

Justice For Public Cause Foundation

VOICE OF COMMON MAN

(Registration no. 01/B-113/16-17 , under Madhya Pradesh Public Trust Act 1951)

JPCF

E 5/85, 1st Floor, Arera Colony
Bhopal – 462016 (M.P.)
Email: jpcf2015@gmail.com,
Mob-09425602009

To,

Date ,10/1/2017

Shri G S Bhati
Executive Director (DDUGJY)
Rural Electrification Corporation Ltd
Core-4, SCOPE Complex, 7, Lodhi Road
New Delhi- 110 003

Sub :- Violation of CVC guidelines . Non adherence to standard bidding document /TS finalized under DDUGJY –reg.

Ref :- Your letter no. REC/DDUGJY/SBD/239 Dated 22/8/2016 and REC/DDUGJY/SBD/360 Dated 26/12/2016 .

Dear Sir,

Ours is an NGO and raising the issue in public interest against corruption . We have gone through your letter under reference and found that content of letter no. REC/DDUGJY/SBD/239 Dated 22/8/2016 has been violated for personal gain by officers of all the three power Discoms under Government of Madhya Pradesh .

We are enclosing the copy of our letter dated 12/12/2016 along with all enclosures (letter dated 9/12/2016 addressed to CVC) , addressed to Chief Secretary , Government of Madhya Pradesh . The investigation is being carried out by Energy Secretary , Govt of M.P. on our complaint.

Your good self letter dated 22/8/2016, strictly prohibited the violation of CVC guidelines and prohibited to make any change in SBD which is against the circulars of CVC . Our letter dated written to CVC , amply demonstrated that various circulars of CVC were violated. CVC issue guidelines do not allow the snap bidding.

DDUGJY is the flag ship scheme of Government of India, in which ,grant of 60% extendable to 75% is granted by REC/PFC to Power Discoms . This money belongs to Government of India and laundering of this money is against public interest . Therefore, it is the responsibility of all concerns to implement this scheme with utmost care in public interest , because huge percentage of finance in scheme is given as grant.

REC can not finance any scheme under DDUGJY or IPDC , which violates CVC guidelines and hence contract awarded in such cases can not be financed by REC .

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Mob-09425602009

Your letter no. 360 dated 26/12/2016 , indicates that you have also come to know regarding corrupt practices adopted by Power Discoms and hence asked for the copy of house approval obtained from state level standing Committee of the state.

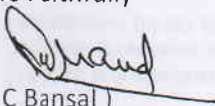
We have studied the bidding in M. P. Madhya Khetra Vidyut Vitran Company Ltd Bhopal . It is found that during bidding process, the contractors have quoted much higher rates in the initial bidding because they were knowing that the rates are to be lowered in snap bidding. This is evident from the fact , that even L1 has reduced the rates substantially in snap bidding , to remain L1. This indicates that corrupt practices were fully used in the bidding process which is against public interest. It is also seen that orders are being placed without carrying snap bidding, cause huge benefit to contractors at the cost of public money.

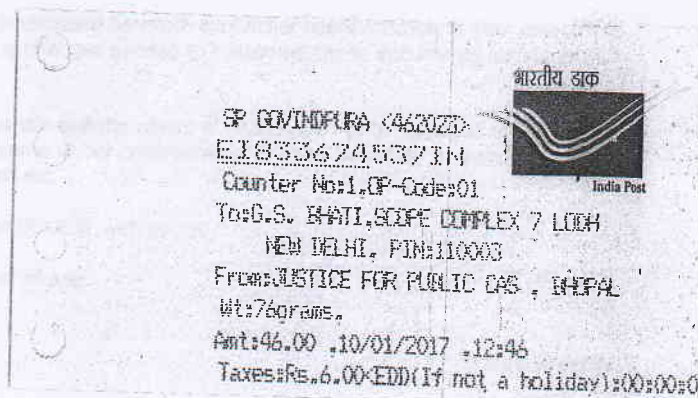
Therefore , it is requested to kindly direct all the three Discoms of Madhya Pradesh to scrap all the tenders which has clause of snap bidding (clause 27.7 and 27.8) , being violative of CVC guidelines and initiate appropriate action in the matter, in public interest .

Thanking You.

Enclosures :- 1. Copy of our letter dated 12/12/2016 addressed to Chief Secretary, Government of Madhya Pradesh , Bhopal, along with all enclosures .

Yours Faithfully


(M C Bansal)
Authorized Signatory



Ref. No. REC/DDUGJY/SBD/ 239

Dated: 22.08.2016

To
All Principal Secretary/Secretary (Energy/Power)

Sub: Standard Bidding Documents for full turnkey contracts under DDUGJY & IPDS

Dear Ma'M / Sir,

Consequent upon launch of DDUGJY & IPDS schemes, Standard Bidding Documents (SBD) for full turnkey projects were circulated to all States vide REC letter No. REC/DDUGJY/SBD DDUGJY/2585 dated 09.06.2015. Subsequently, New Initiative was taken by the Ministry of Power to mobilise Major High Value Sub-transmission & Distribution materials under DDUGJY & IPDS scheme vide OM No. 44/30/2015-RE dated 14.08.2015. Accordingly, Standard Bidding Documents of DDUGJY & IPDS were modified for partial turnkey execution. On approval of Ministry of Power, the Standard Bidding Documents for partial turnkey contracts were circulated to all States vide REC letter No. REC/DDUGJY/NIMM/SBD/546 dated 08.04.2016.

During a meeting held at MoP on 29.06.2016 under chairmanship of Hon'ble Minister of Power, a decision was taken that states are free to procure major high value materials on their own, if it is felt that their rates are lower than Central Procurement Prices. Accordingly, the States were allowed to float full turnkey contracts vide REC's letter No. REC/DDUGJY/NIMM/745 dated 26.07.2016.

In the process of making SBD for partial turnkey contracts, various changes were made in SBD originally prepared for full turnkey contracts. These changes were incorporated in SBD for partial turnkey contracts and circulated after approval of Monitoring Committee. Since states are now permitted to invite tenders on full turnkey / partial turnkey as per their suitability, we have incorporated those changes in originally created full turnkey SBD. However, it is requested to use revised Standard Bidding Documents (SBD) for full turnkey contracts, while ensuring the following:

- States shall ensure that all the provisions relating to GFR and instructions of CVC in the matter of procurement contracts shall be complied with.
- A clause should be added at appropriate place(s) in the SBD to the effect that in case of conflict between the provisions (relating to financial criteria/parameters) of the SBD and the GFR, the provision of the latter (i.e. GFR) shall prevail.

An Advisory Inputs to Standard Bidding Documents is enclosed herewith for further needful action at your end before bidding. A checklist is also enclosed depicting various changes needed to customise these documents suiting project specific requirements.

Standard Bidding Documents may be customised as per specific needs of States with prior approval of State Level Standing Committee constituted for DDUGJY programme under chairmanship of Chief Secretary in view of principles of transparency, financial propriety, fair competition etc.

Standard Bidding Documents have been uploaded on DDUGJY web portal.

This is for your kind information and necessary action please.

Thanking You.

Yours Sincerely,

(Dr. Dinesh Arora IAS)
Executive Director (PMG)

Encl.: Advisory Inputs

Zonal Offices : Hyderabad, Kolkata, Mumbai, Panchkula & Lucknow
Project Offices : Bangalore, Bhopal, Bhubaneswar, Chennai, Guwahati, Jaipur, Jammu
Patna, Ranchi, Shillong, Shimla, Thiruvananthapuram & Vadodara
Sub Offices : Dehradun, Raipur
Training Centre : Central Institute for Rural Electrification (CIRES), Hyderabad



Ref. No. REC/DDUGJY/SBD/360

Dated: 26-12-2016

To
All Project Implementing Agencies
(DISCOMS/SEBs/CPSUs/Power Departments)

Sub: Adherence to Standard Bidding Document/TS finalised under DDUGJY - reg

Sir/Madam,

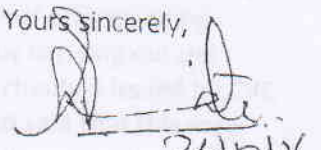
This has reference to our letter no. REC/DDUGJY/SBD/239 dated 22.08.2016, vide which Standard Bidding Documents was circulated to all PIAs for awarding DDUGJY projects on full turnkey basis, wherein it was informed that Standard Bidding Documents may be customized by PIAs/Discoms as per their specific needs based on States' practices with the prior approval of State Level Standing Committee headed by Chief Secretary of the state, except for Technical Specifications for high value items viz. PTR, DTR, Conductor & Cables finalized by Committee-A.

In this connection, all Project Implementing Agencies/ PMAs are requested to communicate the changes made in SBD of DDUGJY projects to REC along with a copy of in-house approval obtained from State Level Standing Committee of the state.

Further, all PIAs/PMAs are requested to strictly adhere to Technical-Specifications for high value items viz. PTR, DTR, Conductor & Cables finalized by Committee-A and to approve GTPs accordingly.

This is for kind information and strict compliance please.

Yours sincerely,



(G S Bhati)
Executive Director (DDUGJY)

Copy to:

1. ZM/CPM- Please circulate to PIAs in the states of your purview.

Zonal Offices : Hyderabad, Kolkata, Mumbai, Panchkula & Lucknow
Project Offices : Bangalore, Bhopal, Bhubaneswar, Chennai, Guwahati, Jaipur, Jammu, Patna, Ranchi, Shilong, Shimla, Thiruvananthapuram & Vadodara
Sub Offices : Dehradun, Raipur
Training Centre : Central Institute for Rural Electrification (CIRES), Hyderabad

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JPCF

E 5/85, 1st Floor, Arera Colony
Bhopal – 462016 (M.P)
Email: jpcf2015@gmail.com,
Mob-09425602009

To,

Date ,19/12/2016

Shri Basant Pratap Singh
Chief Secretary, Government of Madhya Pradesh
Vallabh Bhawan, Bhopal (M.P.)- 462 004

Sub :- 1. Violation of CVC various circulars regarding Tendering Process- negotiations with L-1.
Tendering process carried out by various Power Distribution companies belonging to Government of Madhya Pradesh.
2. Violation of guidelines issued by Chief Secretary, Government of Madhya Pradesh to all the three Power Discoms, in compliance of CVC circular no. 01/01/2010 dated 20th January 2010, which prohibits Snap Bidding.

Ref :- 1.Our letter dated 9/12/2016 addressed to Central Vigilance Commission on above subject matter.

2. Our letter dated 12/12/2016 addressed to your goodself.
3. Our letter dated 13/12/2016 addressed to CGM, MPMKVVCL Bhopal.
4. Our letter dated 14/12/2016 addressed to MD, MPPKVVCL JBP & MD, MPPKVVCL INDORE.
5. Our letter dated 17/12/2016 addressed to MD , MPMKVVCL Bhopal.

Dear Sir,

Ours is an NGO and raising the issue in public interest against corruption . The issue raised in our various letters under reference regarding subject matter cited above is regarding opening of flood gate of corruption by three Power Discoms working under the Government of Madhya Pradesh (copy of letters under reference are enclosed).

Sir, We request that the officers of all the three Power Discoms to immediately stop the on going corrupt practices even at this stage and save themselves from criminal offence being committed by violating the various circulars of CVC as cited under subject above by carrying out the snap bidding. **Your good self is the designated officer to implement the various circulars issued by CVC (Circular no. 01/01/10 dated 20th January 2010 , addressed to your good self and said that this may please be noted for immediate compliance)** . Your good self have directed to all concern to complied with these circulars and hence Snap Bidding was prohibited from the year 2010 on wards as per this circular .

We once again request your good self to kindly issue appropriate direction and reminder to implement your old circulars issued in the year 2010 in compliance of CVC circular no 01/01/2010 , to these companies and to desist , against violation of various CVC circulars . Your immediate action without waiting any communication from CVC , will be in public interest .

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E 5/85, 1st Floor, Arera Colony
Bhopal - 462016 (M.P.)
Email: jpcf2015@gmail.com,
Mob-09425602009

Thanking You.

Enclosures :- Copy of all the letters cited in reference.

Yours Faithfully



(M C Bansal)

Authorized Signatory

o/c



SP GOVINDPURA 462016
E1774570689IN
Counter No:1, CP-Code:01
To: SRI BASANT PRATAP S, VALLABHMAN
BHOPL, PIN:462004
From: M.C. BANSAL, BHOPL
Wt:102grams
Amt:29.00, 19/12/2016, 13:57
Type: Debit Card



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JPCF

E 5/85, 1st Floor, Arera Colony
Bhopal - 462016 (M.P.)
Email: jpcf2015@gmail.com,
Mob-09425602009

To,

Date , 17/12/2016

Shri Vivek Porewal, Managing Director
M.P.Madhya Kshetra Vidyut Vitran Co. Ltd
Nishtha Parishar, Bijlinagar Colony, Govindpura
Bhopal (M.P.)- 462 023

Sub :- Violation of CVC various circulars regarding Tendering Process- negotiations with L-1.
Tendering process carried out by various Power Distribution companies belonging to Government of Madhya Pradesh. Our letter dated 12/12/2016 addressed to Chief Secretary, Govt of M.P. on above subject.

Ref :- Our letter dated 13/12/2016 addressed and received in the office of CGM (Rural Project) and CGM (Urban Project) Working under your good self on dated 13/12/2016 .

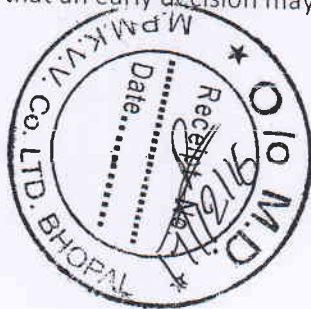
Dear Sir,

Ours is an NGO registered as trust and raising the issue in public interest against corruption . We have written letter dated 9/12/2016 to Central Vigilance Commissioner , New Delhi and letter dated 12/12/2016 to Chief Secretary, Government of Madhya Pradesh on the above mentioned subject matter . The same letters were send to CGM (RP) and CGM (UP) working in your office vide our letter dated 13/12/2016 and received in their respective offices on 13/12/2016 .

It has come to our knowledge that CGM (RP & UP) has ignored totally the content of our letter dated 13/12/2016 and have carried out the process of Snap Bidding . They have totally disregarded the authority of Chief Secretary , Government t of Madhya Pradesh and probably have not briefed your good self properly , otherwise your good self would have advised them to wait for direction from Chief Secretary on our letter dated 12/12/2016. The action of both these CGM relates to violation of CVC circulars, which is the punishable offence .

We shall like to bring to your kind consideration that Gail (India) Ltd in (respect of Dahej Project) called the bidding and Man Industries (India) Ltd was L1 . Gail (India) Ltd insisted for snap bidding due to some exceptional circumstances , but even than snap bidding was withdrawn by Gail to save it self from action from CVC and informed to Hon'ble High Court accordingly . This has been stated in Hon'ble High Court, New Delhi judgment order dated 2nd July 2009 in WP (C) No. 9595/2009.

Sir, the issue raised by us is in public interest and it is requested to kindly direct your officers to not to carry out any snap bidding further and kept on hold further proceedings if snap bidding is already completed ,under DDUGJY & IPDS , till the decision is taken by Chief Secretary , Government of Madhya Pradesh , on our complaint/ representation . It is also requested to kindly brief Chief Secretary of all the facts , so that an early decision may be taken by your good self .



o/c

JPCF

(Registration no. 01/B-113/16-17, under Madhya Pradesh Public Trust Act 1951)

*E 5/85, 1st Floor, Arera Colony
Bhopal – 462016 (M.P)
Email: jpcf2015@gmail.com,
Mob-09425602009*

Thanking You.

Enclosures :- Copy of our letter dated 12/12/2016 addressed to Chief Secretary, Government of Madhya Pradesh and letter dated 13/12/2016 addressed to CGM (RP&UP) working under your office.

Yours Faithfully

(M C Bansal)

Authorized Signatory

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JPCF

E 5/85, 1st Floor, Arera Colony
Bhopal - 462016 (M.P.)
Email: jpcf2015@gmail.com,
Mob-09425602009

To,

Date, 14/12/2016

Shri Mukesh Chand Gupta, Managing Director
M.P. Poorva Kshetra Vidyut Vitran Co. Ltd
Block No.7, Shakti Bhawan, Rampur
Jabalpur (M.P.) - 482 008

Sub :- Violation of CVC various circulars regarding Tendering Process- negotiations with L-1.
Tendering process carried out by various Power Distribution companies belonging to Government of Madhya Pradesh.

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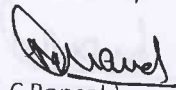
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Sir, the issue raised by us is in public interest and it is requested to kindly direct your officers to not to carry out any snap bidding further and kept on hold if any order is placed after snap bidding, under DDUGJY & IPDS, till the decision is taken by Chief Secretary, Government of Madhya Pradesh on our complaint/ representation.

Thanking You.

Enclosures :- Copy of our letter dated 12/12/2016 addressed to Chief Secretary, Government of Madhya Pradesh.

Yours Faithfully


(M C Bansal)
Authorized Signatory

o/c

भारतीय डाक



SP GOVINDPURA 462016

E177455921511

Counter No.1, (P-Code:01)

To: MUKESH CHAND GUPTA, SHAKTI BHAWAN RAMPUR
JABALPUR, PIN: 482008

From: JUSTICE FOR PUBLIC CAUSE FOUNDATION, B.H.

Wt: 71 grams,

Amt: Rs. 46.00, 15/12/2016, 11:21

Taxes: Rs. 6.00 (IDD (if not a holiday)): 00:00

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JPCF

E 5/85, 1st Floor, Arera Colony
Bhopal - 462016 (M.P.)
Email: jpcf2015@gmail.com,
Mob-09425602009

To,

Date , 14/12/2016

Shri Aakash Tripathi , Managing Director
M.P.Pashim Kshetra Vidyut Vitran Co. Ltd
Pologround, GPH Compound
Indore (M.P.)- 452 001

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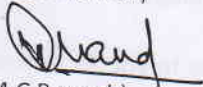
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Sir, the issue raised by us is in public interest and it is requested to kindly direct your officers to not to carry out any snap bidding further and kept on hold if any order is placed in result of snap bidding ,under DDUGJY & IPDS , till the decision is taken by Chief Secretary , Government of Madhya Pradesh , on our complaint/ representation .

Thanking You.

Enclosures :- Copy of our letter dated 12/12/2016 addressed to Chief Secretary, Government of Madhya Pradesh.

Yours Faithfully



(M C Bansal)
Authorized Signatory

O/c

SP GOVINDPURA 462016
EI7745592551
Counter No:1, CP-Code:01.
To: AAKASH TRIPATHI, MP PASHIM KSHETRA VI
INDORE CITY -2, PIN:452001
From: JUSTICE FOR PUBLIC CAUSE FOUNDATION, BH
Wt: 71grams,
Amt: 40.00 , 15/12/2016 , 11:22
Taxes: Rs. 5.00 (EOD (If not a holiday): 00:00)



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E 5/85, 1st Floor, Arera Colony
Bhopal - 462016 (M.P.)
Email: jpcf2015@gmail.com,
Mob-09425602009

To,

Date , 13/12/2016

1. Chief General Manager (Rural Project)
O/O Managing Director
M P Madhya Kshetra Vidyut Vitran Co. Ltd
Nishtha Parishar, Bijlinagar Colony , Govindpura
Bhopal (M.P.) - 462 023
2. Chief General Manager (Urban Project)
O/O Managing Director
MP Madhya Kshetra vidyut Vitran Co. Ltd
Nishtha Parishar, Bijlinagar Colony, Govindpura
Bhopal (M.P.)- 462 023

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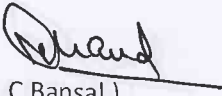
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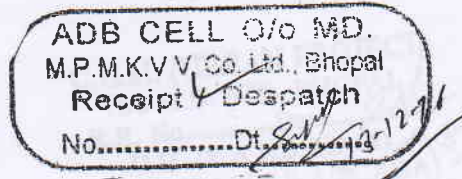
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Thanking You.

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(M C Bansal)
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1. Chief General Manager (Rural Project)
O/O Managing Director
M P Madhya Kshetra Vidyut Vitran Co. Ltd
Nishtha Parishar, Bijlinagar Colony , Govindpura
Bhopal (M.P.) - 462 023
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O/O Managing Director
MP Madhya Kshetra vidyut Vitran Co. Ltd
Nishtha Parishar, Bijlinagar Colony, Govindpura
Bhopal (M.P.)- 462 023

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Sir, the issue raised by us is in public interest and it is requested to kindly not to carry out any snap bidding further under DDUGJY & IPDS , till the decision is taken by Competent Authority on our complaint/ representation .

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Enclosures :- Copy of our letter dated 12/12/2016 addressed to Chief Secretary, Government of Madhya Pradesh.

Yours Faithfully


(M C Bansal)
Authorized Signatory

o/c

C.G.M. (URBAN PROJECT)
O/s M.D. (CZ), BHOPAL
R.R. No.....Date.....
G.M. (R.A.R.P.-B)
D.G.M. (RAPDRP-A/SCADA)
A.O. (UP)/MANAGER-VII/H

13-12-16

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E 5/85, 1st Floor, Arera Colony
Bhopal - 462016 (M.P.)
Email: jpcf2015@gmail.com,
Mob-09425602009

To,

Date, 12/12/2016

Shri Basant Pratap Singh
Chief Secretary, Government of Madhya Pradesh
Vallabh Bhawan, Bhopal (M.P.)- 462 004

Sub :- Violation of CVC various circulars regarding Tendering Process- negotiations with L-1.
Tendering process carried out by various Power Distribution companies belonging to Government of Madhya Pradesh.

Ref :- Our letter dated 9/12/2016 addressed to Central Vigilance Commission on above subject matter.

Dear Sir,

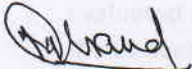
Ours is an NGO registered as trust and raising the issue in public interest against corruption. The issue raised in our letter dated 9/12/2016 addressed to CVC, New Delhi is regarding opening of flood gate of corruption by three Power Discoms working under the Government of Madhya Pradesh (copy of letter enclosed).

Sir, your good self is the designated officer to implement the various circulars issued by CVC and hence, it is requested to kindly take appropriate action against violation of various CVC circulars. Your immediate action without waiting from any communication from CVC, will be in public interest.

Thanking You.

Enclosures :- Copy of our letter dated 9/12/2016 addressed to CVC, New Delhi.

Yours Faithfully


(M C Bansal)
Authorized Signatory

o/c

भारतीय डाक
SF GOVINDPURA 46202
E17745682307
Counter No:1, CP-Code:00
To: BASANT KUMAR, CHIEF SEC.
BHOVAL, PIN:462004
From: JUSTICE FOR PUBLIC CAUSE, BHOVAL
Wt: 65 grams,
Amt: 29.00, 13/12/2016, 14:02
Taxes: Rs. 4.00 (EID) (If not a holiday): 00:00

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(Registration no. 01/B-113/16-17 , under Madhya Pradesh Public Trust Act 1951)

JPCF

E 5/85, 1st Floor, Arera Colony

Bhopal - 462016 (M.P)

Email: jpcf2015@gmail.com,

Mob-09425602009

To,

Date , 9/12/2016

Shri K. V . Chowdary
Central Vigilance Commissioner
Satarkta Bhawan, A-Block, GPO Complex
INA , New Delhi- 110 023

**Sub :- Violation of CVC various circulars regarding Tendering Process- negotiations with L-1.
Tendering process carried out by various Power Distribution companies belonging to Government of Madhya Pradesh.**

Dear Sir,

Ours is an NGO registered as trust and raising the issue in public interest against corruption . The issue raised in this letter is regarding opening of flood gate of corruption by three Power Discoms working under the Government of Madhya Pradesh. Chief Secretary of Madhya Pradesh (designated authority by CVC) has failed to enforce the compliance of various circulars of CVC on these companies and hence huge amount of money is changing hands .

CVC has issued various circulars from the year 1999 on wards regarding **Tendering Process- Negotiations with L1 and Chief Secretary of the concerned state is designated officer to enforce it in the respective state** . The following companies coming under the Government of Madhya Pradesh has floated nearly hundred tenders under Deen Dayal Uppadhiya Gramin Jyoti Yojna (DDUGJY) and Integrated Power Development Scheme (IPDS) for nearly Rs 4500 crores :-

1. Madhya Pradesh Poorve kshetra Vidut Vitran Company Ltd (MP Poorve Kshetra V V C L).
2. Madhya Pradesh Madhya Kshetra Vidyut Vitran Company Ltd (MP Madhya Kshetra V V C L).
3. Madhya Pradesh Paschim Kshetra Vidyut Vitran Company Ltd (MP Paschim Kshetra V V C L).

CVC has mandated the procedure regarding tendering process till the L1 is evaluated and order is placed . These three companies has followed the process and evaluated the L1 accordingly . There is no issue of corruption , if order is placed on L1 evaluated in this process. There are several tenders , no split of tender , L1 are different in different cases , there will be several parties who will get the orders as L1 and hence the work will be well spread to different parties.

However, these companies have devised a noble method which has opened the flood gate of corruption . These are as follows :-

These Companies have added clause 27.7 in tender document as " The Employer shall derive the lowest evaluated bid in accordance with ITB Sub-Clause 25.2 to 25.5 and shall have the right to award the contract to lowest evaluated bidder **or may opt for snap bidding**" .

The above amendment of obtaining the power for snap bidding are totally illegal, in violation of CVC circulars and start of corruption by officials of these companies. **The right of L1 who is derived by following the procedure as prescribed by CVC , can not be taken away by adopting illegal methods like snap bidding** . The procedure to be adopted for snap bidding as shown in 27.8 is arbitrary, violating the guidelines issued by CVC , causing intentional loss to L1, so that money can be extracted from L1 and other bidders . The details regarding Snap Bidding are reproduced below :-

27.8 Snap Bidding

27.8.1 : In case the Employer opts for snap bidding, then all the initial Price Bids shall be discarded by the employer and shall invite all the bidder , who were technically qualified, to submit the new Price Bids as per ITB Clause 16.00 to 19.00 of the bidding document. The timeline for submission and price bid opening of such price bid shall be intimated separately to all such Bidders by the Employer. Bidders submitting new Price Bids electronically shall follow the electronic bid submission procedures specified in the BDS for resubmission of Price Bids.

27.8.2 : The quoted price in the price bid shall not be allowed to be increased above the L-1 rates. If any bidder bids above the lowest evaluated price during the initial bidding, his bid shall be treated as non responsive and bidder shall not be considered for award.

27.8.3 : In case of any of the invited technically qualified bidder does not submit new price bid during snap bidding than he shall not be considered for any further evaluation by the Employer.

27.8.4 : Re-submitted new price bids shall be again evaluated by the Employer as per ITB Clause 25 and 27 of the bidding document . The Employer shall evaluate the price bids and derive the lowest evaluated bid (L-1) . However , in case, even after submission of new price bids by the bidder, the Employer has right to reject the lowest evaluated bid price. If the bid is rejected by the employer then the entire bidding process shall be annulled.

The funding of these projects are being done by Rural Electrification Corporation Ltd (REC) and Power Finance Corporation Ltd (PFC) and violation of CVC circulars might be having the blessing of officers of REC & PFC also, to get their share from the officers of these three Discoms.

It appears that officials of these companies have already collected good amount of money and are in process to collect more money from Bidders.

Justice For Public Cause Foundation

VOICE OF COMMON MAN

(Registration no. 01/B-113/16-17, under Madhya Pradesh Public Trust Act 1951)

JPCF

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Therefore, it is requested to kindly take appropriate action against violation of various CVC circulars and issue appropriate advise to the Chief Secretary of Government of Madhya Pradesh for strict and immediate compliance of CVC various circulars, so that snap bidding being carried out is immediately stopped and all the orders being placed on the basis of snap biddings are termed as illegal.

Thanking You.

- Enclosures :-1. Copy of clause 27.7, 27.8.1, 27.8.2, 27.8.3 & 27.8.4 from Tender document .
2. Copies of various circulars issued by CVC.

Yours Faithfully



(M C Bansal)

Authorized Signatory

भारतीय डाक
SP GOVINDPURA 462016
E1774568257
Counter No:1, DP-Code:00
To: K V CHAUDARY
DELHI, PIN-110023
From: JUSTICES FOR PUBLIC CAUSE, BHOPAL
Wt: 60grams.
Amt: ₹46.00, 13/12/2016, 14:01
Taxes: ₹6.00 (EOD (If not a holiday): ₹00:00:00)

o/c

Sl. No.	ITB Clause Ref. No.	Bid Data Details
31.	ITB 27.5 (c)	Deleted.
32.	ITB 27.7, 27.8	<p>New Clause add</p> <p>27.7 The Employer shall derive the lowest evaluated bid in accordance with ITB Sub-Clause 25.2 to 25.5 and shall have the right to award the contract to lowest evaluated bidder or may opt for snap bidding.</p> <p><u>27.8 Snap Bidding</u></p> <p>27.8.1 In case the Employer opts for snap bidding, then all the initial Price Bids shall be discarded by the employer and shall invite all the bidders, who were technically qualified, to submit the new Price Bids as per ITB Clause 16.0 to 19.0 of the bidding document. The timeline for submission and price bid opening of such price bids shall be intimated separately to all such Bidders by the Employer. Bidders submitting new Price Bids electronically shall follow the electronic bid submission procedures specified in the BDS for resubmission of Price Bids.</p> <p>27.8.2 The quoted price in the Price bid shall not be allowed to be increased above the L-1 rates. If any bidder bids above the lowest evaluated price during the initial bidding, his bid shall be treated as non-responsive and bidder shall not be considered for award.</p> <p>27.8.3 In case any of the invited technically qualified bidder does not submit new Price Bid during the snap bidding then he shall not be considered for any further evaluation by the Employer.</p> <p>27.8.4 Re-submitted new Price bids shall be again evaluated by the Employer as per ITB Clause 25 and 27 of the bidding document. The Employer shall evaluate the price bids and derive the lowest evaluated bid (L1). However, in case, even after submission of new price bids by the bidders, the Employer has right to reject the lowest Evaluated Bid Price. If the bid is rejected by the employer then the entire bidding process shall be annulled.</p>
33.	ITB 30.4.1	<p><u>Clause amended as below:</u></p> <p>"A single contract shall be awarded for supply of all equipment and materials (including applicable taxes and duties) and for providing all services (i.e. inland transportation for delivery at site, insurance, unloading, storage, handling at site, installation, Testing and Commissioning including performance testing in respect of all the equipment supplied)."</p>
34.	ITB 33.2	Replace the phrase "2 weeks" by "4 weeks"

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भारत सरकार
केन्द्रीय सतर्कता आयोग
GOVERNMENT OF INDIA
CENTRAL VIGILANCE COMMISSION

सतर्कता भवन, जी.पी.ओ. कॉम्प्लेक्स,
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दिनांक / Dated 20th January, 2010

- (i) The Secretaries of all Ministries/Departments of Government of India
- (ii) The Chief Secretaries to All Union Territories
- (iii) The Comptroller & Auditor General of India
- (iv) The Chairman, Union Public Service Commission
- (v) The Chief Executives of all PSEs/Public Sector Banks/Insurance Companies/Autonomous Organisations/Societies.
- (vi) The Chief Vigilance Officers in the Ministries/Departments/PSEs/Public Sector Banks/Insurance Companies/Autonomous Organisations/Societies
- (vii) President's, Secretariat/Vice-President's Secretariat/Lok Sabha Secretariat/Rajya Sabha Secretariat/PMO

CIRCULAR No.01/01/10

Attention is invited to the Commission's circular No. 4/3/07 dated 3.3.07 on the issue of "Tendering Process – Negotiations with L1".

In the said circular it has, among other things, been stated "As post tender negotiations could often be a source of corruption, it is directed that there should be no post tender negotiations with L1, except in certain exceptional situations". It has come to Commission's notice that this has been interpreted to mean that there is a ban on post tender negotiations with L-1 only and there could be post tender negotiations with other than L1 i.e. L2, L3 etc. This is not correct.

It is clarified to all concerned that - there should normally be no post tender negotiations. If at all negotiations are warranted under exceptional circumstances, then it can be with L1 (Lowest tenderer) only if the tender pertains to the award of work/supply orders etc. where the Government or the Government company has to make payment. However, if the tender is for sale of material by the Government or the Govt. company, the post tender negotiations are not to be held except with H1 (i.e. Highest tenderer) if required.

2. All other instructions as contained in the circular of 3.3.2007 remain unchanged.

3. These instructions issue with the approval of the Commission and may please be noted for immediate compliance.

Ramachandran
(V. Ramachandran)
Chief Technical Examiner

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भारत सरकार
केन्द्रीय सतर्कता आयोग
GOVERNMENT OF INDIA
CENTRAL VIGILANCE COMMISSION

सतर्कता भवन, जी.पी.ओ. कॉम्प्लेक्स,
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Block A, INA, New Delhi 110023
28th October, 2011

दिनांक / Dated.....

Circular No. 12/10/11

Subject: Applicability of CVC's guidelines on post tender negotiations with regard to projects funded by World Bank and other international funding agencies like IMF, ADB etc.


References have been received seeking clarification whether the Commission's guidelines contained in Circular No.3(V)/99/9 dated 1st October 1999 are binding even for the projects which are funded by international funding agencies like World Bank, ADB etc.

2. Para 2 of the Commission's Circular dated 1st October 1999 is reproduced as under:-

"It has been decided after due consideration, that in so far as the World Bank Projects and other international funding agencies such as IMF, ADB etc. are concerned, the department/organizations have no other alternative but to go by the criteria prescribed by the World Bank/ concerned agencies and the Commission's instructions would not be applicable specifically to those projects. However, the instructions of the CVC will be binding on purchases/sales made by the departments within the country. The CVC's instructions of 18/11/98 will apply even if they are made with source outside the country and if they are within the budget provisions and normal operations of the Department/Organization."

3. It is clarified that the Commission's guidelines would not be applicable in projects funded by the World Bank, ADB etc., if found to be in conflict with the applicable procurement rules of the funding agencies.

4. This may be brought to the notice of all concerned.


(J. Vinod Kumar)
Officer on Special Duty

All Chief Vigilance Officers

No.005/CRD/012
Government of India
Central Vigilance Commission

Satarkta Bhawan, Block 'A',
GPO Complex, INA,
New Delhi- 110 023
Dated the 3rd March, 2007

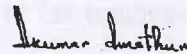
Circular No. 4/3/07

Sub:- Tendering process - negotiations with L-1.

Reference is invited to the Commission's circulars of even number, dated 25.10.2005 and 3.10.2006, on the above cited subject. In supersession of the instructions contained therein, the following consolidated instructions are issued with immediate effect:-

- (i) As post tender negotiations could often be a source of corruption, it is directed that there should be no post-tender negotiations with L-1, except in certain exceptional situations. Such exceptional situations would include, procurement of proprietary items, items with limited sources of supply and items where there is suspicion of a cartel formation. The justification and details of such negotiations should be duly recorded and documented without any loss of time.
- (ii) In cases where a decision is taken to go for re-tendering due to the unreasonableness of the quoted rates, but the requirements are urgent and a re-tender for the entire requirement would delay the availability of the item, thus jeopardizing the essential operations, maintenance and safety, negotiations would be permitted with L-1 bidder(s) for the supply of a bare minimum quantity. The balance quantity should, however, be procured expeditiously through a re-tender, following the normal tendering process.
- (iii) Negotiations should not be allowed to be misused as a tool for bargaining with L-1 with dubious intentions or lead to delays in decision-making. Convincing reasons must be recorded by the authority recommending negotiations. Competent authority should exercise due diligence while accepting a tender or ordering negotiations or calling for a re-tender and a definite timeframe should be indicated so that the time taken for according requisite approvals for the entire process of award of tenders does not exceed one month from the date of submission of recommendations. In cases where the proposal is to be approved at higher levels, a maximum of 15 days should be assigned for clearance at each level. In no case should the overall timeframe exceed the validity period of the tender and it should be ensured that tenders are invariably finalised within their validity period.

- (iv) As regards the splitting of quantities, some organisations have expressed apprehension that pre-disclosing the distribution of quantities in the bid document may not be feasible, as the capacity of the L-1 firm may not be known in advance. It may be stated that if, after due processing, it is discovered that the quantity to be ordered is far more than what L-1 alone is capable of supplying and there was no prior decision to split the quantities, then the quantity being finally ordered should be distributed among the other bidders in a manner that is fair, transparent and equitable. It is essentially in cases where the organisations decide in advance to have more than one source of supply (due to critical or vital nature of the item) that the Commission insists on pre-disclosing the ratio of splitting the supply in the tender itself. This must be followed scrupulously.
- (v) Counter-offers to L-1, in order to arrive at an acceptable price, shall amount to negotiations. However, any counter-offer thereafter to L-2, L-3, etc., (at the rates accepted by L-1) in case of splitting of quantities, as pre-disclosed in the tender, shall not be deemed to be a negotiation.
2. It is reiterated that in case L-1 backs-out, there should be a re-tender.
3. These instructions issue with the approval of the Commission and may please be noted for immediate compliance.



(Vineet Mathur)
Deputy Secretary

All Chief Vigilance Officers

No.005/CRD/12
Government of India
Central Vigilance Commission

Satarkta Bhawan, Block 'A',
GPO Complex, INA,
New Delhi- 110 023
Dated the 3rd October, 2006

Circular No. 37/10/06

Subject: Tendering process – negotiation with L1.

Reference is invited to Commission's instructions of even number dated 25.10.2005 on the above subject. A number of references have been received in the Commission, asking for clarification on issues pertaining to specific situations.

2. The Commission's guidelines were framed with a view to ensuring fair and transparent purchase procedure in the organizations. The guidelines are quite clear and it is for the organizations to take appropriate decision, keeping these guidelines in view. In case they want to take action in deviation or modification of the guidelines, to suit their requirements, it is for them to do so by recording the reasons and obtaining the approval of the competent authority for the same. However, in no case, should there be any compromise to transparency, equity or fair treatment to all the participants in a tender.

3. The above instructions may be noted for strict compliance.


(V. Kannan)
Director

All Chief Vigilance Officers

(Anil Kumar Dubey)
Deputy Secretary

All Chief Vigilance Officers

No.005/CRD/12
Government of India
Central Vigilance Commission

Satarkta Bhawan, Block-A,
GPO Complex, I.N.A,
New Delhi-110 023.
Dated : 25/10/2005

Office order No.68/10/05

Sub:- Tendering Process – Negotiation with L-1.

A workshop was organised on 27th July 2005 at SCOPE New Delhi, by the Central Vigilance Commission, to discuss issues relating to tendering process including negotiation with L-1. Following the deliberations in the above mentioned Work Shop, the following issues are clarified with reference to para 2.4 of Circular No. 8(1) (h)/98(1) dated 18th November, 1998 on negotiation with L-1, which reflect the broad consensus arrived at in the workshop.

- (i) There should not be any negotiations. Negotiations if at all shall be an exception and only in the case of proprietary items or in the case of items with limited source of supply. Negotiations shall be held with L-1 only. **Counter offers tantamount to negotiations and should be treated at par with negotiation.**
 - (ii) Negotiations can be recommended in exceptional circumstances only after due application of mind and recording valid, logical reasons justifying negotiations. In case of inability to obtain the desired results by way of reduction in rates and negotiations prove infructuous, satisfactory explanations are required to be recorded by the Committee who recommended the negotiations. The Committee shall be responsible for lack of application of mind in case its negotiations have only unnecessarily delayed the award of work/contract.
2. Further, it has been observed by the Commission that at times the Competent Authority takes unduly long time to exercise the power of accepting the tender or negotiate or re-tender. **Accordingly, the model time frame for according such approval to completion of the entire process of Award of tenders should not exceed one month from the date of submission of recommendations. In case the file has to be approved at the next higher level a maximum of 15 days may be added for clearance at each level. The overall time frame should be within the validity period of the tender/contract.**
3. In case of L-1 backing out there should be re-tendering as per extant instructions.
4. The above instructions may be circulated to all concerned for compliance.


(Anjana Dube)
Deputy Secretary

All Chief Vigilance Officers.

IMMEDIATE

**NO.3(V)/99/9
CENTRAL VIGILANCE COMMISSION**

**Satarkta Bhavan, Block "A"
GPO Complex, I.N.A.
New Delhi-110023**

Dated the 1st October, 1999

Subject:- Applicability of CVC's instruction No.8(1)(h)/98(1) dated 18/11/98 on post- tender negotiations to Projects of the World Bank & other international funding agencies.

The Commission has banned post- tender negotiations except with L-1 vide its instruction No.8(1)(h)/98(1) dated 18/11/98. Subsequently, the Commission had also issued a clarification vide No.98/ORD/1 dated 15/3/99. Notwithstanding the clarifications issued by the Commission, many Departments/Organisations have been approaching the Commission on specific issues which were clarified to the individual departments/organisations.

2. A clarification sought by many Departments/Organisation, which is vital and has relevance to many of the organisations relates to the applicability of the above said instruction of CVC to World Bank Projects. It has been decided after due consideration, that in so far as the World Bank Projects and other international funding agencies such as IMF, ADB etc. are concerned, the department/organisations have no other alternative but to go by the criteria prescribed by the World Bank/concerned agencies and the Commission's instruction would not be applicable specifically to those projects. However, the instructions of the CVC will be binding on purchases/sales made by the departments within the Country. The CVC's instruction of 18/11/98 will apply even if they are made with sources outside the Country and if they are within the budget provisions and normal operations of the Department/Organisation,

3. All CVOs may ensure strict compliance of this instruction.
4. This instruction is also available on CVC's Website at <http://cvc.nic.in>



1.10.99

(N.VITTAL)
CENTRAL VIGILANCE COMMISSIONER

To

- (i) The Secretaries of All Ministries/Departments of Government of India.
- (ii) The Chief Secretaries to All Union Territories
- (iii) The Comptroller & Auditor General of India
- (iv) The Chairman, Union Public Service Commission.
- (v) The Chief Executives of All PSEs/Public Sector Banks/Insurance Companies/Autonomous Organisations/Societies.
- (vi) The Chief Vigilance Officers in the Ministries/Departments/PSEs/Public Sector Banks/Insurance Companies/ Autonomous Organisations/Societies
- (vii) President's Secretariat / Vice- President's Secretariat / Lok Sabha Secretariat/ Rajya Sabha Secretariat/ PMO