



Policy For Reservation of Works to be awarded on Local Competitive Bidding Basis to PAFs and/or Locals residing near to the Project.

Preamble:

During the Management review meetings and discussions with the representatives of Project Affected Families (PAFs), the need was felt for inclusive growth of the society by providing opportunities of economic growth to PAFs and the locals residing near the Project. It was observed that the economic growth opportunities for the PAFs/Locals could be enhanced by voluntarily reserving and offering some works/contracts of repetitive nature to the PAFs and/or Locals where specific technical know-how is not required.

As such, to uphold the competitive nature of Bidding and simultaneously to safeguard the economic opportunities to PAFs and locals residing near to the Project, a suitable Policy for reservation of works for PAFs and/or locals has been proposed considering relaxations in the qualifying criteria for a certain period to create a pool of Experienced Contractors among the PAFs and the Locals.

The basic elements of the Policy are to reserve certain type of works requiring less technical know-how for PAFs and vendors having working experience and operating near to the Project, to be awarded through local competitive bidding with financial limits specified herein. The objective to reserve and award such works only to the PAFs and/or locals is to facilitate them and to ensure upliftment of their socio-economic conditions as per the financial limits and other conditions specified herein.

Policy

The Policy for Reservation of Works to be awarded on 'Local Competitive Bidding basis to PAFs and Locals residing near to the Ratle HE Project is proposed to be formulated keeping in view the basic principle that certain economic opportunities are provided to PAFs and/or Locals which shall help them in upliftment of their social and economic status. The details of the proposed Policy are drawn out as below:

I. Framework:

The policy is to provide economic opportunities to PAFs and Locals residing near to the Project in a transparent manner.

A. Definition of Project affected families (PAFs)

The definition of Project affected families (PAFs) shall be as per the definition provided in the "Right To Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013" and subsequent amendments, if any.

The definition of Project affected families (PAFs) in reference to Ratle HE Project shall be as follows:-

i) Families which are affected by the Project by acquisition of their land or other immovable property and whose names are included in the list of PAFs as per the



R&R Plan of the Project duly approved by the State Government. A Family who has been issued a valid Certificate by the concerned Revenue Collectorate/ Revenue Authorities establishing the fact that the land and/or other immobile property belonging to said family has been acquired for the Project, shall be considered as PAF as the case may be, to the satisfaction of Project Authorities.

B. Definition of Locals

The geographical limits for defining the local residents eligible under the policy at the individual Project shall be District(s) where the Project and its components are located. Chief Executive Officer (CEO), RHPCL has to notify the limits and intimate the same to the Local Administration.

II. Applicability:

This Policy shall be applicable to the Ratle HE Project.

III. List of Works to be reserved

Proposed Works to be reserved for awarding on Local Competitive Bidding basis to PAFs and/or Locals residing near to the project are detailed as below:

i. Works reserved for PAFs and/ or Locals

Award of petty contracts such as,

- a. Works pertaining to Environment Management Plan for the Proposed Project and Works related to Community Development (e.g. Water Supply Schemes, Construction of Panchayat Buildings, Cremation Ghats, Footpaths, Schools, etc.)
- b. Running and Maintenance and housekeeping services for Office Canteens and Guest houses/ Field Hostels/ Transit Camps and Office Complex of Projects.
- c. Horticulture/ Plantation Works and their maintenance.
- d. Painting and White washing of Buildings/ Structures in Township/ Offices/ other Components of Project except HM, E&M and some other Components requiring specialized techniques/equipment.
- e. Repair & Maintenance of buildings / structures in Township / Offices.
- f. Construction of Breast Wall/ Retaining Walls in Resettlement Colonies and Townships including their Maintenance.
- g. Construction and /or Maintenance of internal roads, certain stretches of Roads identified for execution, fencing, boundary wall, bush Cutting etc.
- h. Works related to Hydrological and Meteorological observations.



ii. Works reserved for PAFs

- a. Vehicle hiring
The already awarded work of hiring of vehicle may be continued till end of contract period and further such work be awarded to PAFs only. Vehicle hiring shall be from PAFs only. Where sufficient PAFs are not available/willing, then work can be sourced from Locals.
- b. Running and Maintenance and housekeeping services for Office Canteens and Guest houses/ Field Hostels/ Transit Camps upto Award limit of Rs. 15 Lakhs. Where sufficient PAFs are not available, then work can be sourced from Locals.
- c. Below mentioned works upto Award limit of Rs. 20 Lakhs be reserved for PAFs. Where sufficient PAFs are not available, then work can be sourced from Locals: -
 - i. Horticulture/ Plantation Works and their maintenance
 - ii. Painting and White washing of Buildings/ Structures in Township/ Offices/ other Components of Project except HM, E&M and some other Components requiring specialized techniques/equipment.
 - iii. Repair & Maintenance of buildings / structures in Township / Offices
 - iv. Construction of Breast Wall/ Retaining Walls in Resettlement Colonies and Townships including their Maintenance.
 - v. Construction and /or Maintenance of internal roads, certain stretches of Roads identified for execution, fencing, boundary wall, bush Cutting etc.
 - vi. Works related to Hydrological and Meteorological observations.

IV. Criteria for Award of Works:

a. Tendering Procedures and Bidding Documents:

The provisions for Procurement and Contract for Civil works and Services followed in RHPCL are applicable to this policy except the provisions specifically laid out in this Policy. The Bidding Documents shall be based upon the approved Standard Bidding Documents for Works, Services etc. for Local Competitive Bidding.

b. Who are eligible:

- i. PAFs, Individuals, partnership firms, group of people in the form of Cooperative societies/ Self Help Groups (SHGs)/Company (having 100% beneficiaries from the category of PAFs/Locals from the notified area) will only be considered under the policy for award of the reserved works/services.



- ii. The provisions regarding Micro and Small Enterprises and Start-ups as updated from time to time shall be applicable for this policy. The ownership of MSMEs/ Start-ups shall be from the entities listed at sl. No. b (i) above.

c. Limit of Works to be awarded to same entity:

For benefit of larger population of the nearby areas of Project, a maximum of 2 (Two) work/service can be awarded to the same entity at a given point of time. An entity having any two ongoing work/ service awarded under this Policy shall not be eligible for award of further work under the Policy till the completion of above ongoing work/service. Where PAFs/Locals are not available in sufficient numbers, the limit may be changed with approval of HoP/CEO, RHPCL. In case of PAFs, the “entity” as mentioned in the Policy shall be Project Affected Family/ groups of PAFs etc. as per definition of PAFs given at sl. No. 1(A) of the Policy. In case of locals, the “entity” as mentioned above shall be any individual/ Contractor from the geographical limits of local area as notified by the Project.

d. Tender Fee/EMD, Prior Turnover and Experience:

The requirement of Tender Fee/EMD and parameter of Prior Financial and Experience criteria may be waived off for works/ services up to financial limit of Rs. 10 Lakhs for a period of time as detailed below, to enable/ help to create a pool of experienced contractors among PAFs/ Locals during this period.

For Rattle Project, the period of waiver shall be for 3 years applicable from the date of implementation of this Policy. The provisions regarding Micro and Small Enterprises and Start-ups as updated from time to time shall be applicable for this policy. The ownership of MSMEs/ Start-ups shall be from the entities listed at sl. No. b (i) above.

e. Statutory Requirements:

The statutory requirements such as EPF, ESIC, Labour Licence, GST registration(as applicable), PAN etc. shall have to be followed.

f. Labour from local area:

Wherever applicable, a clause may be inserted in the tender document issued under this Policy regarding engaging of labour in the works/ services as follows:

“Contractor shall preferably engage/ employ labour from the local area and/or those belonging to PAFs”.

g. Performance Monitoring:

In case any contractor does not perform as per the requirement of contract, the contract would be terminated without any consequences to the contractor as per Contract provisions.



V. Financial Limit

The value of Works and Services to be awarded to any single entity at any point of time shall be limited to Rs.30 lakhs. In case of hiring of vehicles of more than one year, the value of award shall be considered per annum basis. An entity having any ongoing work/ service awarded under this Policy shall not be eligible for award of further works/services if the combined awarded value of new and ongoing works exceeds 30 lakhs. The definition of entity (a PAF or a local) shall be as given under sl. No. I(A) & I(B) above.

VI. Non-Participation

In the event of non-participation of PAFs/ Locals in the 'Local Competitive Bidding' process for the listed works reserved for PAFs and/or Locals, then CEO, RHPCL shall record circumstances/ reasons for such non-participation and may initiate the process afresh to award such works on Open Tender Basis.

VII. Project specific conditions may be included by the Project in specific tenders for work/services after the approval from Chief Executive Officer (RHPCL), subject to conforming to the intent of the policy.

VIII. This policy supersedes all the earlier versions of related policies, Office orders and Guidelines from the date of implementation of this policy.
