### TAMIL NADU GENERATION AND DISTRIBUTION CORPORATION LIMITED ABSTRACT

TANGEDCO – Tender procedures –Simplification by adopting changes / modifications – Approval accorded – Orders issued

(Per) FB TANGEDCO Proceedings No.9

(Accounts Branch)

Dated: 14.10.2020 28, Puratasi matham Sarvari Varudam Thiruvalluvarandu-2051

**Read:** Minutes of the 96<sup>th</sup> Board Meeting of the TANGEDCO held on 29.09.2020 (Item No.96.34.1, 2, 3, 4, 5, 7 and 8)

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The Board in its 96<sup>th</sup> meeting held on 29.09.2020 has accorded approval for the recommendations of the Tender Simplification Committee and concurred by the Directors so as to simplify and save time in tender processing.

Accordingly, the following changes /modifications in tender practices/procedures have to be adopted:

#### 1) Empanelment of vendors:

Empanelment of vendors shall be followed to simplify the tender procedures so as to save time in evaluation of BID QUALIFICATION REQUIREMENTS (BQR) in the tenders.

The broad guidelines of Empanelment of vendors are:

- i. Empanel the eligible vendors may be done once in three years.
- ii. The process of Empanelment has to be started in the month of December and should be completed before the mid of March.
- iii. Empanelment Committee shall be formed at each wing.
- iv. New entrant shall also be included in the Empanelment of vendors.
- v. Till completion of vendor empanelment process, present practice shall be continued.

The list of eligible vendors shortlisted by empanelment committee shall be placed before concerned tender scrutiny committee for its concurrence.

#### 2) Reverse Bidding provisions:

Board had directed to adopt reverse bidding process and at a trail measure, TANGEDCO shall invite tender through reverse bidding in case of 7/3.15 AAAC conductors, Common meter reading instrument (CMRI), metering sets (11KV, 22KV, 33KV).

Similarly, TANTRANSCO shall also adopt reverse bidding as a trial measure.

## 3) Dispensing the concept of Permanent Earnest Money Deposit (PEMD) and collection of EMD for each tender:

Board had approved to dispense the concept of holding PEMD. Hence, the exemption from payment of EMD against the PEMD shall not be provided in the tenders henceforth.

The PEMD of the bidders shall be refunded upon request after ensuring that no due is pending for recovery from such bidders.

The EMD in each tender is being fixed at the rate not exceeding 1% value of tender.

#### 4) Maximum time period for Security Deposit Payment.

The time limit to collect security deposit is fixed as upto 30 days instead of existing time limit of 15 days and in the event of failure to remit security deposit within the prescribed period, EMD shall be forfeited and order be cancelled. The award may be made to L2 tender. The belated payment of security deposit shall not be accepted hereafter.

The Security Deposit has to be collected in the form of electronic mode of payment or DD or Banker's Cheque or where TANGEDCO/ TANTRANSCO deems fit irrevocable BG. The Security Deposit is being converted as Performance Guarantee after completion of the project. There are instances that the validity of the BG provided for security Deposit has not been extended to cover the Performance Guarantee period. If the Security Deposit is collected in the form of electronic mode of payment/DD/ Banker's Cheque, the above could be avoided.

#### 5) Quantity allocation only as per Act and Rules:

Quantity allocation between successful bidders shall be strictly made by adhering to the provisions of the Tamil Nadu Transparency in Tender Act and Rules.

The quantity allocation shall be in ascending order of evaluation and not on all the participant bidders i.e., 60% of the tendered quantity to the L1 bidder and the balance 40% to the L2 bidder if he matches the negotiated price of L1 bidder and if the L2 bidder is not matching with the L1, the next lowest bidder shall have to be called for matching in an ascending order.

#### 6) Dispensing of Accounts Branch remarks.

Approval and Ratification of Board has been made for the action of having dispensed the practice of offering the remarks of accounts branch in the tender proposals emanated by all the branches for placing before BLTC / Board for approval to avoid delay in processing tender.

# 7) Adopting Single part tender system in open tenders upto the tender value of Rs. 50 Crores in respect of Works Contract, Procurement of goods and services.

Consequent of enactment of Tamil Nadu Transparency in Tender Act, 1998 and Rules 2000, provisions in Tender Regulation 1991, which are not inconsistent with above said Act and Rules, are being adopted in TANGEDCO/ TANTRANSCO Tenders as per (Per) B.P (F.B) No.19 (Accounts Branch) dated 29.11.2001.

In the Tender Regulation 1991, it has been specified that two part system of tenders shall be adopted in the Board in respect of the following:

- "(a) All contract for purchase of equipments with an estimated cost of Rs.10 lakhs and above, except those covered by standard specification and where there is no scope for alternate design.
  - (b) All works contracts with an estimated cost of Rs.25 lakhs and above.
- (c) If the tenders are called specifying alternatives, then the procedure of twopart tenders should be followed.

In respect of other tenders, the authority competent to decide, the tender shall have the option to adopt the two-part system".

In order to avoid delay in processing and finalizing the tenders, Board has directed to dispense the two cover system for the value of tenders up to Rs.50 crores as it would save the time involved in obtaining approval of Competent Authority for opening of price bids of eligible bidders.

The above tender simplification procedures shall be adopted in TANTRANSCO also.

(By order of the Board)

K.Malarvizhi

Chief Financial Controller/General

To

All Chief Engineers

All Superintending Engineers

Copy to Executive Assistant to Director / Distribution.

Copy 0to Executive Assistant to Director /Generation.

Copy to Executive Assistant to Director /Finance

Copy to Executive Assistant to Director Project.

Copy to the Executive Engineer/Chairman cum Managing Director's Office.

The Secretary/TANGEDCO/Chennai -2.

The Director General of Police/Vigilance/TANGEDCO/ Chennai-2.

The Director / Computer/TANGEDCO/Chennai – 2.

All Financial Controllers.

The Chief Internal Audit Officer / BOAB/TANEDCO/Chennai-2

The Resident Audit Officer/TANGEDCO/Chennai-2.

All Deputy Financial Controllers.

The Assistant Personnel Officer/Tamil Development/ Chennai -2.

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The Accounts Officer / Establishment, O/o CFC/TANGEDCO/Chennai-2 (2 copies)

/ FORWARDED BY ORDER /

Signed on 14.10.2020

Deputy Financial Controller/Works (I/C)