



Himachal Pradesh Power Corporation Limited

(A State Govt. Undertaking)

Himfed Building, BCS, New Shimla, Shimla-171009.

Phone: 0177-2670633, Fax No.: 0177-2671589

CIN:U40101HP2006SGC030591



No.HPPCL/P&A/PRM/Policy Personnel/ADRC/2017- 15023-45

Dated:- 12/01/2023

Circular No. 10/2022

Subject:- Amendment in the Provisions of Alternate Dispute Resolution Policy

Various disputes in respect of awarded contracts related to different projects are pending/adjudicated at various level of dispute resolution i.e. Dispute Boards(DB), Arbitral Tribunal(AT) and Court of Law. Considering the fact, that the stakes involved are high, as the cost and time used in defending/contesting such cases either equals or more than that of the actual claim, a dire need was felt to address these issues and decide the future course of action, once, the decision of the Dispute Board(DB)/Arbitral Tribunal(AT)/Court of Law is received and as such the "Alternate Dispute Resolution Policy" of HPPCL was notified, vide Circular No.2/2017 dated 16/03/2018.

However, the Management of HPPCL has thought appropriate that in order to pace up the decision making for dispute resolution & decide on the future course of action for acceptance and rejection of decisions of DB/AT/Court, in respect of the claims of the contractor, a Permanent **High Level Power Committee** be constituted and as such the existing provisions of the "Alternate Dispute Resolution Policy" notified vide Circular No.2/2017 dated 16/03/2018 are amended as under:

1. The Alternate Dispute Resolution Cell(ADRC) and the Standing Committee as notified at Para 2 of the "Alternate Dispute Resolution Policy" stands **dissolved** and following Permanent **High Level Power Committee is hereby constituted for all the disputes related to & arising out of the Civil & Electrical "Works" and "Procurement of Goods and Services"**

- i) For all disputes related to & arising out of "Civil Works" and "Procurement of Goods and Services"

1. The Director (Civil)- Chairman.
2. Head of Concerned Project- Member –cum-Presenting Officer.
3. The General Manager (Civil Contracts)- Member.
4. The General Manager (Corporate Planning)- Member.
5. The General Manager from Project other than concerned project to be nominated by the Director (Civil)- Member.
6. The General Manager (Electrical)- Member.
7. The AGM/DGM (Civil Contracts)- Member Secretary.
8. The Additional General Manager (Finance)- Member.
9. The Head of Legal Cell- Member.



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- ii) **For all disputes related to & arising out of Electrical "Works" and "Procurement of Goods and Services"**
1. The Director (Electrical)- Chairman.
 2. Head of Concerned Project- Member –cum-Presenting Officer).
 3. The General Manager (Electrical) - Member.
 4. The General Manager (Generation) - Member.
 5. The General Manager (Civil Contracts)- Member.
 6. The AGM/DGM (Electrical Contracts)- Member Secretary.
 7. The Additional General Manager (Finance)- Member.
 8. The Head of Legal Cell- Member.
2. In respect of the disputes **related to & arising out of "Works" and "Procurement of Goods and Services" of other functional areas** i.e. Personnel/Finance/ IT/ Environment matters etc., the Managing Director/Functional Director will decided and refer the matter to the appropriate committee constituted by them in this regard.
3. Consequent upon the creation of Permanent **High Level Power Committee**, the procedural instructions issued vide the "Alternate Dispute Resolution Policy" are also amended to the following extent:

S.N	Current Procedural Instructions	Amended Procedural Instructions
1.	Instruction No.1: In respect of the works awarded with the approval of Director/ Managing Director/ Board of Directors (BoDs), immediately after receiving the decision of DB and on/or notification of any dispute by the contractor for reference to AT. a) The concerned HoP/EIC will submit the complete case alongwith detailed comments and clear-cut recommendations to the ADRC in respect of the disputes pertaining to Civil Work packages. b) The concerned HoP/EIC will submit the complete case alongwith detailed comments and clear cut recommendations to the Corporate Electrical Contracts who in turn shall	In respect of the works awarded with the approval of Director/ Managing Director/ Board of Directors (BoDs) OR any other matter referred by the Functional Director or by Managing Director, immediately after receiving the decision of DB and on/or notification of any dispute by the contractor for reference to AT. a) The concerned HoP/EIC will submit the complete case, detailed comments and clear-cut recommendations alongwith the Advice of Legal Counsel, if any engaged, shall also be enclosed to the "Corporate Civil Contract Cell" who in turn shall forward the case with comments/recommendations to member secretary of the Permanent High Level Power Committee (HLPC) in respect of the disputes pertaining to Civil Work packages for placing before HLPC.



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	forward the case with comments/recommendations to ADRC in respect of disputes pertaining to Electro-Mechanical work package and Wind/Solar Power Projects.	b) The concerned HoP/EIC will submit the complete case, detailed comments and clear cut recommendations alongwith the Advice of Legal Counsel, if any engaged, shall also be enclosed to the Corporate Electrical Contracts who in turn shall forward the case with comments/recommendations to member secretary of the Permanent High Level Power Committee (HLPC) in respect of disputes pertaining to Electro-Mechanical work package and Wind/Solar Power Projects for placing before HLPC..
2.	Instruction No.2: In respect of the disputes pertaining to procurement of Goods and Services at Corporate Office, immediately after receiving the decision of DB and on/ or notification of any dispute by the contractor for reference to AT, the respective HoD will submit the complete case alongwith the detailed comments and clear cut recommendations to the ADRC.	In respect of the disputes pertaining to procurement of Goods and Services at Corporate Office OR any other matter referred by the Functional Director or by Managing Director , immediately after receiving the decision of DB and on/ or notification of any dispute by the contractor for reference to AT, the respective HoD will submit the complete case, detailed comments and clear cut recommendations alongwith the Advice of Legal Counsel, if any engaged, shall also be enclosed to the member secretary of respective Permanent High Level Power Committee (HLPC) for placing it before the HLPC.
3.	Instruction No.3: The Concerned officer from the Project/Corporate Office shall present the case before the ADRC. The ADRC after considering the case in totality shall submit its recommendations normally within a period of two to three weeks to the Head of Corporate Civil Contracts.	The Concerned HoP/HoD from the Project/Corporate Office respectively shall present the case before the Permanent High Level Power Committee . The Permanent High Level Power Committee after considering the case in totality shall submit its recommendations by fast tracking the process to the Whole Time Directors of HPPCL including Managing Director .
4.	Instruction No.4: After obtaining the recommendations/comments of ADRC, the Head of Corporate Civil Contract shall submit the case alongwith the	Stands Deleted

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	recommendations to Whole Time Directors(WTD) which shall comprise all Whole Time Directors of HPPCL excluding Managing Director	
5.	Instruction No.5: The WTD shall further submit its recommendations as whether to contest/defend the case at next level or otherwise to the Managing Director, HPPCL within two weeks time	Stands Deleted
6.	Instruction No.6: After decision on the matter by the Managing Director (or BoD's in case Managing Director deems it fit to refer the matter to BoD), the process to refer the matter to the adjudicating forum shall be initiated. In case the decision is to be accepted the same shall be placed before the Competent Authority for approval.	After decision on the matter by the WTD (or BoD's in case WTD deems it fit to refer the matter to BoD), the process to refer the matter to the adjudicating forum shall be initiated. In case the decision is to be accepted the same shall be conveyed to the concerned for further necessary action.
7.	Instruction No.7: Steps 1-6 above shall be repeated (even if it is the same case) when the case is moved from AT to court of law and from one court to another court after receiving the decision therefrom.	Status Quo.
8.	Instruction No.8: After the decision is obtained as per Sr. No.: 5 above, the concerned HoP/EIC/HoD shall in consultation with concerned Finance and legal counsel, if any engaged, prepare and finalize Statement of Defence (SoD), Statement of Claim (SoC) re-joinders/ sub-rejoinder etc. and submit the same to ADRC in the same manner as indicated at Sr. No. 1 & 2 above for vetting, well in advance of stipulated timeline for filing the same..	After the decision is obtained as per Instruction No.: 6 above, the concerned HoP/EIC/HoD shall in consultation with concerned Finance and legal counsel, if any engaged, prepare and finalize Statement of Defence (SoD), Statement of Claim (SoC) re-joinders/ sub-rejoinder etc.
9.	Instruction No. 9 After vetting, the final documents duly signed by the HoP/EIC/HoD/DGMP&A wing as the case may be, shall be filled before the AT/Court by the authorized presenting officer/ through counsel before the	The final documents duly signed by the HoP/EIC/HoD/DGM, P&A wing as the case may be, shall be filled before the AT/Court by the authorized presenting officer/ through counsel before the expiry of stipulated timeline/ limitation period. As per System Circular No.: HPPCL/P7A-



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	expiry of stipulated timeline/ limitation period. As per System Circular No.: HPPCL/P7A-Law/General- Vol-IV/2013-193-212 dated 17-05-2013 the case shall be defended by the concerned HoP/ HoD. The representative from concerned Finance and Corporate Legal Cell will associate in the proceedings before Adjudicator/ DB/AT/ Court.	Law/General- Vol-IV/2013-193-212 dated 17-05-2013 the case shall be defended by the concerned HoP/ HoD. The representative from concerned Finance and Corporate Legal Cell will associate in the proceedings before Adjudicator/ DB/AT/ Court.
10.	Instruction No. 10 In respect of the disputes pertaining to works/ procurement of goods and services awarded at project level, the same shall continue to be processed/ managed at the project levels by the respective HoPs,	Status Quo.

Further the **Member Secretary** and **HoP/HoD** concerned will ensure that the case may be processed within the timeline defined in the Contract or any other guidelines/ instructions/ orders issued in this regard.

The above amendments will come into force with immediate effect. Further, the existing matters which are placed/ to be placed before the ADRC, henceforth, shall stand transferred to Permanent **High Level Power Committee**.

Alternate Dispute Resolution Policy is to supplement the HPPCL's dispute resolution process. HPPCL reserve the right to add/ amend/ delete any or all of the provisions. ADR is voluntary and the choice of when and how to use ADR is within the discretion of HPPCL.

All concerned are accordingly directed to comply with the above policy in letter & spirit.

[Signature]
Director (Personnel)

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

- 1) ES to the Managing Director, HPPCL for information of worthy Managing Director.
- 2) The Director (Civil), HPPCL.
- 3) The Director (Electrical), HPPCL.
- 4) The Director (Finance), HPPCL.
- 5) All the HoPs/ HoDs in HPPCL.
- 6) The AGM (F&A), HPPCL.
- 7) Sr. Manager(IT), HPPCL with a request to upload the Circular on the official website of HPPCL.
- 8) Dy. Controller(F&A),HPPCL.
- 9) Guard file of Director(Personnel)
- 10) Guard File

[Signature]
12.01.23
Director (Personnel)