

F. No. 15-18/1/2020-H-II  
Government of India  
(Bharat Sarkar)  
Ministry of Power  
(Vidyut Mantralay)

Shram Shakti Bhawan, Rafi Marg  
New Delhi, the 5<sup>th</sup> October, 2021

1. Chief Secretaries of All the State Governments / UTs (As per list)
2. The Chairperson, Central Electricity Authority
3. The Chairman, Central Water Commission
4. CMDs of all the CPSUs under Ministry of Power (As per list)

**Subject:** Invitation for Expression of Interest (Eoi) for Empanelment of Independent Engineer (IE) in Hydro Contracts for Dispute Avoidance- regarding.

Sir,

With the approval of Hon'ble Union Cabinet Minister for Power and New and Renewable Energy, a Dispute Avoidance Mechanism through Independent Engineer has been introduced in hydro CPSUs in order to minimize / resolve contractual disputes at the inception stage itself. In this regard, Expression of Interest is hereby invited from eligible candidate(s) for empanelment as 'Independent Engineer' for Dispute Avoidance in hydro contracts of CPSUs under administrative control of this Ministry. It is requested that the enclosed notification may be given wide publicity in order to ensure maximum participation of eligible candidates.

**Encls: as above.**

Yours faithfully,

  
(Arun Aggarwal)

Under Secretary to the Government of India  
Tel.: 23705841

**Copy to:**

- ✓ **In-charge, NIC Cell** – with request to upload the Notification on the website of Ministry for wider publication.

Government of India  
Ministry of Power

Notification No. 15-18/1/2020-HYDEL-II(MoP) Date: ~~5.10~~ 2021 / 05.10.2021

**INVITATION FOR EXPRESSION OF INTEREST (EoI) FOR EMPANELMENT OF  
INDEPENDENT ENGINEER (IE) IN HYDRO CONTRACTS FOR DISPUTE AVOIDANCE**

**1.0 Background**

Delays in addressing disagreements or claims related to execution of contracts, results in significant financial and economic losses besides time and cost over runs in hydro power projects. Further, dispute resolution is a long-drawn process leading to unjustified and inflated claims with adverse impact on timely completion of projects involving termination of contracts and/or leading to arbitration. Fair and just resolution of disagreements related to contracts at inception stage, is key to successful performance of the contract as per scheduled timelines leading to effective utilization of budget as well as prevention of time and cost over runs.

Ministry of Power, Govt of India, has decided to address the aforementioned issues through a mechanism of an independent third party's intervention i.e by way of engaging Independent Engineer for the specific contracts of CPSEs of Ministry of Power. Independent Engineer shall be expert having domain knowledge of the subject as well as commercial and legal principles and who can have regular oversight over the project with open communication with all the key stakeholders that can play an effective role in the avoidance of disputes.

The main objectives of engaging 'Independent Engineer' are as follows:

- i. To reduce the conversion of initial disagreements over issues into full-fledged disputes.
- ii. For expeditious elimination of disagreements in a just and fair manner.
- iii. To avoid time and cost overruns to ensure timely completion of the Projects.

With the above objectives in view, Ministry of Power, Govt of India, intends to select and empanel domain specific experts with high level of integrity and proven track record, by adopting a transparent and objective selection process as per the requirements set out in this EoI.

**2.0 Expression of Interest**

Expression of Interest (EoI) is invited from domestic domain specific individual experts in hydro power sector (Engineering design/Civil works/Hydro Mechanical Works/Electro-Mechanical works/Electrical Switchgear/Geology/Quality Assurance & Inspection etc.), for advising hydro sector clients (Developer and Contractor) and addressing their issues under Dispute Avoidance Mechanism.

**3.0 Eligibility and Experience Requirements**

A retired person with the following qualifications and experience shall be eligible to apply to be empanelled as an 'Independent Engineer' (IE) for Hydro Power Sector :

- Has held the post of Chairman and Managing Director/Managing Director, Chief Executive

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Officer, Functional Director of the Board, Executive Director (E-9) or above of any CPSE of Govt. of India engaged in development / implementation , operation and maintenance of projects in Hydro Sector including Hydro Power plants / Pumped Storage Plants / Multipurpose Power projects;

**OR**

- Has held the post of Chief Engineer in Central Electricity Authority / Central Water Commission or equivalent in any other body of Govt. of India / State Govt. engaged in planning /designing/ development of projects in Hydro Sector including Hydro Power plants / Pumped Storage Plants / Multipurpose Power projects;

**4.0 Broad Scope of Work**

The broad scope of work of the IE shall include the following:

- ☐ The role of 'Independent Engineer' under 'Dispute Avoidance Mechanism' is an impartial and fair exercise, where the 'Independent Engineer' has to act as a neutral third-party facilitator. Success of resolving the contentious issues / small disagreements relies to a large degree not only on the thorough understanding of the 'Independent Engineer' but also to the constant involvement of Independent Engineer in day-to-day construction activities at the project site.;
- ☐ In the event of any disagreement between the Parties regarding the meaning, scope and nature of Good Industry Practice as set forth in any provision of the Agreement, the Independent Engineer shall specify such meaning, scope and nature by issuing a reasoned written statement relying on good industry practice and authentic literature;
- ☐ It will be mandatory for the IE to visit the site once in every two (2) months to be constantly aware of the ongoing project activities and to have a fair idea of any situation that may lead to disagreement between the parties. Further, additional visits may also be undertaken as and when called upon to address issues of disagreements.
- ☐ The IE will examine all the work fronts of the project to familiarize with the ongoing works and prepare and maintain a detailed diary of activities including the observations on the mobilization of resources vis-à-vis the provisions of contract signed between the parties (Client and Contractor). He will also ascertain the compliance of all provisions of the contract signed between the parties and make comments on technical specifications, quality control aspects, risk occurrence register, geological mapping, sample collections, instruments monitoring and measurement etc.;
- ☐ In order to resolve any contentious issues/ disagreements and evaluate the financial implications of any contentious issue in accordance with the provisions of contract signed between the parties, the IE shall examine the hindrance registers, daily progress report register, approved construction and engineering drawings and methodology, details of notification of incident by the contractor substantiated with details/documents, details of idling of equipment & manpower, variation instructions, inspection and test reports, certificates and other documents pertinent to the performance of the contract.
- ☐ IE shall invariably keep the duration of site visits not less than five (5) days excluding