

GOVT. OF NATIONAL CAPITAL TERRITORY OF DELHI
DELHI URBAN SHELTER IMPROVEMENT BOARD
PUNĒRVAS BHAWAN, I.P. ESTATE,
NEW DELHI-110002

No. V6/1202(8)/2020/DUSIB(via)-D-974

Date: 21-12-2020

ORDER

Subject: Time bound processing of procurement of goods and services

It has been observed that at times the processing of tenders is inordinately delayed which may result in time and cost over runs and also invite criticism. It is, therefore, essential that tenders are finalized and contracts are awarded in a time bound manner within original validity of the tender without seeking further extension of validity. While a short validity period calls for prompt finalization by observing specific time-line for processing, a longer validity period has the disadvantage of vendors loading their offers in anticipation of likely increase in costs during the period. Hence, it is important to fix the period of validity with utmost care.

2. In view of the above, extension of contract is hereby prohibited with immediate effect in normal course.

3. A reasonable time should be fixed for the bids to remain valid while issuing tender enquiries keeping in view the complexity of the tender, time required for processing the tender and seeking the approval of the Competent Authority, etc and to ensure the finalization of tender within the stipulated original validity. Any delay, which is not due to unforeseen circumstances, shall be viewed seriously and prompt action shall be initiated against those found responsible for non-performance.

4. However, cases requiring extension of validity should be rare. And in the exceptional situations where the validity period is sought to be extended, it should be imperative to bring on record, valid and logical grounds, necessitating extension of the said validity.

5. Only in exceptional circumstances the extension of the duration or effectivity of an ongoing contract about to expire, should be proposed under the following conditions:

- a. The original contract subject of the extension was awarded as a result of competitive bidding, Limited Source Bidding or Negotiated Procurement.
- b. There should be a certification by the Chief Engineer/Director concerned that efforts are being undertaken toward procuring the required services.
- c. The Chief Engineer/Director shall certifies that it cannot award a new contract anytime before or within a month after the expiration of the term of the original contract because of circumstances beyond its control.
- d. In any case, the Chief Engineer/Director shall certify that the contemplated extension is merely an emergency measure to maintain status quo in the operations of the Division and to avoid interruption of service.

Contd. page 2.

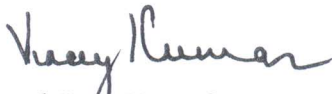


FOLLOWING STEPS FOR EXTENSION OF CONTRACT SHOULD BE FOLLOWED:

- A. Unless otherwise approved by the CEO, DUSIB and upon duly justified proposal by the Chief Engineer/Director, contract extension shall be allowed only on a periodic month-to-month basis not to exceed an aggregate period of three (3) months. The first monthly extension shall reckon from the day immediately following the last day of the period of the original contract; provided, that the Chief Engineer/Director, prior to that date, has substantially undertaken procurement activities required prior to award. Succeeding monthly extensions shall reckon from the day immediately following the last day of the period of the preceding monthly extension.
- B. Any contract extension must be subject to the condition that the service provider has not violated any of the provisions of the original contract.
- C. Chief Engineer/Director shall ensure the expeditious completion of the procurement process.
- D. The terms and conditions of the original contract shall not be changed or modified, except when changes or modifications will redound to the advantage of the government at no additional cost to the Department.
- E. No further contract extension shall be allowed after the Chief Engineer/Director have issued the Notice to Proceed in favour of the contract awardees except to complete the period of the original contract or the agreed period of the extension. The Chief Engineer/Director shall ensure that contract periods of the renewed contract and the new contract shall not overlap.
6. These guidelines in the order shall cover current as well as extended contract with effect from the date of expiry of original contract.

EFFECTIVELY these guidelines or any amendments hereto shall take effect immediately.

This issue with the approval of CEO, DUSIB.


(Vinay Kumar)

MEMBER (Admn./Fin./Engineering)

Copy for distribution to:

1. Chief Engineer (Civil I & II)/(Electrical)
2. All SE/Director RP/ Director (Night Shelter)/B&FO
3. All Dy. Director/EE
4. System Analyst to post the same on website of DUSIB.

DD (IT/SYSTEMS)

Copy for information to:

1. PS to CEO, DUSIB
2. PS to Member (Admin./Fin./Engg.)