



उत्तर प्रदेश पावर कारपोरेशन लिमिटेड

(उत्तर प्रदेश सरकार का उपक्रम)

U P POWER CORPORATION LTD.

(Govt. of Uttar Pradesh Undertaking)

CIN:U32201UP1999SGC024928

No:-1542-Works-14/PCL/2024-15-K-2024

Date: 09 August, 2024

Office Order

Government of India vide its O.M No.&F-1/2/2024-PPD dated 03-06-2024 has issued guidelines regarding Arbitration and Mediation in contracts of Domestic Public Procurement. To adopt these guidelines in UPPCL and all its subsidiary companies it is hereby ordered :-

1. The provisions of dispute resolution through arbitration under Arbitration and Conciliation Act, 1996 shall be deleted from all contracts / purchase orders / request for proposal (RFP)/ work orders to be issued, whether for capital works or for O&M works including those for deposit works, effective from the date of issue of this order in this regard.
2. Irrespective of the value of the contract, the dispute resolution mechanism to be followed by a way of two stage mediation for:
 - a. Disputes with value up to Rs 10 crore
 - b. Disputes with value greater than Rs 10 crore
3. Disputes with value up to Rs 10 crores will be dealt in the following manner:-
 - (i) In case of disputes with value less than / up to Rs 10 crore, the contractor / vendor will refer the matter to the Managing Director, UPPCL (MD), except in cases where MD, UPPCL himself is the other party in dispute, who will examine the dispute / grievance impartially and try to settle the same through the process of mediation in a time bound manner. For this purpose, MD may seek necessary advice / inputs from domain experts, finance experts and / or legal experts.
 - (ii) In the event that the contractor(s)/vendor(s) is/are not satisfied by the proposed solution they may refer the matter to a Conciliation Committee of Independent Experts (CCIE) for Mediation/Negotiation or Adjudication. In order to deal with such disputes, one or more CCIEs may be set up comprising the following members:
 - a. Former / retired officers of the rank of Principal Secretary to the Government of UP or above.
 - b. Sector experts, either retired or serving, having substantial domain knowledge of project development, execution and O&M of distribution systems not below the rank of Chief Engineer L1.
 - a. Experts in Finance and taxation, with experience in senior position in the sector / financial institutions, not below the rank of Chief General Manager/General Manager.
 - (iii) In exceptional cases of disputes (even with value less than Rs 10 Cr), where the decision would result in a policy change or a much wider impact than just being limited to the dispute in hand, MD, UPPCL may refer the same to Chairman, UPPCL for adjudication. The Chairman may adjudicate the dispute himself or refer the same to the High Level committee (HLC) as mentioned herein after.

4. Disputes with value greater than Rs 10 crore will be dealt in the following manner:-

- (i) In case of disputes with value greater than Rs 10 crore, the contractor / vendor will refer the matter to the Chairman, UPPCL who will examine the dispute / grievance impartially and try to settle the same through the process of mediation in a time bound manner. For this purpose, Chairman may seek necessary advice / inputs from domain experts, finance experts and/or legal experts.
 - (ii) Chairman may seek advice of a retired judge from the Hon. High Court/Hon. Supreme Court, if so required, at his discretion.
 - (iii) In the event that the contractor(s) / vendor(s) is/are not satisfied by the proposed solution through mediation, they may refer the matter to a High-Level Committee (HLC). In order to deal with such disputes, one or more HLCs may be set up comprising the following members:
 - a. Former / retired officers of the rank of Additional Chief Secretary to the Government of UP or above.
 - b. Sector experts, either retired or serving, having substantial domain knowledge of project development, execution and O&M of distribution systems not below the rank of Director of UPPCL.
 - c. Experts in Finance and taxation, with experience in senior position in the sector / financial institutions, not below the rank of Director of UPPCL.
 - (iv) In exceptional cases, the Chairman UPPCL may provide that the HLC will be headed by a retired judge of Hon. High Court/Hon. Supreme Court with the other three members as proposed above.
5. This order will be applicable with immediate effect and will be applied to all such agreements which are not yet signed, even if LoA/LoI etc have been issued. In case of any deviation, the matter will be referred to UPPCL Headquarter.

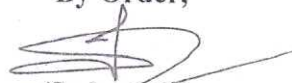
Board of Directors

No.-1542-works-14/UPPCL/2024-15-K-2024 Dated: 09 August, 2024

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

1. Chairman, U.P. Power Corporation Ltd., Shakti Bhawan, Lucknow.
2. Managing Director, U.P. Power Corporation Ltd., Shakti Bhawan, Lucknow.
3. Managing Director, PuVVNL, Varanasi /MVVNL, Lucknow/DVVNL, Agra/PVVNL, Meerut & Kesco Kanpur.
4. Director (PM & A/C.P./Fin./Dist./IT/Comm.), U.P. Power Corporation Ltd.
5. Director(P&M/Fin./Tech./Comm.), PuVVNL, Varanasi/MVVNL, Lucknow/DVVNL, Agra/PVVNL, Meerut & Kesco Kanpur.
6. All Chief Engineers, U.P. Power Corporation Ltd.
7. All Chief Engineers, PuVVNL, Varanasi /MVVNL, Lucknow/ DVVNL, Agra/PVVNL, Meerut & Kesco Kanpur.
8. All Superintending Engineers/Executive Engineers, PuVVNL, Varanasi /MVVNL, Lucknow/ DVVNL, Agra/PVVNL, Meerut & Kesco Kanpur.
9. All Deputy General Managers/ Deputy Chief Account Officers, UPPCL/PuVVNL, Varanasi /MVVNL, Lucknow/ DVVNL, Agra/PVVNL, Meerut & Kesco Kanpur.
10. Executive Engineer (Web), Room no. 407, Shakti Bhawan, Lucknow for uploading on UPPCL website www.uppcl.org .

By Order,



(Sadanand)

Joint Secretary (MPIT & Works)