



No. 6 ⚡ -UNL/ Reform/Works/2012-13

Dated: 25/06/2012

OFFICE MEMORANDUM

With a view of various difficulties being experienced by the Thermal Power Stations in various cases referred by them, where the award of contract need be split amongst 2-3 bidders for effective delivery in the interest of the Nigam, the matter was deliberated in detail and following is, hereby, ordered in continuation to order no155-UNL/Reform/Works/2011-12 dated 23-09-2011 in respect to work contracts :-

- 1(a) The work orders against a tender specifications can be split judiciously, when absolutely required, only in specific cases of **break down maintenance**, when a sole capable agency is not available/ or it's ineffective working could affect the generation. Efforts should be made to limit this splitting amongst 2 vendors and if it was not possible then amongst a maximum of 3 vendors. While carrying out this division of work, it should be ascertained that the quantity offered to the lowest bidder should, in any case, not be less than the other bidders. This division should be fair, transparent and equitable and should be carried out only as an exception and not as a routine.
 - (b) The above division shall not be applicable to routine general contracts.
 - (c) While such division of works are being awarded, against a single tender, it shall be necessary to ensure that following mal-practices are not resorted to :
 - (1) Pooling of tenders.
 - (2) Discrete allotment of works while dividing them.
- 2(a) The decision for splitting up/division of work, should reflect in the specification, and should be taken before inviting the bids and the basis of this division should be clearly provided in the specification itself. Before such a division, it should be ascertained that it does not affect the work quality and responsibility of inferior/delayed work could easily be affixed to the defaulting firm.
 - (b) The responsibility for taking a decision on the work division/splitting shall be with the 'Tender Specification Committee' in operation against above referred order no155 dated 23-9-2011, and should be unanimously agreed upon within the committee members. In case, there is no unanimity, or a difference of opinion, amongst the Tender Specification Committee, the Head of the respective Power Station/Project shall take a decision on this issue, providing the reasons for the same on the concerning case file. In such cases where the Project Head had taken decision for division of work against a single tender, on lack of unanimity within the specification committee members, the same shall be intimated to the Director (Technical) within 3 days of taking such a decision. It shall be essential to complete this process before publication/uploading of tender on website/in news paper.
- 3 (a) In case the rate quoted by the lowest bidder are reasonable or are made reasonable after negotiations with the lowest bidder, the other bidders amongst whom the work is to be divided as per the tender specification, may be offered counter offer at lowest rates and their acceptance should be taken before award of work.
 - (b) In this whole process, it is of paramount importance that the sole aim is to obtain competitive rates in the Nigam's interest. It should be ensured that tender process is transparent/fair and rates received are competitive and pooling has not been carried out by the bidders.

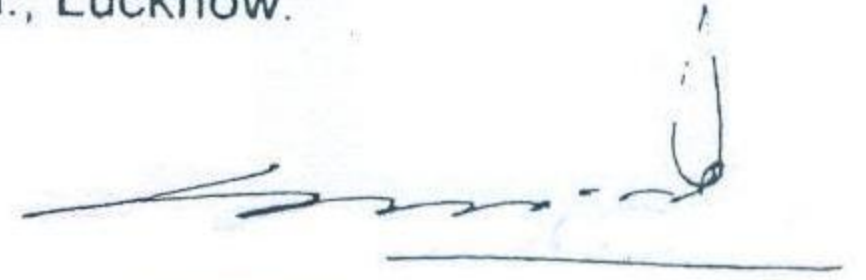
The above order shall come into force with immediate effect.

Managing Director

No. 64-UNL/ Reform-Pragati / /2012-13 of date.

Copy forwarded to the following for information and necessary action :-

- 1- PS to Managing Director.
- 2- The Director(Technical/Finance/Personnal), UNL, Lucknow.
- 3- CGM (Finance), UNL, Lucknow.
- 4- The Chief Engineer, Anpara, Obra, Parichha, Panki and Harduaganj Thermal Power Stations.
- 5- Chief Engineer (PPMM/TO/HR/Fuel/Commercial/Civil/Environment/Corporate Strategy),UNL, Lucknow.
- 6- General Manager (Accounts/Audit), UNL, Lucknow.
- 7- Company Secretary, UNL, Lucknow
- 8- Cash Management Unit, UNL, 7th Floor, Shakti Bhawan Extn., Lucknow.



(S.K. Singh)
Chief Project Manager "PRAGATI"