should be adhered to for receipt and custody of bids offline:

- i) UPPTCL shall maintain tender boxes for receiving the bids at suitable locations which would facilitate security and easy access to bidders. If required, Tender boxes should be separate for each day of the week of tender opening and should be sealed by the Bid Opening Committee (BOC) of the day. The tender box shall have two locks. Key of one lock will be with the head of the office and the other key with the official nominated by him;
- ii) Bids received by courier shall be deposited in the tender box by the Dispatch Section till the date and time of bid opening. Bids sent by telex, cable or facsimile are to be ignored and rejected.; and
- iii) For bulky/ oversized bids which cannot be dropped into tender boxes, the officials authorised to receive such bids shall maintain proper records and provide a signed receipt with date and time to the bearer of the bid. He will also sign on the cover, duly indicating the date and time of receipt of the tender(s). Names and designations of at least two such authorised officers should be mentioned in the bid documents
- iv) The authorised representatives of bidders, who intend to attend the tender opening, are to bring with them letters of authority from the corresponding bidder. The letter of authority for attending the bid opening should be submitted at the time of participation. All bid-opening activities should be carried out demonstrably before such a gathering.
- v) At a prescheduled date and time, the Bid Opening Committee (BOC) of the day should get the particular tender box opened, after ensuring and demonstrating that the seal on the box has not been tampered with. All bids should be collected from the tender box. Bids for tenders not opening on that day should be put back into the box and the box resealed. Sometimes, there would be tenders dropped wrongly into this tender box. Such wrongly dropped tenders with appropriate endorsement should be

put into the appropriate box or sent to the Tender Committee (TC) concerned, if the date of opening is over. The bids for different tenders opening on the day (including oversized bids, which were submitted to designated officers) should be sorted, and a count for each tender should be announced and recorded, particularly noting any modifying/ altering/ withdrawal of bids. Bid Opening Committee (BOC) should ensure and demonstrate that bid envelopes are duly sealed and un-tampered. Late bids should be separately counted but kept aside and not opened.

- vi) After opening, every tender shall be numbered serially (say 3/ 14 – if it is the third bid out of 14 total), initialed, and dated on the first page by the BOC. Each page of the Technical un-priced bid or letter attached to it shall also be similarly initialed along with the date. Any other page containing significant information should also be dealt with similarly. Blank tenders, if any, should be marked accordingly by the Bid Opening Committee (BOC). The original (and duplicate, if any) copies in a tender set are to be marked accordingly by the Bid Opening Committee (BOC). As the bids are to be submitted in hardbound form, signing of covering letters and index page by all the committee members is sufficient;
- vii) Erasure/ cutting/ overwriting/ use of whitener/ columns left unfilled in tenders, if any, shall be initialed along with date and time and numbered by the officials opening the tenders and total number of such noticed alterations (or the absence of any alteration) should be explicitly marked on the first page of the bid. In the absence of any alteration/ overwriting/ whitener/ blanks, the remark “no corrections noted” should be written. Similarly, the absence of discounts should be marked with “no discounts noted;”
- viii) The BOC is to announce the salient features of the tenders such as description and specification of the goods, quoted price, terms of delivery, delivery period, whether EMD furnished or not, and any other special feature of the tender for the information of the representatives attending the tender opening. No clarifications by tenders should be entertained or allowed to be recorded during the bid opening. It should be understood that BOC has no authority to reject any tender at the tender opening stage;

- ix) A bid opening report containing the names of the tenders (serial number wise), salient features of the tenders, as read out during the public opening of tenders, will be prepared by the tender opening officers, and duly signed by them along with the date and time. The tenders that have been opened, list of the representatives attending the tender opening, and bid opening report are to be handed over to the nominated purchase officer and an acknowledgement obtained for him.

4.7 Techno-Commercial Evaluation:

- i. The techno-commercial bids (Part-I) shall be opened and independently evaluated Projects/works wise after opening of the bid on bid opening date and time.
- ii. These bids shall be scrutinised and evaluated by concerned procurement department and place to the Competent Tender Committee as per DoP with reference to parameters prescribed in the tender documents and responsive, eligible and technically compliant bidders are decided.
- iii. While evaluating the techno-commercial bids following step wise procedure to be mentioned;
 - Receipt of Original Documents (Hard Form): It shall ensure that the appropriate amount of Demand Draft/e-payment receipt towards Tender Cost, Demand Draft /Bank Guarantee towards EMD and Documentary proof of payment of Tender Processing Fees through e-payment mode, Power of Attorney, Joint Venture/Consortium Agreement, if any, Original bank certificate towards Liquid Assets (Bank Balance & Fixed Deposit Balance) and Un-utilized Credit facilities and Affidavits of Bidders shall have been received in Original from the participant bidder(s) before the due date and time of the opening of the techno-commercial bids (Part-I).
 - Opening of the Bids: The techno-commercial bids (Part-I) of the responsive bidder(s) shall be opened Project/Works wise in a sequential manner.
 - Determine the substantial responsiveness of each Bid: Prior to detailed Bid evaluation, UPPTCL will determine the substantial responsiveness of each Bid

with respect to the Qualifying Requirement, Bid Capacity & Acceptance of Commercial Terms & Conditions contained in the Bid Document with reference to the Attachments uploaded (in .pdf formats) and Keyed in Schedules (in .XLS formats) of the official e-tender portal without deviation.

- Examination of Bid: Examination of only such Bids as are determined to be substantially responsive shall be taken up by UPPTCL. The submitted documents (Works Orders, Performance Certificate, Audited Accounts, Banker's Certificate etc.) shall be examined with reference to the qualifying norms given in the Bid Document. A comparative statement shall be prepared package wise of the participant bidders. Any material deviation to the qualifying norms shall be noted in the remark column for approval of the competent tender evaluation Committee as per DoP. UPPTCL may waive any minor or non-conformity or irregularity in a bid, which does not constitute a material deviation, provided such waiver, does not prejudice or affect the relative ranking of any Bidder by the Competent Tender Committee as per DOP.
- Discrepancies between Original and Scanned Copies of a Tender: In e-Procurement there should not be discrepancies between the uploaded scanned copies and the Originals submitted by the bidder. In case of discrepancy, bid shall be liable to be rejected.
- Clarification of Bids: During evaluation and comparison of bids, UPPTCL may, at his discretion, ask the bidder for clarifications on the bid. The request for clarification shall be given in writing by official e-mail/registered/ speed post, asking the tenderer to respond by a specified date, and also mentioning therein that, if the tenderer does not comply or respond by the date, his tender will be decided based on the understanding of the committee.. No material change shall be sought, offered or permitted. No post-bid clarification at the initiative of the bidder shall be entertained. The shortfall information/ documents should be sought only in case of historical documents which pre-existed at the time of the tender opening and which have not undergone change since then. Confidentiality of Process: Information relating to the examination, clarification, evaluation and comparison of bids shall not be disclosed to bidders or any other person not officially concerned with such a process until the award to the successful bidder has been announced.

- iv. Declaration of the Techno-Commercially Responsive Bid(s): The techno-commercial comparative statement prepared by the concerned department shall be placed before the Competent Committee as per the DOP giving all the particulars supported with the documentary evidence. Committee after due verification shall declare Project/package wise list of responsive and un-responsive bidders and place before the competent authority for approval.
- v. Intimation to the Responsive Bidder(s): The results of the Techno-commercially responsive bid shall be intimated through tender portal/e-mail (including informing the failed/un-responsive Bidders). The failed/un-responsive bidder(s) shall be informed briefly about the reason of dis-qualification of their bid(s).

4.8 Financial Evaluation:

- i. Price Bid of those Bidders, who's Bids are considered techno-commercially responsive and meeting the available Bid Capacity Qualification Criteria shall be opened project/package wise separately.
- ii. Bid Prices received in the price bid sheet (.XLS Format) shall be used for evaluation of price bid. The soft form of price bid Keyed in to the .XLS format shall be final and binding on the Contractor. In case the Price bid submitted in hard form, hard from document (price bid proposal) shall be used for the purpose of evaluation of price bid.
- iii. The Bid Price shall be evaluated by the concerned procurement department in the following manner to demine the evaluated price in order of ranking and place before the Competent Tender Committee (TC) for approval as per DOP.
 - Normally, under e-procurement the price bid is framed auto formula base which shall generate the total price automatically and doesn't require any arithmetic correction. In case, the price bid doesn't framed auto formula base, the prices quoted by the Bidders shall be checked for arithmetic correction, if any, based on rate and amount filled by the Bidder in the respective price schedule. If there is a discrepancy between unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and total price shall be corrected.

- Under e-procurement, bidder(s) are prohibited for any changes in the quantity given in the price bid. If no such facilities available in the e-tender portal there may be changes/discrepancy in the quantity mentioned in the tender and quantity quoted by the bidder. If there is a discrepancy in the quantity mentioned by the bidder from the quantity mentioned in the tender, the tendered quantity will prevail.
- While evaluating the bid price, UPPTCL shall ensure that the unit prices for the same item furnished in various price schedules are consistent with each other. In case of any inconsistency in the Unit prices furnished in the price proposal of the bidder, the same shall be identified by UPPTCL and UPPTCL shall consider the highest unit price of the bidder for the purpose of evaluation. However, the contract shall be awarded at the lowest unit price of the bidder.
- In respect of the unit price of all such items(s) against which bidder indicate as "nil"/ "-" / "0" in the price schedule, it will be deemed to have been quoted free of cost or included in other item(s) and covered in the total quoted bid price. In case the bidder has not quoted any rates/amount (left blank), the highest rate quoted by the other participant bidders shall be loaded for evaluation purpose only. However, the contract shall be awarded with zero unit price for such items and the same shall be supplied/executed free of cost by the contractor.
- In case of Works Contract a single GST rate is applicable as per SAC code. The evaluation shall be made exclusive of GST. While evaluating the price bid, the discount offered by the bidder, if any, in the price schedule only shall be considered for the purpose of evaluation.
- Competent Tender Committee as per DoP shall ensure that the cost of withdrawal towards minor deviations indicated by the bidder, differential prices on account of functional guarantees of the facilities/ guaranteed performance of equipment/ material/ systems etc. shall be considered for the purpose of evaluation, provided it is specifically mentioned in the SBD,
- The total evaluated prices of all the Bidders shall be compared to determine the order of ranking of the price quoted by the bidder(s).

- iv. The tender shall be decided based on the total evaluate price of the project or package as applicable. After evaluation of price bids, a price comparative statement shall be prepared showing the price quoted, evaluated price and %variations to the estimated cost. Any abnormality observed in the quoted items of the price bid (abnormally high or low vis-a-vis the estimated price) shall also be noted.
- v. In the event the inter-se positions/ranking of the bidders' changes due to price evaluation, such price bid shall be rechecked to ascertain the correctness.

4.9 Dealing with Single Tender:

- i. Sometimes, tenders floated by the UPPTCL may receive a single bid or receive insufficient number of bids and after evaluation only one responsive bid exists – a situation referred to as 'Single Tender'.
- ii. While dealing with the single tender, at the first instance where a single bid is received against the NIT by the last date of submission, the last date of submission shall be extended for another 15 days and may be repeated, if considered necessary. However, during such extended period, the single bid earlier submitted by the bidder shall not be allowed to re-submit his bid, provided the tender portal has such provision.
- iii. Even after the extension, a single bid is received the bid shall not be opened and the tender shall be cancelled. So also in case, insufficient number of bids are received and after evaluation, a single bidder is found to be qualified, i.e. a single responsive bid, the price bid shall not be opened and tender shall be cancelled.
- iv. Following the cancellation, it may be reviewed whether all necessary requirements and formalities such as standard conditions, industry friendly specification, wide publicity, qualification criteria, sufficient time to quote and so on. A fresh tender with revised/relaxation of terms and conditions may be floated.
- v. In the second instance, if only a single bid is received, the Price bid shall be opened by obtaining approval of competent authority as per DoP. However, before opening of the price bid of the single participant bidder, UPPTCL shall check that the single participant bidder is Techno-commercially responsive.

- vi. Following the opening of the price bid of such single responsive bidder, the reasonability of the quoted price shall be assessed. In case, the quoted price is within the limit of 5% of the estimated cost, UPPTCL may consider to award the contract.
- vii. In case, the quoted price is beyond the limit of 5% of the estimated cost, UPPTCL may go for price negotiation. If on negotiation, price does not fall below 10 percent, the tender may be cancelled and a fresh revised tender with relaxation of terms and condition may be floated. However, in case of urgency, if the price of the single bidder is found to be more than 5% even after negotiation, the same may be accepted as a special case by Competent Authority as per DOP recording the reasons of the urgency.
- viii. The principle mentioned at clause no V, VI and VII above shall also be applicable, if the no of bidders were more than one have participated the tender, but after the Techno-Commercial evaluation, a single bidder is found to be qualified/responsive.

4.10 Post-Tender Price Negotiation:

- i. Normally, there should be no post tender negotiation in case of open tender. Negotiations should be an exception rather than the rule and may be resorted to only in exceptional circumstances.
- ii. If it is decided to hold negotiation for reduction of prices, it should be held only with the lowest bidder (L1).
- iii. The circumstances where negotiations will be considered :
 - a. Where the procurement is done on nomination basis;
 - b. Procurement is from single or limited sources,
 - c. Where there is suspicion of cartel formation which should be recorded, or
 - d. Where the L-1 price is more than 5% of the estimated cost
- iv. The decision to negotiate should be taken by the Competent Tender Committee as per DoP by recording justification. It may entrust the negotiation to a lower level committee where EoC may act as convener.

- v. Entrusted Committee shall make all endeavor to bring down the price to reasonable level during the negotiation with L-1 bidder. If L-1 bidder agrees for reasonable price, entrusted committee may recommend for placement of LoA at negotiated price after obtaining the revised offer from L-1 bidder.
- vi. If L-1 bidder does not agree to bring down the price to reasonable level, the entrusted Committee may recommend for cancellation on the ground of price not being reasonable.
- vii. Where requirements are urgent and the delay in re-tendering for the entire requirement due to the unreasonableness of the quoted rates would jeopardise essential operations, maintenance and safety, Entrusted Committee may negotiate with L1 bidder(s) for bare minimum quantum of requirements. The balance bulk requirement should, however, be procured through a re-tender, following the normal tendering process.
- viii. Normally all counter offers are considered negotiations by other means and the principles of negotiations should apply to such counter offers. For example, a counter offer to L1, in order to arrive at an acceptable rate, shall amount to a negotiation. Any counter offer to L2, L3, and so on to accept the rate of L1 in case of splitting of quantities shall not be deemed to be a negotiation.

4.11 Issue of Letter of Award (LoA) :

- i. Legally communication of acceptance of offer is considered complete as soon as the LOA issued in favour of the successful bidder.
- ii. UPPTCL will select the contract projects/works wise, whose bid has been determined to be the lowest evaluated total price among the substantially responsive bidders provided that the total evaluated price is reasonable.
- iii. Award shall be given at the quoted price of the lowest evaluated bidder (L-1) or negotiated price, if any. However, before awarding the contract in favour of the lowest bidder, UPPTCL shall ensure that in the present scenario the contractor continues to be qualified to perform the contract satisfactorily.
- iv. The Letter Of Award (LOA) shall inter alia includes the main operative clauses of GCC & SCC, Scope of works in brief, detailed Price Schedule, specifications,

standard formats and reference of SBD. Due consideration shall be made towards the changes / modification/clarification/errata arises out of the approved minutes of the Pre-Bid Conference.

- v. During execution of the contract, the clauses mentioned in the LOA shall be considered. In case any of the clauses not mentioned in the LOA, the clauses mentioned in the reference SBD shall be referred.
- vi. The successful bidder shall acknowledge the LOA within a week un-conditionally unless otherwise any changes in the clauses of the LOA with respect to SBD. Conditional acknowledgement of the LOA in all other cases shall be construed as non-acceptance of the tender. If both parties (UPPTCL and the contractor) simultaneously sign the contract across the table, further acknowledgement of the LOA from the contractor is not required.
- vii. UPPTCL may issue Letter of Intent (LOI) instead of Letter of Award (LOA) in favour of the successful lowest bidder with certain instruction to comply . After such compliance by the bidder, LOA shall be issued. The LOI issued in favour of the contractor also constitute formation of the Contract.
- viii. In an event the selected bidder backs out after the award of the Contract, the works may be awarded to the bidder in ascending order of their evaluated prices subject to matching the quoted L-1 price of the lowest bidder and the EMD of L-1 bidder shall be forfeited.

4.12 Snap Bidding:

- i. If, fresh price bids are invited from among Qualified/Responsive bidders based on the same bidding process, the same shall be termed as Snap bidding.
- ii. Snap Bidding is resorted to under extra ordinary circumstances as mentioned below;
 - Where the work is required to be awarded without any loss of time and price quoted are unreasonably high; or
 - Where inter-se position of the lowest bidder changed due to changes in Tax Laws (Taxes and Duties); or
 - Where the successful bidder doesn't acknowledge the LOI/LOA within the due date and negotiation with other responsive bidder(s) in order of ranking to match with the price of the L-1 bidder, failed; or

- iii. The justification of asking for the snap bidding shall be recorded and duly approved by the Competent Tender Committee as per the DOP.
- iv. Snap bids can be invited from all those parties whose price bid(s) were opened through e-tender portal only.
- v. The revised price bid submitted under the snap bidding shall not be higher than the price quoted in the original price bid. If the price quoted in the revised price bid(s) are higher than what were quoted in initial bid, such bids shall be treated non-responsive and shall be rejected.

4.13 Annulment of Tender:

- i. UPPTCL reserves the right to annul the bidding process at any time prior to award of Contract including rejection of any or all bids after the same has been received, without thereby incurring any liability to the affected bidder or bidders or any obligation to inform the affected bidder or bidders about the ground of UPPTCL's action. Annulment may be done due to higher prices for unexplainable reasons, possible cartel formation or such other aspects for the benefit of UPPTCL.
- ii. In case, circumstances warrant annulment of bidding process before the deadline for bid submission/opening of bids, a 'general notification' to this effect shall be issued on the designated E-Tender Portal/ UPPTCL website.
- iii. The decision of annulment of the tender may also be intimated to all the bidder(s) through online/offline mode to the registered bidder.
- iv. The proposal for annulment of bidding, after opening of the price bid part (Part-II), shall be decided by the Competent Tender Committee as per DoP. However, Competent Committee may do so recording proper justification/reason for cancellation.
- v. In the event non-responsive bidder(s) serves stay order from a court of law to vitiate the tendering process, UPPTCL after obtaining legal advice shall go ahead with the evaluation process and withhold the award till the final judgment of the court.

4.14 Re-Bidding:

- i. Normally, on cancellation of the process of Tender or rejecting all bids at any time before intimating acceptance of successful bid, re-bidding shall be made with the aim to finalise the tender by taking mitigating measures. If it is decided to rebid the tender, the justification should balance the perceived risks of cost escalations, loss of time etc. in re-invited tender.
- ii. However, UPPTCL may re-bid the tender on the following circumstances;
 - a. If the quantity and technical requirements have changed substantially or there is an un-rectifiable infirmity in the bidding process;
 - b. when none of the tenders is substantially responsive;
 - c. If effective competition is lacking.
 - d. If it is found there is possible cartel formation.
 - e. If, the bid prices are substantially higher than the updated cost estimate;
 - f. If, the single responsive bid is received in the second time and the quoted price is not reasonable and emergency situation is not established.
 - g. If, the snap bidding process failed.
 - h. If the bidder, whose bid has been found to be the lowest evaluated bid withdraws or whose bid has been accepted, fails to sign the procurement contract as may be required, or fails to provide the security as may be required for the performance of the contract or otherwise withdraws from the tendering process for which UPPTCL cancelled the tender process.
- iii. Approval for re-tendering should be accorded from the Competent Tender Committee after recording the reasons/ proper justification.
- iv. While re-tendering, UPPTCL shall review the qualification criteria, and technical and commercial terms of the cancelled tender and also consider wider publicity to attract an adequate number of responses.
- v. Re-tendering has been done after rectifying the deficiencies in the scope of works, qualifying requirement and technical requirements etc.. It shall be construed as a fresh tender.

4.15 Tender Approval Committee:

At present UPPTCL has following four level Corporate (Store Purchase/Works) Committees to finalise Purchase of Equipment/ Material as well as Works of different financial limit.

1) Chief Engineer (Store Purchase/Works) Committee:

Members:

- | | |
|---|-------------------|
| 1. Chief Engineer (765 & 400 KV Design) | - Member |
| 2. Chief Engineer (Design & Procurement) | - Member |
| 3. GM/CGM/ED(Fin) | - Member |
| 4. Superintending Engineer (Design & Procurement) | - Member Convenor |

Note: Senior most Chief Engineer shall be the Chairman of the Committee.

Quorum –Two members including Finance Member.

Financial Powers : Rs. 25 Lacs up to Rs. 1 Crores.

2) Directors (Store Purchase/Works) Committee:

Members:

- | | |
|--|-------------------|
| 1. Director (Finance) | - Chairman |
| 2. Director (Operation) | - Member |
| 3. Director (Works & Projects) | - Member |
| 4. Director (Commerce & Planning) | - Member |
| 5. Chief Engineer (D&P) / Chief Engineer (765 KV) /
Chief Engineer (Zone) / Chief Engineer (Civil I/II) | - Member Convenor |

Quorum- At least Two members including Director Finance

Financial Powers : More than Rs. 1 Crores Up to Rs. 10 Crores.

3) MD (Stores Purchase/works) Committee :

Members:

- | | |
|--|------------------|
| 1. Managing Director UPPTCL | - Chairman |
| 2. Director (Finance) UPPTCL | - Member |
| 3. Director (Operation) UPPTCL | - Member |
| 4. Director (Commercial & Planning) UPPTCL | - Member |
| 5. Director (Works & Projects) UPPTCL | - Member Covenor |

Quorum: Three members with mandatory presence of Managing Director UPPTCL and Director (Finance) UPPTCL

Financial Powers of said committee: Beyond Rs. 10 Crores up to Rs. 35 Crores.

4) Chairman (Store Purchase/Works) Committee:

Members:

- | | |
|--|-------------------|
| 1. Chairman UPPTCL | - Chairman |
| 2. Managing Director UPPTCL | - Member |
| 3. Director (Finance) UPPTCL | - Member |
| 4. Director (Operation) UPPTCL | - Member |
| 5. Director (Commercial & Planning) UPPTCL | - Member |
| 6. Director (Works & Projects) UPPTCL | - Member Convenor |

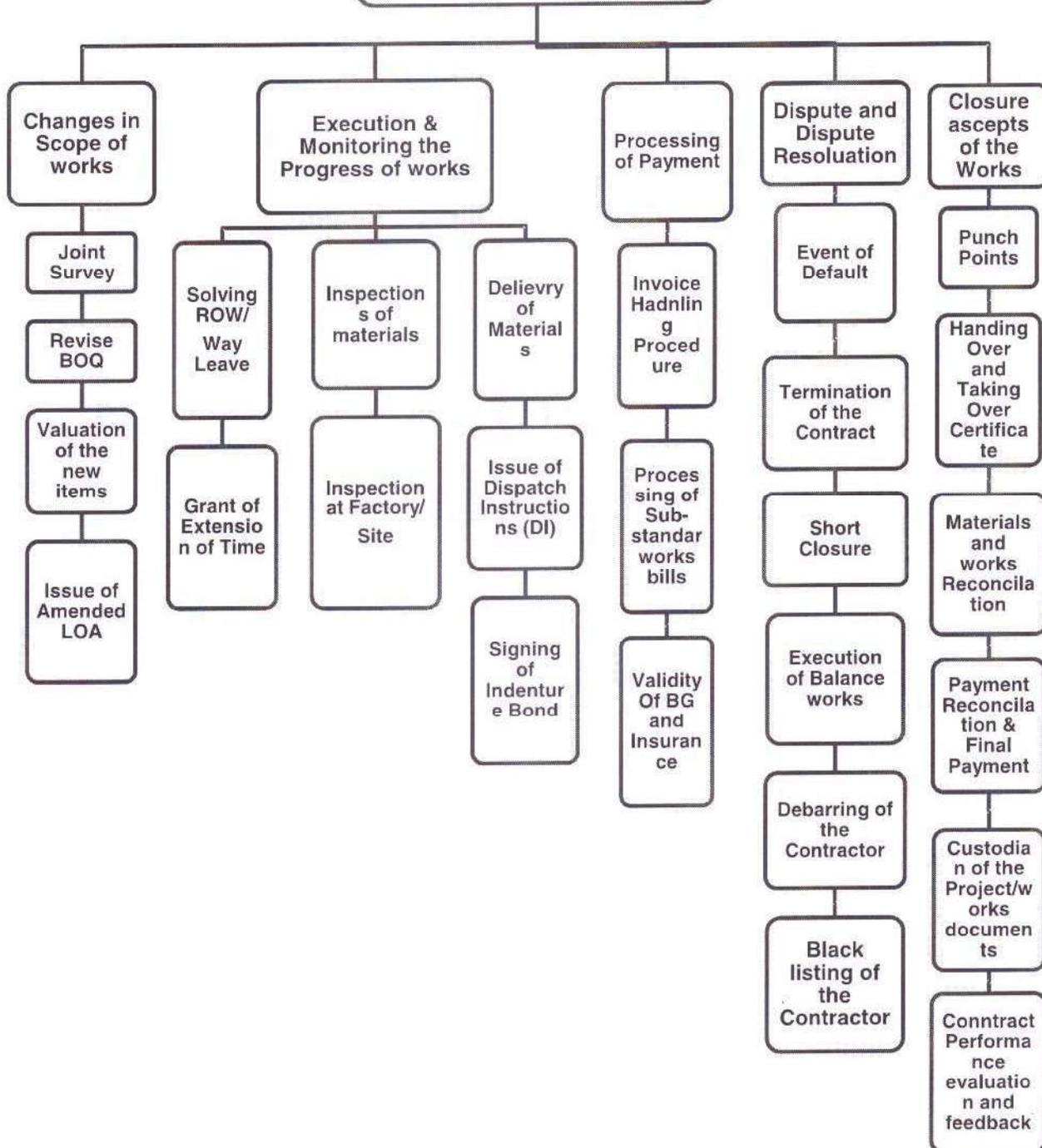
Quorum: Four members with mandatory presence of Chairman UPPTCL and Director (Finance) UPPTCL

Financial Powers : More Than Rs. 35 Crores.

XXXXX

Chapter-5
(Post Award Works/Projects)

Snap Shot of Chapter-5 Post Award of Works and Closure



Chapter-5

(Post Award Works/Projects)

5.0 Post Award Works/Project:

5.1 Change of Scope (Deviations/Omissions):

- i. Normally the projects/works shall be executed as per the approved scope of works specified in the LOA/Work order. However, changes in the BOQ items of the LOA shall be considered on the following ground;
 - (a) Change in the route alignment due to subsequent development in field condition;
 - (b) Omission identified during the execution of the contract.
 - (c) Changes in the civil designs and drawings due to subsequent development in the field condition;
 - (d) Inclusion of new work of any kind which is found to be necessary for the completion of the projects/works;
- ii. At the time of finalising/optimising the route of transmission line, preparation of BoQ and initial estimate for submission before TWC for Technical/Administrative approval, steps shall be taken for Walk-over Survey and Validation through GIS map (Google/GIS Map) for Transmission Lines. Similarly, Soil Testing and Contour Survey of the land for Substation has to be carried out for optimizing the cost of construction at the time of preparation of initial estimate. Subsequently, after issue of LoA , Joint Survey (Engineers of Contractor and Field Engineer of the Corporation jointly) shall be undertaken preferably within a period of one month depending upon the size of the project (to be specified in the LoA) and the BoQ shall be revised accordingly and placed before competent Authority for approval as per DoP. Following the approval of revised BoQ, necessary amendment to the LOA/Contract may be issued and circulated to all concerned officers.

- iii. The BoQ may be revised subsequently after first amendment during the period of execution of Contract depending upon the requirement of field condition. Engineer Of Contract (EOC) may be delegated with the power to approve the variations of items of the BOQ upto $\pm 10\%$ (Ten percent) of the contract value of the particular Part of LoA i.e. A. Supply and Erection of Electrical Items and B. Civil , for smooth implementation of the project. In case the variation is beyond 10% limit , of the contract value of that Part, prior approval of Technical and Administrative approval shall be obtained from Competent Authority as per DoP before execution of additional scope of Work.
- iv. The proposal of revision of BoQ shall be placed before the Competent Authority with justification of such changes and its financial implication along with supporting documents.
- v. The valuation of changes in the BoQ items of the LOA shall be done in the following manner;
- In respect of quantity variations of the existing BoQ items of the LOA, it shall be at the same unit price.
 - In respect of quantity variations of the substituted items, the unit rate to be derived from the Unit Price available in the existing LOA. In case it is not worked out, approved Cost data /SoR may be referred to for obtaining the rate or deriving the rate.
 - In respect of new items, the cost may be considered from the source as follows in order of sequence i.e. Approved Cost Data, SoR ,DSR, Average Price of Supply or Civil Item in last three awarded EPC tender of UPPTCL, The latest (within three years) Discovered Price of any Govt. controlled/managed Utility, Latest Market Price (By collecting budgetary offer from credible E-Market operators like GEM, Flip kart, Amazon) may be considered.

5.2 Amendment of the LOA:

- i. Normally, there shall be only two nos. of revision to the Original LOA i.e. 1st Interim Revision after Preliminary Joint Survey and Final Revision after completion of the entire Projects/works.
- ii. However, it may be amended more than twice on the following ground;
 - Addition of new scope of work during execution due to subsequent development in the field.
 - Addition of new BOQ items during execution due to field condition.
 - Significant change in the existing Acts/ Laws or introduction of new Law/Act.
 - Route diversion as per specific site conditions.
- iii. In case the contract price gets increased more than five percent due to amendment, the Bank Guarantee amount shall be increased to that extent.
- iv. All such amendment order shall be issued by the Designated officer/EOC with due approval from the Competent Authority as per DOP.
- v. It shall be ensured by the concerned authority that the amendment orders are acknowledged by the Contractor, un-conditionally.

5.3 Solving Right Of Way(ROW)/ Way Leave:

- i. UPPTCL shall initiate all steps to resolve all Right Of Way (ROW)/Way Leave in connection with projects/works. However, the Contractor shall extend all co-operation to UPPTCL for resolving the Right Of Way (ROW)/Way Leave.
- ii. The acquisition of land for Sub-Station works and obtaining Statutory Clearances shall be the sole responsibility of the UPPTCL.
- iii. Necessary Statutory Approvals/ Permission/ Clearances/ Certificates from the Statutory Authorities like Forest and Environment Authority, Urban developmental Authority, Railway Authority, Aviation Authority, NHAI, Municipal Corporation, Town Planning Board etc. need to be obtained by the UPPTCL.
- iv. Engineer Of Contract (EOC) of UPPTCL shall initiate action within two to three months from the date of the issue of the LOA for obtaining approvals from the Departments/Authorities for securing ROW/Way Leave. This shall be monitored closely by higher authorities.

- v. It is the responsibility of the contractor to obtain all other necessary approvals as may be required for the purpose construction of the projects/works at his own cost. The Contractor shall also be responsible for obtaining Electrical clearances Certificate from the Electrical Inspectorate from the time to time.
- vi. UPPTCL shall pay/deposit the statutory fees for obtaining statutory Clearances as well as for obtaining ROW/Way Leave directly to the Authorities/Party Concerned.
- vii. Expenditure towards auxiliary services such as power, water, solid & liquid waste disposal system, street lighting and other civic services etc. shall be borne by the Contractor.

5.4 Monitoring the Progress of Projects/Works:

- i. UPPTCL shall arrange to conduct a kick off meeting with the Contractor within ten days of acknowledgment of the LOA to understand each other's requirement and assess the project preparedness. This will help the UPPTCL for monitoring the works in an effective manner.
- ii. For day to day monitoring of the progress of the projects/works, Contractor shall prepare and submit BAR Chart/L-2 Schedule which shall be finalized by UPPTCL and form part of the contract agreement.
- iii. UPPTCL shall ensure that the contractor establishes the Project/Site Office, engages adequate Personnel, sets up Central/Site Store and project co-ordination manual within 21 days from the date of Signing of the LOA.
- iv. It is the responsibility of the UPPTCL to commence the process of handing over of the land to the contractor, facilitating conducting Joint Survey (Check Survey), action initiated for obtaining statutory clearances and approval of Engineering Drawings, Design and Technical Particulars of major the materials/Equipment within the scheduled time. It will be always better to upload the standard drawing with numbers in the UPPTCL websites and Contractor may be asked to download the same from Website. This will save lot of time and convenience for both UPPTCL and Contractor.

- v. UPPTCL shall conduct periodic review meetings with the contractor at various levels for day to day monitoring of the progress of the project works;
- At the site level, concerned site in charge shall review the works on daily basis.
 - At the Project level, Concerned Project In charge shall review the progress of the works project on weekly basis.
 - At the Departmental Level, Concerned Departmental Head shall review the progress of the works on Monthly Basis.
- vi. In the monthly review meeting, special focus shall be given on the committed progress of the works (physical & financial Progress) and target fixed for the coming month(s). In the monthly review meeting the key bottleneck in the progress of the works shall be discussed and necessary remedial actions to be initiated/ directed. These meetings shall be recorded by way of minutes and to be circulated to all concerned.
- vii. Monthly Progress Report defining Physical & Financial Progress shall be prepared by the concerned executing Authority for information of higher officials, funding agency(ies). For smooth monitoring and execution of the works depicted team shall be constituted to monitor various aspects of the works/projects;
- RoW Team: To resolve the issues like Land, Statutory Clearances and RoW.
 - Technical Team: To resolve the Technical issues arises under the contract.
 - Project Management: To monitor the work on regular basis.
 - Third Party Inspecting Agency (TPIA): To ensure quality control of equipment as well as workmanship.

5.5 Grant of extension of Time :

- i. To keep the contract live, interim/provisional extension of time may be allowed with its right to levy Penalty (Liquidated Damage) at the time of Final approval , if the reasons of delay is found to be attributable to the contractor.

- ii. Engineer Of Contract (EOC) may allow from time to time provisional extension of time up to 100 percent of the original work completion period considering the reasons of delay for smooth functioning of the contract. The provisional extension beyond 100% of the original work completion period may be allowed by the competent authority as per DoP considering justification. During provisional extension of time neither LD (Penalty for delay) is deducted from the bill of the contractor nor positive PV, upward revision of Tax is paid to the contractor.
- iii. On the request of the Contractor, Final Extension of time may be considered based on the facts and circumstances of the case. The extension of the whole of the period or partial period of delay may be allowed with or without deduction of LD .The Competent Authority as per DoP will examine whether the reasons of delay are attributable to Contractor. If it is found that the reasons of delay cannot be attributable to Contractor the Final Extension of Time is allowed without deduction of LD. In such case Contractor will also be entitled for upward revision of Tax.
- iv. Where extension of time is allowed with the imposition of LD, it shall be deducted for the delayed period from the pending bills of the contractor at the agreed percentage as per contract for the balance portion of work. .
- v. In all the above cases the contractor whether allowed extension or not will be liable to pay negative PV. In the event extension of time is allowed, the woks completion schedule shall be rescheduled accordingly.

5.6 Inspection at Factory/Site:

Normally, Comprehensive Quality Assurance & Inspection Plan shall be framed in order to control the quality of Supply/Works. To ensure the quality of supply/works, a Quality and Performance Assurance Cell shall be formed comprising of multi- disciplinary engineers. In the absence of such plan following procedures shall be adopted.

- i. UPPTCL shall identify the major(critical) items and minor (non-critical) items generally supplied or used in Substation and Line works for inspection purpose. All items to be supplied under the projects/works shall be inspected (Pre-

dispatch) mandatorily by UPPTCL Engineer and/or Third Party Inspection Agency (TPIA). In the exceptional circumstances, the inspection of such minor (non-critical) item may be waived of by EoC with the recommendation of EOC and on recording the reasons .

- ii. The inspection call shall be raised by the Contractor as per the PERT chart/L-2 Schedule giving at least one week time through official e-mail. Concerned dealing executive after receipt of the inspection call shall verify the relevant documents, if found satisfactory, intimate the inspecting Officer/Agency for inspection.
- iii. During Inspection any deviations are identified with respect to the approved specification, the inspecting officer/agency shall reject such materials out rightly and intimate the same through the official e-mail to the Concerned Dealing Authority/EOC.
- iv. The materials/equipment received at stores/site shall be physically inspected by the site engineer/TPIA for use in the contract projects/works. If any, deficiencies noticed during the inspection at site, at the first instance the contractor shall be given in writing to rectify such defects/deficiency. If the deficiency cannot be rectified at site, the equipment/Material may not be accepted and returned back with the approval of EOC.
- v. Normally, the total quantity of materials/equipment under the contract shall be inspected in maximum four lot(s) based on the progress of the projects/works. However, if required Competent Authority (EOC) may allow inspection of materials/equipment more than four lot(s).
- vi. If any, disputes/ambiguity arises during the inspection (Factory/Site), the Inspecting Officer/TPIA shall intimate the matter in writing to the Concerned Departmental Head/EOC. The same shall be placed before the Technical Committee for their suggestion and next course of action.
- vii. For conducting smooth inspection mentioned above, the EPC contractor shall intimate about the readiness of the Equipment/Materials, detail address of the Manufacturing Unit, name & phone no of the Contacting Person and relevant documents (calibration certificate, Raw Materials order copies, type Test

certificate, designs, drawings, GTP and routine test certificate) through the inspection call notice to the UPPTCL giving at least 07 days time. Contractor shall ensure that during the inspection their representative also accompany with the inspecting officers of UPPTCL.

5.7 Delivery Instruction (DI):

- i. Normally, delivery Instruction shall be issued only after obtaining inspection report without any deviation. In the event any deviation noted by the Inspecting Officer/Agency, the same shall be complied prior to supply of such inspected materials without compromising the approved standards.
- ii. In respect of Power transformers, Circuit Breaker/Switchgears and other critical items, only after final acceptance test, the delivery instruction shall be issued mentioning the Equipment Sl. No. & Seal details.
- iii. In case of delivery instruction issued for part supply items out of the set/lot items of the BOQ, in such case DI should clearly indicate the part supply item(s). The DI shall also indicate that the free spares are included in the main items supply or not.
- iv. The Delivery Instruction letter shall inter alia contain the following;
 - Chronological Unique number to be allotted viz, DI-1, DI-2,
 - LOA quantity, DI already issued, Quantity inspected and current DI quantity.
 - Validity of the DI.
 - Destination/Place of delivery.

5.8 Signing of Indemnity Bond :

- i. After receipt of the Delivery Instruction (DI), Contractor shall arrange to supply the Materials/ Equipment as per the supply schedule mentioned in the DI. The sealed Materials/Equipment with serial number given in the DI shall be supplied at the destination Work site.
- ii. On delivery of materials/equipment at the work site, concerned dealing executive shall prepare Material Acceptance Report (MAR).

- iii. After preparation of MAR, these Materials/Equipment shall be handed over to the Contractor for Erection and Commissioning for which the Contractor shall be required to execute an Indemnity Bond in favour of UPPTCL hypothecating the goods to the procuring entity, and also be responsible for their safe custody.
- iv. If, UPPTCL provides OSM material like Transformer, Conductors etc. to Contractors for erection in the project/works. The Contractor is also required to provide Indemnity Bond for the before lifting/receipt of those Owner's Supplied Material (OSM).

5.9 Invoice Handing Procedure:

- i. Normally, for smooth processing of running/progressive bills (Submission, Verification, Passing, Pre-Audit and Payment) during the execution of the projects/works shall be strictly carried out as per the terms and conditions of the LOA and procedure laid down by the UPPTCL.
- ii. Contractors shall be apprised / explained about the requirement and policy and procedure of the UPPTCL in respect of the processing of the running/progressive invoice(s).
- iii. While verifying and passing the invoices, concerned dealing accountant/executive shall ensure the Validity of the LOA, the Bank Guarantee(s), the Insurance(s) and examine that necessary supporting documents etc. are in order.
- iv. The Statutory deduction (GST and IT TDS, Labor Cess etc.) and recovery towards Liquidated Damage, negative PV etc. shall be ensured at the time of passing of the bills.

5.10 Passing of Substandard Supply/Work Bill:

- i. Normally, any sub-standard supply/work which can be rectified or reconstructed and deviate from the bare minimum/basic/ standard specification shall not be passes for payment.

- ii. However, any sub-standard works noted/identified during the execution of the projects/works, which can't be rectified or reconstructed Competent Authority as per DOP shall retain certain percentage till finalisation of quantum of deduction to be made for such sub-standard supply/works by the Competent Committees.
- iii. The ad-hoc retention amount shall be appropriated/adjusted based on the recommendation and approval of the Competent Committee.

5.11 Validity of BG and Insurance:

- i. The Contract Performance Bank Guarantee (CPBG) is a security against performance of the works/project and after completion of the works/project it covers the guarantee. Therefore, CPBG shall remain valid till completion of three months from the date of completion of guarantee period of the project. Initially, Contractor is supposed to submit CPBG covering the entire period. Wherever there is a delay in completion of project, the contractor shall be instructed in writing from time to time to extend the CPBG till revised date of completion of guarantee period plus three month. However, original Bank Guarantee(s) shall not be handed over to the contractor for propose of extension of validity. They are required to provide extension letter against original bank guarantee from the issuing bank.
- ii. The Contractor is required to take Storage-cum-Erection Insurance policy for the value of the material handed over to the contractor on receipt of Indemnity Bond as well as cost of OSM material in the name of UPPTCL. The validity period of the Insurance Policy submitted under the contract shall also be reviewed from time to time and renewal of such Insurance coverage shall be by the Contractor prior to its expiry.

5.12 Ensuring Safety of Materials/Equipment & Workman:

- i. The Contractor shall be solely responsible for the safety, adequacy and efficiency of plant and equipment including the safety of all persons employed by him or his sub-contractor and all the properties under his custody during the performance of work.

- ii. For this purpose, contractor(s) shall indemnify UPPTCL towards all injury to person or damage to property resulting from the negligence of the Contractor or his workmen or sub-contractors or from defective design, or work under the projects/works.
- iii. The Contractor will indemnify and save harmless the UPPTCL against all actions suits, claims, demands, costs or expenses arising in connection with injuries other than such as may be attributable to the UPPTCL or his employee(s) suffered prior to the date of handing over of the projects/works thereof by persons employed by the Contractor or his sub-contractor on the work, whether under the Workmen Compensation Act, 1923, or any other Statute in force at the date of Contract relating to the question of the liability of UPPTCL for injuries suffered by employees, and will, if called upon to do so, take out the necessary policy or policies of insurance to cover such indemnity.
- iv. UPPTCL shall also be required to establish well-defined Safety Health & Environment (SHE) guidelines embedded in the Contract Agreement.
- v. It is mandatory for the Contractor to observe during the execution of the works, requirements of Safety Rules. If the Contractor observes all the Safety Rules and Codes, Statutory Laws and Rules during the currency of Contract awarded by UPPTCL and no accident occurs then UPPTCL may consider the performance of the Contractor and award suitable 'ACCIDENT FREE SAFETY AWARD' as per scheme as may be announced separately from time to time.

5.13 Dispute Resolution Mechanism:

- i. Any dispute(s) or difference(s) arising out of or in connection with the Contract shall, to the extent possible, be settled amicably between the UPPTCL and Contractor. Normally, the decision of the Engineers Of Contract (EOC) in respect of dispute(s) or difference(s) shall be final and binding upon the contractor. However, if any dispute or difference of any kind, whatsoever, not settled amicably, Contractor may make an application before the next higher Authority against such dispute in writing within 15 days, from the date of such decision, action or omission. The Authority shall examine and deliberate the merits of the

Contractor complaint and the decision shall be communicated in writing to the concerned Contractor within 30 days from the date of receipt of the application or any other such period.

- ii. In the event of the Authority fails to notify his decision within thirty (30) days after being requested or the Contractor is not satisfied with the decision of next higher authority, the Contractor may require that the matters in dispute be referred to arbitration. UPPTCL may also refer the matter to arbitration.
- iii. Upon receipt of arbitration notice form the contractor at site , the concerned site Engineer shall immediately send copy of the said notice along with his comments and relevant documents to Engineer of Contract (EOC) and Law Department, Corporate Office within seven days. Whether, EOC receives the notice directly or from field office, he shall put up a note indicating details of disputes with his remark to law Department.
- iv. The law Department will legally examine the dispute and accordingly, if necessary, recommend the case for invocation of arbitration and appointment of arbitration within seven days from the date of receipt of the note, to the competent authority mentioned in the contract. The proposal for nomination of the representing office shall be processed by the concerned site engineer. The concerned site office also initiate note for appointment of the Counsel / Senior counsel and approval will be obtained by the Law Department in consultation with site engineer.
- v. The arbitration shall be conducted by three arbitrators, one each to be nominated by the Contractor and the UPPTCL and the third to be appointed as a Presiding Arbitrator by both the arbitrators in accordance with the Arbitration & Conciliation Act 1996. If other party fails to appoint its arbitrator within sixty (60) days after receipt of a notice from the party invoking the Arbitration clause, the arbitrator appointed by the party invoking the arbitration clause shall become the sole arbitrator to conduct the arbitration. The place and venue of arbitration shall be at Lucknow, Uttar Pradesh. The decision of the majority of the arbitrators shall be final and binding upon the parties.

- vi. In the event of any of the aforesaid arbitrators dying, neglecting, resigning or being unable to act for any reason, it will be lawful for the party concerned to nominate another arbitrator in place of the outgoing arbitrator.
- vii. After a claim filed by the Contractor, the detailed factual para wise comments on the claims, specifically admitting denying or clarifying the para under reply, duly supported with documents, shall be prepared by the Representing officer (RO) in consultation with the law Department, The RO in consultation with Law Department shall also prepare the counter claim along with supporting documents.
- viii. Save as hereinafter provided, during settlement of disputes and arbitration proceedings, both parties shall be obliged to carry out their respective obligations under the Contract.
- ix. Once the award is given by the arbitrator (s), the same shall be forwarded to the Law Department by concerned RO. The recommendation for the review / acceptance and further course of action in the matter shall be processed by EOC through Law Department for the approval of competent authority expeditiously so that approval is obtained preferably within twenty one days from the date of receipt of award and filing the award in the Court is done within stipulated period.

5.14 Event of Default:

5.14.1 Event of Default On the part of Contractor:

If the Contractor repeatedly breached the contract on any of the following events or occurrences which continued even after giving 30days of notice in writing to the Contractor shall constitute Event of Default on the part of the Contractor;

- i. failure to complete the work within the time period(s) specified in the contract, or any extension thereof granted.
- ii. fails or refuses to deliver materials/equipment or to execute work conforming to the technical specifications;

- iii. failure to respond or carry out the instructions in relation to poor progress or rectification of defective work, material or plant;
- iv. fails to perform any other obligation under the contract within the period specified in the contract or any extension thereof;
- v. fails or refuses to pay any amount due under the Contract;
- vi. committed any breach or fraud under the contract;
- vii. continue to neglect the works, or unable to honour important stipulations of the contract;
- viii. shown his inability to honour the contract;
- ix. becomes bankrupt or otherwise becomes insolvent or undergoes liquidation or loses substantially the technical or financial capability based on which he was selected for award of contract;

5.15 Termination of Contract:

If termination occurs because of Contractor's Default, without prejudice to any other right granted to it by law, or the Contract, UPPTCL may take up any or all of the following actions;

- i. Present for payment, to the relevant bank the Contract Performance Bank Guarantee (CPBG), i.e. invocation of CPBG;
- ii. Recover any losses and / or additional expenses, UPPTCL may incur as a result of Contractor's Default.
- iii. Recover the amount from any other BG /Security /Mobilisation BG etc of the same contract.
- iv. Reserves right to take over the site and to complete the balance works departmentally or through another contractor on Debitable (Risk and Cost) basis and to use the Contractor's materials, equipment, temporary works as UPPTCL think proper execute the balance works.

5.16 Short Closure:

- If termination occurs because of UPPTCL's requirement, a suitable 15 days notice has to be sent to the contractor for Termination of the contract, in whole or in part, for UPPTCL's convenience, inter alia, indicating the date with effect from which the termination will become effective. In such cases, without prejudice to any other right granted to it by law, or the Contract, the contract shall be closed.
- Based on the certificate of Engineer Of Contract (EOC), the value of works executed, value of any materials lying at site, reasonable cost of removal of equipment, repatriation of project staff, cost of protecting and securing the works etc. the amount payable to the Contractor shall be worked out and after considering deduction/recovery of (i) pending advances; (ii) other recoveries (iii) taxes as due etc. the final amount payable to the Contractor may be derived at.

5.17 Execution of Balance Works:

- i. In case of termination of contract due to Contractor' Default, UPPTCL will take up the execution of balance left over work on Risk and Cost /Debitable basis of Original Contractor. The cost of execution of the work is met from the balance due to the Contractor which is sum total of CPBG and other BG Encashment proceeds, Retention Amount available with UPPTCL, Cost of material available at site for which no payment has been made to the Contractor etc minus any LD, Penalty, TDS etc due from the contractor etc..When the cost of execution of the balance Works exceeds the amount due to the Contractor , the Contractor is liable to pay such excess amount. However, the execution of balance left over works should not wait till the receipt of the excess amount due.
- ii. The Work can be executed either by engaging empanelled Contractors with supply of OSM Material) or by engaging EPC/Turnkey Contractor through a tendering process depending upon the quantum of left over work and urgency of completion of the project/works

5.18 Debarring of Contractor (High Risk Contractor):

5.18.1 Circumstances of Debarring of Contractor;

An order banning business with a Firm for a period of six months to three years may be issued where the conduct of the Firm is not serious enough to merit blacklisting but at the same time is of such a nature that debarring contractor is justified in the interest of UPPTCL. The grounds of Debarring may be as follows:

- i. Persistent and intentional violation of important terms of the contract
- ii. Failure to execute the works satisfactorily,
- iii. Delay in progress of execution of Work,
- iv. Misbehavior / ill treatment to department officials or,
- v. Disregarding safety measures and causing any loss of life or property

5.18.2 Procedure of debarring a contractor is as follows;

- i. A SHOW CAUSE NOTICE will be issued to the contractor seeking his explanation for the lapses committed by him and in case of Joint Venture, /consortium, the SHOW CAUSE NOTICE will be issued to all the parties of Joint Venture, /Consortium. The notice will be sent upon contractor through E-mail/ Speed Post/ Registered Post/Courier.
- ii. The Contractor's explanation will be expected within 30 days from the issue of the letter. In case his explanation is not found satisfactory, decision of debarring contractor for six months to three years, depending upon the severity of lapses, will be taken.
- iii. Even after debarring, the contractor will be allowed to complete his ongoing works, unless otherwise rescinded by competent authority on grounds of breach of conditions of contract.
- iv. In case of JV/consortium, all the partner firms shall be debarred.

Approval for debarring & debarment time period;

- i. The decision on debarring of Contractor shall be taken by a Competent Committee as per DoP.

- ii. UPPTCL may temporarily ban the Contractor for a short period not exceeding one year. However, order of banning to a Contractor/firm shall be extended for a period up to three years depending upon the quantum of guilt.
- iii. In this respect, an office order shall be issued intimating the concerned departments for information.
- iv. All such debar order shall be uploaded in the UPPTCL website for information of Public.

5.18.3 Revocation of debaring Order:

Normally, a debaring order shall ordinarily not be revoked unless;

- i. The period specified therein, if any, has expired; or
- ii. On a review, the Competent Committee as per DOP is of the opinion that the punishment already meted out is adequate in the circumstances of the cases; or
- iii. Where the firm is honourably acquitted of the charge(s) by a competent Court.

Blacklisting of Contractor(s):

Blacklisting of the Contractor(s) shall any Act or Commission by the Contractor which leads or would have led to an unfair gain to himself and loss to the UPPTCL and where there are sufficient reasons to believe that the contractor has committed serious offence under the following circumstances for which reason Competent Committee of UPPTCL is empowered to blacklist the Contractor(s).

5.18.4 Circumstances of Blacklisting:

Following are the circumstances of blacklisting;

- i. If, found to be involved in any sort of tender fixing/cartel formation/bid rigging/collusive bidding.
- ii. If, contractor has submitted documents found to be false/fabricated/forged.
- iii. If Contractor has defrauded UPPTCL in terms of quality of the equipment supplied and erection.
- iv. If UPPTCL has suffered huge financial loss due to the act of Contractor,
- v. If, there is security consideration including questions of loyalty to State warrant as per recommendations of Ministry of Home Affairs.

5.18.5 Procedure of blacklisting of contractor:

- A SHOW CAUSE NOTICE will be issued to the contractor seeking his explanation for the lapses committed by him. The notice will be sent upon contractor through E-mail/ Speed Post/ Registered Post/Courier. His explanation will be expected with 15 days from the issue of letter.
- In case his explanation is not found satisfactory, decision of blacklisting contractor for two years to five years depending upon the intensity of lapses, will be taken by an appropriate committee as per DOP.
- A blacklisting order shall be issued in the name of the contractor with due intimation to the other department concerned. The black listing order shall also be uploaded in the UPPTCL's website.

5.18.6 Revocation of Blacklisted Order:

The blacklisting order should ordinarily not be revoked unless;

- On review at a later date by a Competent Committee as per DoP, is of the opinion that there is sufficient justification to revoke the order of blacklisting or
- In respect of the same offence, the accused has been honourably acquitted by a court of law or
- The period specified therein, if any, has expired.

5.19 Post Completion of Projects/Works:

5.20.1 Punch Points:

- i. Before a works/projects is declared to be completed in all respect, it should be physically inspected by a Team of Engineers comprising of Executive Engineer (O & M) of the concerned division , Executive Engineer (Civil) of concerned Division, of the executing department. The team shall verify all the checklist points of the works executed by the Contractor under the projects/works.
- ii. During physical inspection of the completed projects/works, the deficiencies/ defective/ non-conformity/minor incomplete works etc. noticed by the Inspecting Authority shall be noted separately as Punch Points under the contract.
- iii. The works/projects shall not be treated as completed until and unless these punch points have been cleared by the Contractor.
- iv. The Defects Liability Certificate (DLC) shall be issued only when the contractor has complied with all the punch points noted under the contract and discharge all his obligations under the contract.

- v. While making the final payment to the contractor and before releasing the CPBG (CPBG is returned after Guarantee period is over), it should be ensured that there shall not be any pending punch points left to be complied by the Contractor under the Projects/works.

5.20.2 Handing Over and Taking Over :

- i. Normally, the provisional handing over and taking over takes place after substantial completion and commissioning of the project pending compliance of punch points.
- ii. Final Handing Over and Taking Over takes place after completion of the entire scope of works without any deficiencies/shortcomings/qualification (punch points). However, if any, deficiencies/ shortcomings are identified by the Electrical Inspectorate and Departmental Inspecting Team, the same shall be rectified by the Contractor before handing over of the projects.
- iii. It shall be ensured that necessary testing, commissioning and trial run etc. has been conducted successfully before signing the handing over and taking over certificate.
- iv. The handing over and taking over certificate shall be supported with the following documents ;
 - Electrical Inspectorate Certificate
 - As built Drawings
 - List of Mandatory Spares handed over
 - List of Major items commissioned
 - Total length of line works in km.
 - Punch points
 - List of Tools & Tackles submitted
 - List of free spares.
 - User manual
 - Details of pending minor works.
 - Details of un-finished works, if any.

5.20.3 Material and Works reconciliation:

- i. Normally, all the materials/equipment including OSM supplied shall be utilized under the Projects/works without any surplus. Also the mandatory spares supplied under the projects/works shall be handed over to the UPPTCL.
- ii. After completion of the entire works, Material Reconciliation Statement (MRS) shall be prepared and to be approved by the Engineer-in-Charge.
- iii. The un-utilised materials/equipment against which payment has already been made, the same shall be returned back to UPPTCL.

5.20.4 Payment reconciliation and Final Payment:

- i. Prior to release of last ten percent retention amount on account of closure of the projects/works, UPPTCL shall prepare Payment Reconciliation statement to ensure that there is no liability outstanding against the contractor on account of:
 - LD (Penalty for Delay in Completion);
 - Overpayments/ duplicate payments, if any;
 - Services availed from UPPTCL such as accommodation, electricity, water, security, transport, cranes and other machinery etc.;
 - Claims on account of surplus material (Payment for which has been made)/ Owner's Supply Material (OSM) not returned as per Material Reconciliation statement;
 - Negative Price variations;
 - Deductions if any due to shortcomings in the works.
 - Recoveries on account of loss theft/damage claim etc..
 - Statutory duties paid on behalf of the Contractor by UPPTCL
- ii. Based on the financial reconciliation, the net amount payable/recoverable from the contractor shall be calculated by the concerned Finance department. The financial statement so prepared shall be re-checked/pre-audited before release of the final payment to the contractor.
- iii. However, it shall be ensured by the concerned finance department that the Contractor shall submit the No Claim certificate before releasing the final payment.

5.20.5 Custodian of Project Documents:

- i. UPPTCL shall ensure that all the contract documents shall be under safe custody.
- ii. For the closed contract(s), a separate Register containing contract wise list of document and its custodian is to be prepared for future reference especially for audit Purpose.
- iii. It is proper that all the hard copies of the documents to be scanned and stored in electronic mode in a secured manner with the identified custodians

5.20.6 Contract Performance and Evaluation System :

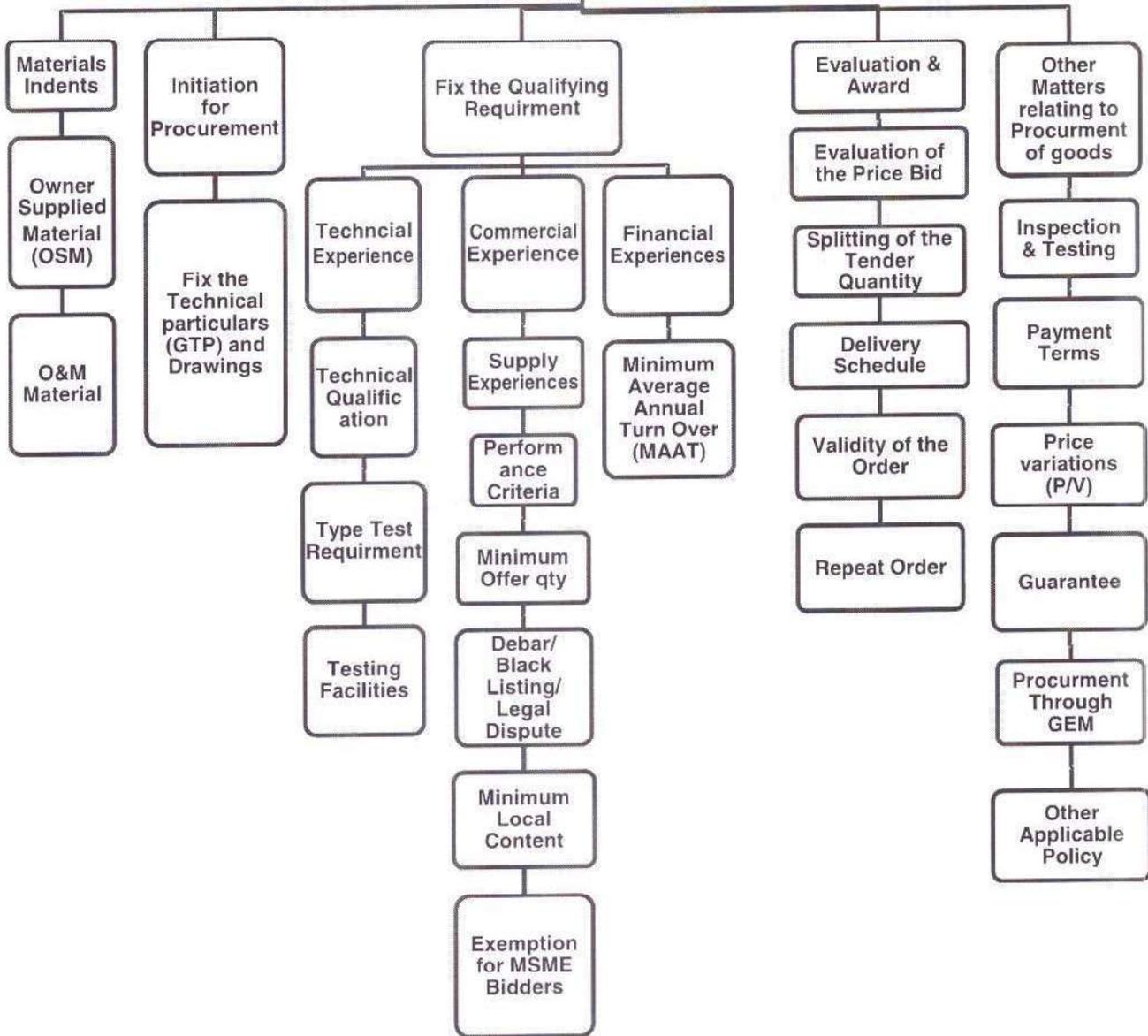
- i. UPPTCL shall establish 'Contract Performance Feedback and evaluation System' against all closed contract(s).
- ii. The performance of the Contractor(s) shall be evaluated on the following aspects in a five point scale;
 - Financial Strength
 - Project Execution.
 - Project Management Capability.
 - Engineering & QA Capability
 - Claims & Disputes
 - Availability of Machinery, Tools and Tackles .
 - Commitment towards Safety
 - Behavior towards officers of UPPTCL
- iii. If the total score found to be less than 40 (Forty) out of 100 (Hundred) marks, the Contractor shall be considered debarred for participating in future tenders/award for no. of contracts as may be decided by the Competent Authority for deciding on Debarment as per DoP.

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Chapter-6

(Procurement of Goods)

Snap Shot of Chapter-6 Procurement Of Goods



Chapter-6

(Procurement of Goods)

6.0 Procurement of Goods (Equipment/Materials):

6.1 General:

The procurement of OSM (Owner's Supplied Material) for Capital works and major materials in respect of O&M work is made centrally at Corporate Office of UPPTCL with decentralized delivery at divisions. Indents are raised by all the divisions to concerned circles/zones based on the available stock, orders in process, lead time for supply and requirement of goods etc.. Zones in turn submit the consolidated indent after proper scrutiny to the procurement department of Corporate Office. The procurement department after receipt of the indents initiates purchase action. The quantity of materials/equipment to be procured shall be planned in such a way that the inventory is maintained at optimal level. It is to ensure the organisation shall not suffer from excess Inventory as well as on suffer account of stock out cost. The efficiency and effectiveness in the Procurement System depends on proper assessment of right quantity of material to be purchased at right time. Therefore, the assessment of quantity shall be made very carefully while initiating indent/purchase .

6.2 Indent of Materials/Equipment:

6.2.1 Owner's Supplied Material (OSM):

The requirement of OSM (Owner's Supplied Material) for next one year for the Projects/Works is assessed based on the supply schedule in respect of projects under progress and upcoming projects where LoAs have been issued. While preparing the indent, the requirement of material, the material in stock, material in transit, orders in process & its delivery schedule shall be taken into account. The indent for procurement of materials/ equipment for Projects/Work wise on annual basis shall contain the following information ;

- Capital Equipment/ Materials .
- Requirement against the name of project
- Description of Materials/Equipment,
- Detail working of Quantity of Materials/Equipment,
- Non-availability certificate
- Required delivery schedule

The Zones shall send the requirement to Dir (W&P) who shall finalise the item/quantum/timing of the procurement.

6.2.2 O&M Material:

The assessment of major O&M material requirement is based on the annual average requirement of last three years average consumption, Stocks in hand , stock in transit, orders in process and their delivery schedule and lead time for delivery etc.. The indent for procurement of materials/ equipment for major O&M material on annual basis shall contain the following information;

- Average annual O&M Materials/Equipment requirement.
- Description of Materials/Equipment,
- Detail working of Quantity of Materials/Equipment indented,
- Non-availability certificate
- Required delivery schedule

The Zones shall send the requirement to Dir(O) who shall finalise the item/quantum/timing of the procurement.

6.3 Initiation for Procurement:

The final quantity to be procured under OSM as well as O&M Material annually with staggered supply is to be assessed based on Indents. The Zone while compiling the indents of Divisions and Head Office while compiling the indents of Zones shall make prudent check, analysis & reassess the quantity to be procured

carefully with due modification wherever necessary. The final consolidated proposal with staggered delivery schedule along with value is to be finalized by Dir (W&P) and forwarded to Finance department for Finance Concurrence and thereafter be placed for Administrative Approval by the Competent Authority as per DoP.

6.4 Technical Specification, Drawing, Type test etc.

- i. UPPTCL shall take adequate care while framing the Technical Specification (TS);
- ii. The technical standard of the equipment/materials shall conform to minimum IS standard.
- iii. For any deviations from Indian standards or for any additional parameter for better performance, specific reasons for deviations/ modifications should be duly approved in writing by Technical Committee.
- iv. UPPTCL should ensure that the technical specifications, Drawings etc. are developed in order to ensure Value for Money, Level Playing Field and Fair Competition.
- v. UPPTCL shall include the essential Technical particulars in the tender document to the extent applicable for a particular purchase:
 - Scope of supply and, also, end use of the required goods;
 - All essential technical, qualitative, functional, environmental and performance characteristics and requirements;
 - Guaranteed or acceptable maximum or minimum values, as appropriate;
 - Drawings & Design;
 - Requirement of relevant Standards.
 - Requirements of special tests or type test certificate ;
 - Warranty requirements;
 - Other additional work and/or related services required to achieve full delivery/ completion, installation, commissioning, training, technical support, after-sales service and Annual Maintenance Contract (AMC) requirements, if any;

6.5 Qualifying Requirement:

- UPPTCL shall by default procure the Materials/Equipment through Single Stage Two Part Bidding system (Technical and Financial Bids are submitted together in one stage). UPPTCL shall have to assess the Technical and Financial capacity and capability of the bidder. Initially the Techno-Commercial evaluation shall be made based on the first part (Technical Bid) of the tender. The evaluation shall be made against the Technical, Commercial and Financial Qualifying Requirement mentioned in the bid document. The Bidder shall be shortlisted based on pass/fail criteria of the Qualifying Requirement mentioned in the Bid document. The second part of the tender i.e. price bid shall be opened only in respect of bidders who are found qualified/responsive in the first part evaluation.
- The Standard Qualifying Requirement ensures participation of competent firms. However relaxation of the same helps wider participation. Therefore Standard Qualifying Requirement is to be fixed by drawing a balance between the two.
- The policy of fixation of Standard Qualifying Requirement (QR) is sacrosanct in a Transparent Procurement Process. It should not be changed frequently. However, QR may be modified if the situation so warrants on case to case basis by the Competent Committee as per DoP. Any changes in the policy of fixation of the standard minimum qualifying requirement (QR) shall be approved by the BOD, UPPTCL .

6.6 Technical Experience:

6.6.1 Technical Qualification:

The bidder shall be a manufacturer of the equipment offered. However, an Authorized Dealer (Channel Partner) may participate if the Manufacturer gives him specific authorization. Participation of authorized dealer (Channel Partner) should be discouraged. However for some low value items, spare parts, testing equipment etc. where usually sale is made through dealer's network, UPPTCL may allow dealers to participate in bidding.

6.6.2 Type Tests:

- i. Equipment/materials to be supplied by the bidder should have been Type Tested in any NABL Laboratory. However type testing at CPRI, Bangalore, ERDA, Vadodara shall be made essential requirement, if sufficient bidders are available having Type test certificate from CPRI and ERDA for that item/equipment. Otherwise Type Test Certificate of National Accredited laboratories (NABL) may be accepted. The type test shall meet the minimum Guaranteed Technical Particulars prescribed by the UPPTCL in the bid document.
- ii. Validity period of type tests conducted on the equipment i.e. the period for which Type Test Reports (TTRs) shall remain valid and acceptable provided no major change has been introduced in the basic design/ technology/ material/ mechanical construction/ functionalities of the equipment/ performance characteristic/ manufacturing process of the equipment, shall be based on CEA Guidelines . However, if the period of validity is not mentioned in CEA guideline, the period of validity shall be as prescribed by Technical Committee from time to time.
- iii. For the above purpose of computation of validity period, the date shall be reckoned as the original schedule date of opening of tender. .
- iv. The Equipment/Materials shall meet the minimum Technical Particulars specified in the tender document.

6.6.3 Testing Facilities:

- i. The Bidder must have all necessary testing facilities at their works for carrying out such routine and acceptance tests as prescribed in the relevant ISS and any other routine and acceptance test as specified in the specification.
- ii. Documentary evidence of existence of such facilities should be filed along with the tender.

6.7 Commercial (Supply) Experiences:

- i. The Bidder shall demonstrate that it has successfully supplied the Equipment/Materials of same or higher standard/size of at least 100% of the quantity offered in the tender to any Transmission/ Generation Utility in any State/Central/ or any CPSU/PSU or any Transmission Licensee awarded with Transmission Project under Tariff Based Competitive Bidding (TBCB) process in India during last 5(Five) years reckoned from the last date of submission of bid, so as to meet the Supply Experience qualifying criteria. However, if the company exists for less than five years, it shall demonstrate minimum supply experience of 20% of the quantity offered per year of existence within one to four years.
- ii. The minimum supply experience requirement for multiple tenders shall be the sum of the minimum requirement for respective individual packages under the NIT.
- iii. In this respect, the Bidder shall upload copies of the relevant Purchase Orders along with client certified copies in proof of successful supply experience.

6.8 Performance Criteria:

The Equipment/Material should have successful performance of minimum no of years as fixed by Technical Committee from time to time and mentioned in the Bid Document for which copies of Purchase Order and User Performance Certificate are to be submitted for performance evaluation.

6.9 Minimum Offer Quantity:

- i. For supply of Power Transformers and other major Equipment/ Materials: Minimum quantity to be offered shall not be less than 50% of the quantity offered in the tender. If the quantity offered by the bidder is less than 50%, their bid shall be rejected outrightly. However, the Minimum Quantity in a tender may be reduced to 30%, if the quantity offered in tender is of large quantity and/or there is urgency of requirement of material (Splitting of quantity may be contemplated).

- ii. For supply of Line Materials (Conductors & cables): Minimum quantity to be offered shall be at least 30% of the tender quantity. If the quantity offered by the bidder is less than 30%, its bid shall be rejected out rightly.

6.10 Financial Qualification:

- i. The Minimum Average Annual Turnover (MAAT) amount of three best financial years out of immediate preceding last five financial years shall not be less than twice the estimated cost of the Procurement. The multiplier of 2 may be reduced for very large Contracts but should not be less than 1.5 times.
- ii. In case of a Company/Firm exists for last three or less than three financial years the average of turnover of immediate preceding number of completed financial years shall be considered for the purpose of calculation of MAT.
- iii. Audited Annual Accounts duly certified by a Chartered/Cost Accountants shall be required to evaluate the turnover/financial criteria.

6.11 Commercial Criteria:

Bidder shall agree to all the commercial terms and conditions of the tender without any deviations.

6.12 Debar/Black Listing/Legal Dispute:

Bidder(s) debarred as on the initial date of submission of bid in UPPTCL or any other state utility in the UP Power Sector or blacklisted by any state power utility in India or having any legal dispute with the UPPTCL are not eligible..

6.13 Minimum Local Content:

- Department of Industrial Policy & Promotion (DIPP) under Ministry of Commerce and Industry, Govt has come up with Public Procurement (Preference to Make In India), Order-2017 vide its office order no- P-45021/2/2017-BE-II dated 15th June 2017 to promote manufacturing and Production of Goods and Services in India with a view to enhancing Income

and Employment in India. Under the Policy, local supplier will get preference in government purchases of goods and services. This will encourage Local Content by establishment of production units in India by way of partnership /Joint Venture with association of local manpower. The Public Procurement (Preference to Make-in India) Order-2017 has undergone revision from time to time, the latest amendment being order Dtd 4th of June 2020. The said Make-In India order allowing Price Preference to local Supplier of Goods and Services as amended from time to time by Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce and Industry shall be applicable for procurement in UPPTCL.

- Minimum Local content means the amount of value added in India, which shall be the total value of the item procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duty) as a proportion of the total value, in percent.
- As per the DIPP Order, the Nodal department is to notify the minimum local content for different equipment. Accordingly, Ministry of Power vide its Order No. 11/05/2018-Coord Dtd. 20th Dec 2018 issued the guideline of Local Content to be applicable for Transmission Equipment in Power Sector. The said order notifying the percentage of Local Content as amendment from time to time by Ministry of Power shall be applicable for procurement in UPPTCL.

6.14 Exemption for Micro and Small Enterprises:

i. Tender Fee and EMD :

The MSME units are exempted from submission of Cost of Tender Paper / EMD as per Government of UP Policy.

ii. Price Preference:

In order to support local MSME units, Price Preference is allowed to MSME bidders. Twenty five percent of material tendered shall be kept reserved for MSME bidder(s). If a MSME bidder becomes L-1, he will be entitled for the entire 100% quantity subject its capability and reasonableness of price. If L-1

bidder is a non MSME bidder, it will get 75% tendered quantity and balance 25% of the quantity shall be awarded in favour of qualified/responsive MSME bidder(s) provided it matches the L-1 price. If no qualified/responsive MSME bidder matches the L-1 price, the entire 100% quantity shall be awarded in favour of original L-1 bidder.

6.15 Evaluation of Price Bid:

In the Single Envelope Two Part Bidding , the techno-Commercial part of the bid is opened first for evaluation. The result of evaluation of techno-commercial bid shall be placed before Competent Committee as per DoP for detailed deliberation and approval. Thereafter the Price Bids of Qualified/Responsive bidders only are to be opened for financial evaluation. After opening of Price Bid the following procedure need to be followed:

- i. The Comparative statement shall be prepared containing the item wise prices, rebates/discount (if any), packing & forwarding charges, freight & insurance, etc, and GST as applicable in respect of all the qualified/responsive bidders.
- ii. The total evaluated prices worked out in the comparative statement for different bidders will be recorded in the comparative statement.
- iii. If bids invited includes Mandatory Spares and AMC etc, the prices of those items shall also be considered in the tender for evaluation.

6.16 Splitting of Tender Quantity:

- i. Normally the tender quantity shall be awarded to the L-I bidder.
- ii. The tender quantity can be split among other Qualified/Responsive bidders in order of ranking of bidders provided such splitting provision exist in the Tender Document and such bidder(s) agrees to supply at the lowest price.
- iii. In case the other bidder (other than L-I bidder) agrees to supply at the lowest discovered price, then the tender quantity shall be in the following ratios which shall be based on the difference in the quoted price among the L-I price with respect to L-II Price of the bidder shall be considered;

- Up to 5%: 60:40 Ratio
 - 5% to 10%: 70:30 Ratio
 - Above 10%: 80:20 Ratio
- iv. In case of three bidders, the percentage for 1st lowest firm will remain the same as calculated as per above policy and the distribution among 2nd and 3rd lowest firm shall be made from the balance quantity as per the distribution procedure give above.
- v. In case more than one bidder have quoted same price and all of them are L-1, then (a) the bidder(s) who complies all the terms & conditions of the bid (payment terms, delivery period, FOR condition etc.) shall be preferred. However, if all the L -1 bidders are on the same platform as mentioned herewith, total order will be equally split among all. If it is not divisible, it may be decided by draw of lot.

6.17 Delivery Schedule and Validity of the Order:

6.17.1 Delivery Schedule:

- i. Delivery Schedule of the Tender Quantity shall be scheduled consignment/lot wise to meet the requirement of the indenting department.
 - ii. Whenever, initial manufacturing period needs more time for approval of Specification & Tests, delivery schedule for such materials/equipment shall be accordingly fixed.
- iv. The delivery shall be made at the respective divisions as per the advice.
- v. In case of delay due to reasons not attributable to Supplier, the original delivery may be rescheduled without LD.

6.17.2 Validity of the Order:

- i. Normally the Purchase Order is valid till the due date of delivery.
- ii. The delivery date may be extended by four months by EoC provisionally with the right to levy LD.

- iii. Thereafter, scheduled date of delivery is to be extended by the competent Committee with or without LD considering the merit.
- iv. The materials/equipment shall not be accepted, unless otherwise the delivery is extended by the Authority.

6.18 Inspection & Testing:

6.18.1 Factory Inspection:

Normally the Factory Inspection shall be done in two Stages i.e.

- a. Stage-I (Inspection & Type Testing of Prototype, Approval of Drawings), If any. For certain item like Power Transformers, Circuit Breaker/ Switchgears and other critical items, Type Testing of prototype may be required, which should be mentioned in the tender. **(Where no Type Test Certificate is available should be specifically mentioned)**
 - In case the Prototype passes such stage inspection & Routine Testing by the authorized inspectors, the same shall be sealed for Type Testing.
 - The manufacturer shall send this sealed Prototype to CPRI or any NABL Accredited Laboratory, along with set of all relevant Drawings & required Testing Fees, for Type Testing & approval of the relevant drawings of the said Prototype by the Type Testing Agency. This Type Testing of the Prototype shall be witnessed by the authorized inspectors of the Purchaser. Hence, the manufacturer shall fix up a programme for such Type Testing of the Prototype and intimate the same giving at least 15 days time, so that authorized inspectors of the Purchaser can be deputed to witness it. In case, the Prototype of Equipment fails at this stage of inspection, the manufacturer shall re-manufacture the Prototype complying the deficiencies observed during inspection & testing as above & offer the same for inspection for which same methodology will be followed.
 - After the Prototype is successfully Type-Tested as above, the manufacturer shall submit the relevant Drawings of the Proto-Type, duly approved by the

Type Testing Agency, to the Purchasing Authority for approval. After approval of the said drawings by the Procurement Department, the manufacturer shall take steps for mass production of ordered items as per approved Prototype & relevant Drawings, complying our specification & offer the same for Stage & Final inspection.

b. Stage-II (Stage & Final Inspection and routine testing before dispatch).

- After Stage-I inspections are successfully completed & clearance for mass production is issued, the manufacturer shall complete the production of ordered equipment & offer the same for final inspection & routine testing by the authorized inspectors of the Procuring Department at factory premises.
- The offer of inspections & testing shall be submitted to the Procuring Department at least fifteen days before the proposed date of inspection to depute the inspecting officers. However, when inspection is to be conducted in a foreign country, supplier has give the offer of inspection at least one month prior to one month. All assistances must be extended to the inspecting officers to carry out the inspection.
- The required inspections and tests should be carried out by technically qualified and competent personnel. If the procurement agency does not have such qualified personnel, the services Third Party Inspecting Agency (TPIA) may be engaged.

6.18.2 Inspection at Factory/Site:

- i. Normally, Comprehensive Quality Assurance & Inspection Plan shall be framed by the Technical Committee in order to control the quality of Supply/Works. To ensure the quality of supply/works, a Quality and Performance Assurance Cell shall be formed comprising of multi- disciplinary engineers. In the absence of such plan following procedures shall be adopted.

- ii. UPPTCL shall identify the major (Critical) items and minor (Non-Critical) items normally used in Substation and Line works for inspection purpose. All major items to be supplied under the projects/works shall be inspected by Third Party Inspection Agency (TPIA) and/or UPPTCL Engineers and Inspection in respect of minor items is to be inspected by UPPTCL Engineers only. In the exceptional circumstances, the inspection of such minor (Non-Critical) item may be waived of.
- iii. The inspection call shall be raised by the Contractor as per the PERT chart/L-2 schedule giving at least ten days time for inspection inside the country and thirty days for inspection outside the Country through official e-mail. Concerned dealing executive after receipt of the inspection call shall verify the relevant documents, if found satisfactory, intimate the inspecting Officer/Agency for inspection.
- iv. During Inspection, if any deviations are identified with respect to the approved specification, the inspecting officer/agency shall reject such materials out rightly and intimate the same through the official e-mail to the concerned Dealing Authority.
- v. The materials/equipment received at stores/site shall be physically inspected by the Authorised Site In-Charge for use in the contract projects/works. If any, deficiencies noticed during the inspection at site, at the first instance the contractor shall be given in writing to rectify such defects/deficiency. If the deficiency can not be rectified at site, the equipment/Material may not be accepted and referred to EoC for returning back to contractor.
- vi. If any, disputes/ambiguity arises during the inspection (Factory/Site), the Inspecting Officer/TPIA shall intimate the matter in writing to the Concerned EoC. and if the matter is not resolved by EoC, the same shall be referred to Technical Committee for their suggestion and next course of action.

6.19 Payment Terms:

- i. The Payment Terms shall be 100% on delivery in case of all purchases except in case of critical items like Transformer, Rectifier etc where the commissioning is important. In case of critical items, 90% of the Taxable Value shall be paid along with 100% taxes and duties on delivery. In all cases the payment shall be released on submission of Tax Invoices, Bank Guarantee (CPBG), and other relevant documents etc. after necessary deduction & recovery as per the terms and conditions of the LoA. The balance retention amount of 10% in case of critical items shall be released on commissioning of the equipment on rated voltage.
- ii. Normally, payment through RTGS shall be made after supply, inspection and acceptance. Any payment made by cheque/bank draft may be done with prior approval of Director for Corporate/Head Office and Head of office, in case of other offices recording the justification. Other mode of payment like Letter of Credit (L/C) facilities shall be used in case of sourcing of materials are from the outside of the Country.

6.20 Price Variation (PV):

6.20.1 The price variation deals with rise and fall of the prices in raw materials/ labour and other key inputs. The provision of price variation clauses enables the manufacturer/supplier to factor the reduced risk and quote more competitive prices. Price Variation is allowed on following major Equipment/Material only based on change of WPI Index:

- i) **Fabricated Tower members** (Including Stubs & templates)- on the basis of WPI for Steel Structures(Manufacture of fabricated metal products, except machinery and equipment).
- ii) **Substation structures** (Including Stubs & templates)- on the basis of WPI for Steel Structures (Manufacture of fabricated metal products, except machinery and equipment).

iii) Conductor- on the basis of WPI of ACSR Conductor or Aluminium/ Alloy Conductor as applicable (Manufacture of Electrical Equipment).

iv) Power Transformers- on the basis of WPI of Transformers (Manufacture of Electrical Equipment).

v) Nuts & Bolts(Including Washers) for tower structures – on the basis of WPI for Bolts, screws, nuts & nails of Iron & steel (under sub-head “Manufacture of other fabricated metal products of Head ‘Manufacture of fabricated metal products, except machinery and equipment’”).

vi) All other items/equipment are fixed rate items.

6.20.2 Computational procedure:

- For computation of price variation, there has to be a base month and update period for which price variation (positive or negative) is to be worked out.
- The monthly WPI for the preceding month of original schedule opening of tender is to be considered as base month.
- Index for the month of inspection to be considered for updating the price. Price variation bills/debit or credit notes are to be submitted by the firm .
- WPI data for a month are published around 14th of subsequent month. However, WPI data for last two months of published data remain provisional. As such, price variation computation can be done after final WPI figures are available.
- The price variation for an item is to be limited to (+ or -) 30% of Taxable Value.

6.21 Guarantee:

- i. UPPTCL shall ensure that the equipment/materials supplied by the Supplier shall be new, unused and in accordance with the technical specification mentioned in the tender document and it shall remain free from defects in materials and workmanships for a period mentioned below commencing immediately from the date of installation of such materials/equipment or from the date of supply of such materials/equipment respectively whichever is earlier;

- AIS Sub-Station Materials/Equipemnt-12 months or 18 months
 - Transmission Line Materials/Equipment -12 months or 18 months
 - GIS Sub-Station Materials/Equipment -60 months or 66 months
 - Power Transformer - 60 months or 66 months
 - VCB- 60 months or 66 months
 - Others Materials/Equipment- 12 months or 18 months
- ii. The Technical Committee from time to time review the period of Guarantee against different equipment. The bid document shall mention clearly the period of Guarantee.
 - iii. If any trouble or defect found with the design, materials, workmanship or operating characteristics of any materials/equipment arises at any time prior to the completion of Guarantee period, the supplier shall be intimated to replace/rectify/repair the same at Supplier's expense.
 - iv. If during the Guarantee period, equipment/material is found to be defective, these shall be promptly rectified by the supplier at its own cost (including the cost of dismantling, transportation and reinstallation) on the instruction of UPPTCL.
 - v. The supplier is required to furnish a Performance Bank Guarantee from any Nationalised / notified Scheduled Commercial Bank within 30 days from the date of issue of Purchase Order @ 10% Basic order value valid for a period of 45 days after the Guarantee period.
 - vi. If during the Guarantee period, the equipment/materials failed to perform as at para-iii and iv above and Supplier fail to rectify the same even after repeated request/advice/instruction from UPPTCL, the Performance Bank Guarantee shall be invoked/en-cashed.
 - vii. The requirement of submission of Performance Bank Guarantee may be relaxed for MSME Supplier. They may be allowed deduction of security deposit amount progressively from their supply invoice at the same rate of 10%. This Security Deposit amount so retained will not carry any interest and shall be refunded/ returned after the Guarantee period.

6.22 Repeat Order:

- i. Normally, when any item reaches Reordering Level (The maximum requirement per day x Maximum Lead time in days), Store / User has to submit Indent.
- ii. However due to unavoidable circumstances, if either the Indent is not processed timely or even after processing the Indent, it is not possible to place fresh order in time, under such circumstances for the items for which continuity is essential, it may be necessary to place repeat order on existing party .
- iii. Besides, any point of time, if, the quantity of additional requirement is found to be less than 25% of the original quantity ordered and/or there is urgency of requirement, the placement of repeat order on the same party may be considered.
- iv. After recording the reasons leading to placement of repeat order, the proposal for repeat on same terms and conditions may be considered subject to following conditions;
 - Where, the original PO has been awarded based on an Open Tendering Process.
 - Repeat order(s) can be placed maximum within 6 months of schedule completion period as per original PO.
 - The quantity of repeat order shall be up to 25% of the quantity of original PO.
 - Market price must be reviewed before placing the order. No repeat order shall be placed, if downward trend in prices is noticed.
 - The performance of the vendor must be satisfactory.
 - Repeat order shall be approved by the Competent Authority who had approved the original order.

6.23 Procurement through GEM:

- i. Government E-Market Place (GEM) is a e-commerce site where product and services are offered by a number of sellers and all the buyers can select the product/ services offered by any one of the seller, based on his own criteria.
- ii. The procurement process on GeM is end to end from placement of supply order to payment to suppliers. This is to ensure better transparency and higher efficiency. All the process is electronic mode and online.
- iii. The GeM portal shall be utilized by the UPPTCL for direct on-line purchases of computer, office automation equipment, office furniture, office stationery etc as under:-
 - Up to Rs.50,000/- (Rupees Fifty thousand) through any of the available suppliers on the GeM, meeting the requisite quality, specification and delivery period;
 - Above Rs.50,000/- (Rupees Fifty thousand) and up to Rs.10,00,000/- (Rupees Ten Lakhs) through the GeM Seller having lowest price amongst the available sellers, (of at least three different manufacturers) on GeM, meeting the requisite quality, specification and delivery period.
 - Above Rs.10,00,000/- (Rupees Ten Lakhs) to Rs.30 (Rupees Thirty Lakhs) through two part bidding. The qualified bidder quoting the lowest price discovered through online bidding may be awarded with Purchase Order.
- iv. UPPTCL may ascertain the reasonableness of prices before placement of order using the Business Analytics (BA) tools available on GeM including the Last Purchase Price on GeM, Department's own Last Purchase Price; etc.
- v. Procurement of Goods and services through GEM E-Portal is happening in a big way. Govt. of India and Govt. of UP are also issuing large number of guideline in this regard regularly. UPPTCL may consider to adopt the same.

6.24 Other Applicable Policy for Procurement of Goods:

The topic/matter which is not explicitly covered under this chapter of Procurement of Goods but find place in other chapter of the Works & Procurement Policy (WPP) manual, by default, shall be applicable for Procurement of Goods mutatis mutandis. Such topics/matters inter-alia includes the followings:

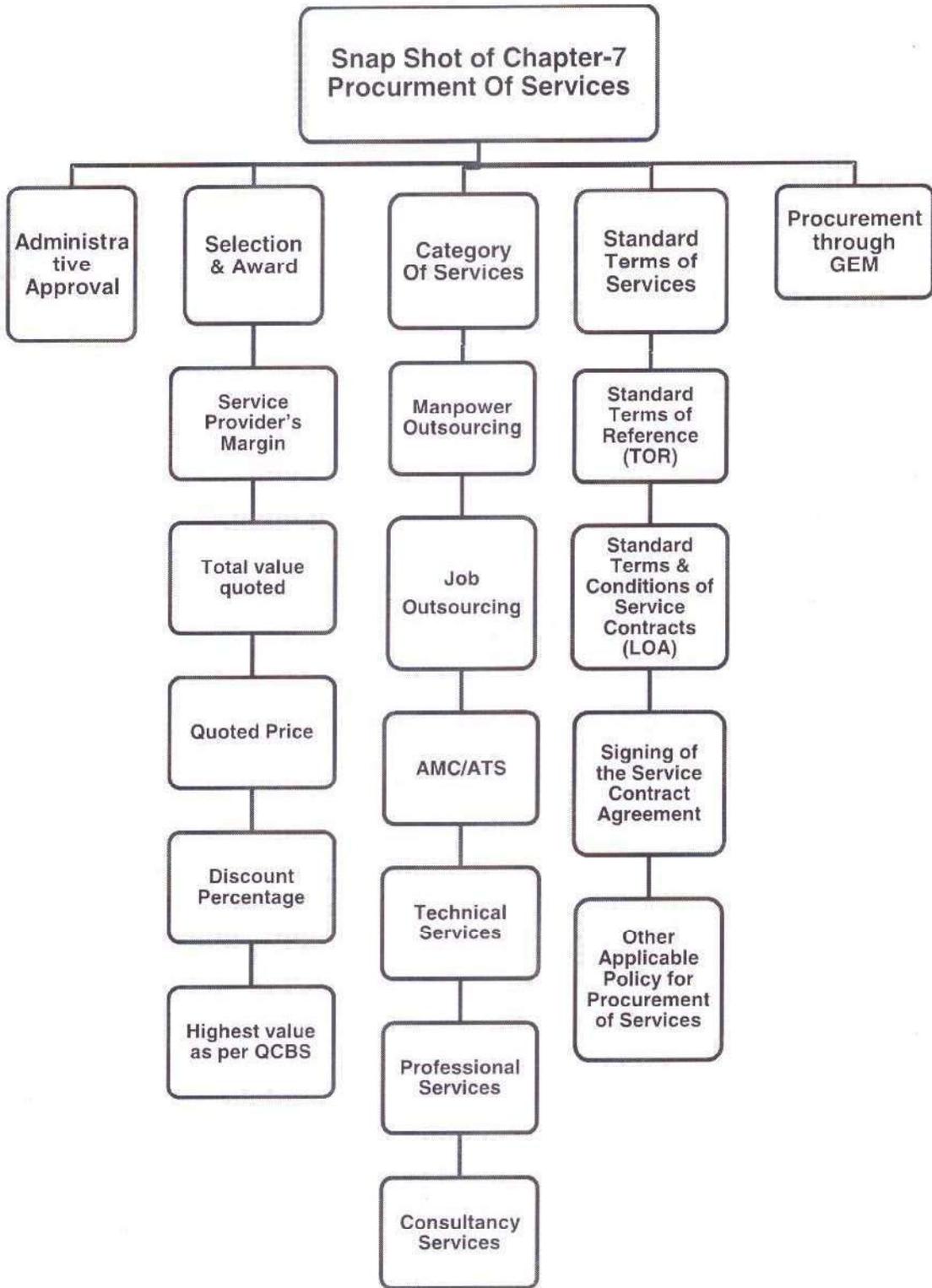
- i. **Chapter -2:** Technical Approvals and Administrative Approvals.
- ii. **Chapter-3:** NIT, ITB, Tender Paper (SBD), Tender Document Fees, EMD, Validity of Bid, LD, Force Majeure etc..
- iii. **Chapter-4:** Method of tendering, E-Procurement, Type of Tendering, Pre-bid Conference, Modification/Withdrawal of Bids, Opening of Bid, Dealing with Single Tender, Post Tender Negotiations, Issue of LOA, Snap Bidding, Annulment of Tender, Re-bidding etc..
- iv. **Chapter-5:** Grant of Extension of Time, Passing of Sub-Standard Supply Bills, Validity of LOA, Issue of DI, Transit Insurance, Dispute Resolution Mechanism, Event of Default, Termination of Contract, Short Closure, Execution of Balance Works, Debarring, Blacklisting etc..

However, the Topics/Matters which are not covered in the WPP Manual; those shall be governed as per the GFR of Govt of India as amended from time to time.

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Chapter-7

(Procurement of Services)



Chapter-7

(Procurement of Services)

7.1 Back ground:

UPPTCL procures different type of Services such as Operation & Maintenance Services for Substation, Maintenance services for Lines, AMC of Equipment, Computer System, ATC of Software, Technical Services like Walkover Survey, Soil Testing, Contour Survey, Drawing & Design of Civil works, Third Party Inspection Services, Audit of Accounts, Legal Services etc.

7.2 Administrative Approval:

Based on the justification contained in the Procurement Proposal, Administrative approval and Financial Concurrence for procurement of such services should first be obtained from the Competent Authority (CA) as per DOP.

7.3 Selection of Service Provider and Award of Service Contract:

While procuring the services, it is to be ensured that :

- (a) Administrative Approval has been obtained and Budgetary Sanction is available.
- (b) The guideline outlined in this chapter for selection of Service Provider is strictly followed.
- (c) The service provider shall have the necessary Manpower having adequate Professional/Technical/ Commercial Qualifications and Experience to execute the job
- (d) The service provider has required financial strength to carry out the work successfully
- (e) The Price/Fee at which the assignment is awarded is competitive and reasonable.

- (f) The Scope, Time Line, Deliverables, Payment Terms linked to Deliverable are very well mentioned in the Work Order.
- (g) The minimum number Manpower to be deployed for the assignment with their Qualification, Experience, Skill Set and the Tools/Vehicle to be provided is also to be clearly mentioned in the work order.

7.4 Award of Contract on Nomination Basis- Govt. Organisation:

- Wherever the Service Provider is a Central/State Government Organisation/ CPSU/PSU/Statutory Corporation/Autonomous Body and the Organisation has expertise on the matter, service contract may be awarded on Nomination Basis. Further, in respect of Jobs like Third Party Inspection, Quality Assurance, Certification job etc., Govt agencies shall always be preferred.
- For small value jobs, quotation may be invited from Govt. agency and after ascertaining price reasonableness contracts may be awarded. In respect of high value jobs, limited tender from amongst the reputed Govt. Agencies having expertise in the relevant domain may be invited and after proper evaluation, work may be awarded.
- Further, Manpower for watch and ward function may be engaged through Purva Sainik Kalyan Board.

7.5 Category of Services: The services availed by UPPTCL may be grouped in the following six types of services.

- Manpower Outsourcing:** Outsourcing of Manpower for Operation/Maintenance/Watch & Ward/ Administrative jobs.
- Job Outsourcing:** Outsourcing of Job for Operation and/or Maintenance Job of Substation/ Maintenance Job of Lines.

- iii) **AMC/ATS:** Annual Maintenance Contract (AMC) of Equipment/Computer Systems, Annual Maintenance Services of Office Automation Equipment, Annual Technical Services (ATS) of Software.
- iv) **Technical Services:** Technical Services such as Walkover Survey, GI Survey, Contour Survey, Soil Testing, Drawing and Design of Substation Building and Tower Foundation etc. of small value availed mainly before preparation of estimate of Substation/Line.
- v) **Professional Services:** Legal /Accounting /Auditing /Taxation /Secretarial /Management services of small value.
- vi) **Consultancy Services:** Project Management Services (PMS), Third Party Inspecting Agency, Technical Consultancy, Management Consultancy etc.

Methodology of Selection

Sl. No.	Category of Services	Nomination /Limited /Open Tender	Single/Two Part	Bid Parameter	Price Basis	Remark
i	Manpower Outsourcing	Open Tender	Two Part	Service Provider's Margin i.e. Service Charge	Minimum Wages/Approved Salary plus lowest Commission	Through GEM
ii	Job Outsourcing	Open Tender	Two Part	Total value quoted	Lowest quoted Price (Maximum Price Fixed)	E-Tender

iii	AMC/ATS	Nomination/Open Tender	Quotation	Quoted Price	Quoted Price -Industry Average percentage	OEM/OES/ Govt/Semi-Govt. Agency
iv	Technical Services	Limited Tender (Amongst Empanelled Firms)	Single part	Discount Percentage	Minimum quote (Maximum Fees Fixed)	Empanelled Vendor
v	Professional Services	Nomination/Open/Limited Tender	Single Part	Quoted Price	Lowest Fee	Committee to decide
vi.	Consultancy Services	Open Tender	Two Part	Highest value as per QCBS	Quoted Price of highest scored bidder	Through E-Bidding (NIC Tender Portal)

7.6 Manpower Outsourcing: Outsourcing of Manpower for Operation/ Maintenance/ Watch & Ward/ Administrative jobs:

- The Corporation is to manage its non-core job through Manpower Outsourcing. Outsourced manpower is engaged for services like Computer Operator, Messenger etc. through Manpower Service Provider. The selection of Manpower Agency is usually made through Open E-Tender at Zonal Level. A two Part single envelope bid is to be invited through GEM portal. The first part is evaluated based on the QR as per the Bid Document.

- The second Part i.e. Price Bid is opened in respect of all Qualified/Responsive Bidders. The outsourced persons are paid Minimum Wages fixed by State Govt. for respective skill categories. However UPPTCL may fix the monthly emolument higher than minimum wages declared by State Govt. wherever felt proper. The bid parameter for selection of the bidder is on 'Service Charge Percentage/Amount' quoted by the bidder. In case, the lowest price is quoted by multiple bidders, it is to be decided by draw of lot as per provision/guideline under GEM.
- It is to mention that the process of Manpower Outsourcing is not an efficient system compared to Job Outsourcing which is mentioned herein below. Operation and P&A department may convert the Manpower Outsourcing Contracts to Job Contracts in phased manner as far as possible. Besides, 'Norm' for number of Manpower to be engaged in different category of Substations/Lines/Offices is to be worked out by P&A department in consultation with Operation department and got it approved by BoD. However, the shall be reviewed on yearly basis. As far as possible, all the manpower Outsourcing Contract may be converted to Job Outsourcing Contract in a time bound manner. .

7.7 Job Outsourcing: Contract for Operation & Maintenance Job of Substation/ Line:

- The Maintenance of Lines and Substations and Operation of Substations (In cases where there is shortage of manpower for Operation), are to be carried out through Job Outsourcing. The contract may be awarded on yearly basis. The Manpower Agencies are to be selected through Open E-Tender/GEM. There will be Single Envelope two part Bidding for selection. The past experience of handling similar type of Job is essential. Besides the minimum Financial Requirement (Financial QR) is to be in place in order to make sure that the agency has minimum financial strength to carry out the job effectively. The QR shall be fixed in line with the philosophy detailed in Procurement of Goods/Works.

- Although UPPTCL does not hire the services of manpower under Job Contract, minimum number of workman with different skill set to be deployed for the job is to be mentioned in the Bid document clearly. Besides, the detailed scope of work, the service/performance level parameters to be achieved, the tools and machinery required to carry out the work need to be mentioned in the bid document. The bid is invited and processed at Circle/Division level. The Ceiling price shall be notified at Corporate office level based on price trend in last tenders and/or costing of manpower cost and overhead cost involved in the job. The Price Bid of the Qualified/Responsive Bidders are to be evaluated. The lowest evaluated qualified bidder is to be awarded with the Contract.

7.8 AMC/ATS: Annual Maintenance Contract (AMC) of Equipment/Computer Systems, Annual Maintenance Services of Office Automation Equipment, Annual Technical Services (ATS) of Software.

The price of AMC/ATS services in terms of percentage of the value of Equipment/Goods for specific years following warranty period is as per the procurement contract. If the Procurement Contract is silent on this matter, quotation may be invited from OEM/OES. If the price is found to be reasonable as per Industry standard, the Competent Committee as per DoP may approve the same. If the price is not found reasonable, the option of Third Party Service Provider may be explored. Depending on the total value of the proposed contract, either limited or open two part bidding process may be resorted through for selecting the Vendor and getting a competitive price.

7.9 Technical Services: Technical Services such as Walkover Survey, GI Survey, Contour Survey, Soil Testing, Drawing and Design of Substation Building and Tower Foundation etc. of small value to be availed mainly for preparation of DPR in of Substation/Line accurately.

- In order to minimize the substantial deviations from the original scope of work during the course of execution of sub-stations and lines, preliminary survey and engineering at the time of preparation of estimate is sine qua non . Contouring and Soil testing of proposed site of Sub-station and Walkover Survey, GIS Survey and limited Soil Testing of the proposed route are important for proper planning and proper estimation .
- Each Zone may go for empanelment of agencies through open tendering process at least once in a year. The empanelment shall be based on Techno Commercial evaluation. The ceiling price (Upper limit) of each type of job stated above is to be finalized and notified based on discovered price of previous open tender(s) and/or the price worked out scientifically by a competent committee as per DoP. Zone need to invite sealed discount quotation from amongst the empanelled Agencies. The agency which will quote highest discount shall be awarded the work/job. In case of same discount, work may be assigned on a rotational basis.

7.10 Professional Services: Legal /Accounting /Auditing/ Taxation / Secretarial/ Management Services of small value.

- Basically these are professional services availed by UPPTCL on day to day basis on a retainer ship basis or on case to case basis. Some of these are statutory in nature in order to comply some Legal and regulatory requirement. Others are required for business expediency. These services up to a certain financial limit may be awarded by inviting limited quotations from amongst at least three eligible competent professional/ Professional firms. The competent Committee as per the DoP may approve this considering reasonableness of price.
- Any proposed service beyond the financial limit may be decided on single envelope two part open bidding. If the similar nature of work to be executed by large number of firms simultaneously, two stage two part bidding may be

adopted. In the first part, the evaluation shall be made to find out qualified/responsive firms and in the second part a single reasonable/workable price is to be determined based on the price quoted by various firms and the job can be awarded simultaneously to different firms at a single fee. The Competent Committee as per the DoP shall take final decision in this regard.

- In case of Legal services, panel of advocates may be drawn based on certain procedure and standard fee may be fixed based on the prevailing fees paid by other Govt/Semi Govt organizations. The fees of Senior Advocates in / Hon'ble Tribunal/ Hon'ble High Court /Hon'ble Supreme Court may be fixed on case to basis by the competent Authority as per DoP considering fees payable by other Govt./Semi-Govt organizations.

7.11 Consultancy Services : Project Management Services (PMS)/ Technical Consultancy/ Management Consultancy:

The selection of firms for Consultancy Services/Project Management Services of high value by default is to be made through Open Tender (Single envelope two part bidding). However, unlike Procurement tender, the evaluation is to be made by using Quality and Cost Based Selection (QCBS) methodology. The detailed procedure of QCBS is as follows:

Important features of Quality and Cost Based Selection (QCBS):

- i. Open Tender (Single Stage Two Part bidding) through e-tender mode.
- ii. Evaluation of technical scores and its declaration.
- iii. Opening of the Price bid of Qualified bidder(s) who secures above minimum score.
- iv. Evaluation of proposal on QCBS methodology .
- v. Bid with the highest total score shall be considered as highest ranked evaluated bid.
- vi. Award at the quoted price subject to approval of the Competent Authority as per DOP.

Following are the standard guideline for evaluation of Quality & Cost;

A. Evaluation of Quality:

Evaluate each technical proposal shall be made taking into account the qualifying criteria as mentioned in the bid. Total marks for the evaluation of quality may be kept as maximum up to 100 marks. Following are the suggested parameters

- No. of years of existence
- Relevant experience in carrying out similar type of assignments.
- Methodology to be adopted for successful execution of the assignment based on the Quality manpower deployment, technology intervention, Innovative Plan, quality assurance and review and Monitoring.
- Minimum Average Annual Turnover (MAAT)

B. Evaluation of Cost:

The financial proposal of the qualified bidders shall be opened and evaluated. The proposal with the lowest cost may be given a financial score of 100 and other proposals given financial scores that are inversely proportional to their prices. However, Quality and Cost Based Selection (QCBS) evaluation shall be carried out giving due weightage to quality and cost say for example 80:20 or say 70:30 which should be specified in the tender. The ratio may vary from nature of tender to tender. The computation of Score taking an example as 80:20 is as follows :

- (a) The weightage (T) given to Technical Proposal – say 80 percent
- (b) The weightage (F) given to Financial Proposal – say 20 percent

The total score(S) shall be, $S = S_t \times 0.80 + S_f \times 0.20$.

Where,

S = Total Score

St = Score of Techno-Commercial Proposal

Sf = Score of Price Proposal

$S_f = 100 \times F_m / F$, where "Fm" is the lowest Price discovered, and "F" is the price of the bidder.

Bid with the highest total score (S) shall be considered as highest ranked evaluated bid and the contract shall be awarded to such bidder at their quoted price.

7.12 Standard Terms of Reference (TOR)/Activity Schedule (AS):

The Terms Of Reference (TOR) (in case of consultancy services)/ Activity Schedule (in case of other assignment) is the key for engagement of Service Provider. It explains the key assignments/ deliverables to be executed by the service provider. The TOR shall list the services necessary to carry out in the assignment and the expected outputs (For example, reports, data, maps, surveys). The TOR shall vary with the type of services mentioned above. However, the TOR should not be too detailed and inflexible so as to decide the mile stone payment.

7.13 Standard Terms & Conditions of Service Contracts (LOA):

The Letter Of Award (LOA) shall include the following terms & conditions to the extent they are applicable under the particular assignment.

- i. Effective Date of Contract.
- ii. Period of Contract
- iii. Key Deliverables
- iv. Terms of Payment commensurate with the Key Deliverables
- v. Deployment of Minimum Manpower/Other Resources

- vi. Obligation of the Service Provider
- vii. Obligation of the UPPTCL
- viii. Quality of workmanship
- ix. Price/Fee
- x. Taxes and duties thereon
- xi. Paying Officer
- xii. Penalty/LD
- xiii. Requirement of valid licenses
- xiv. Performance Bank Guarantee
- xv. Extension of time period.
- xvi. Nodal Officer
- xvii. Renewal/ extension of contract
- xviii. Resolution of Dispute
- xix. Terms and Termination.
- xx. Integrity Pact etc.

7.14 Signing of the Service Contract Agreement:

After acknowledgement of the LOA, UPPTCL shall execute the Contract Agreement in a non-judicial stamp paper of appropriate value with the Service Provider after receipt of CPBG. The service provider shall commence the assignment after signing of the contract agreement.

7.15 Other Applicable Policy for Procurement of Services:

The principle/policy which is not explicitly covered under this chapter of Procurement of Services but find place in other chapter of the Works & Procurement Policy (WPP) manual, by default, shall be applicable for Procurement of Goods mutatis mutandis. Such topics/matters inter-alia includes the following :

- **Chapter -2:** Project Approvals, Technical Approvals and Administrative Approvals.

- **Chapter-3:** NIT, ITB, Tender Paper (SBD), Tender Document Fees, EMD, Validity of Bid, LD, Force Majeure etc..
- **Chapter-4:** Method of tendering, E-Procurement, Type of Tendering, Pre-bid Conference, Modification/Withdrawal of Bids, Opening of Bid, Dealing with Single Tender, Post Tender Negotiations, Issue of LOA, Snap Bidding, Annulment of Tender, Re-bidding etc..
- **Chapter-5:** Grant of Extension of Time, Passing of Sub-Standard Supply Bills, Validity of LOA, Dispute Resolution Mechanism, Event of Default, Termination of Contract, Short Closure, Execution of Balance Works, Debarring, Blacklisting etc..
- **Chapter-6:** Qualifying Requirement, Evaluation of tender, Relaxation to MSME Bidders, Local Content ,Repeat Order etc..

However, the Topics/Matters which are not covered in the WPP Manual; those shall be governed as per the GFR of Govt of India as amended from time to time.

7.16 Procurement through GEM:

- DGS & D developed Government E-Market Place (GEM) is a e-commerce site where product and services are offered by a number of sellers and service Providers. The buyers can select the product/ services offered by any one of the seller, based on his own criteria.
- At present Govt of UP has made it mandatory to avail Manpower Outsourcing services by conducting e-Bidding through GEM.
- Procurement of Goods and services through GEM E-Portal is happening in a big way. Govt. of India and Govt. of UP are also issuing number of guidelines in this regard. UPPTCL is required to adopt the same mutatis mutandis.

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