

कोल इण्डिया लिमिटेड

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Ref. No. CIL/C2D/e-Procurement Guidelines/2013/1859

Date: 25.02.2013

OFFICE ORDER

The guidelines for e-Procurement of Materials by CIL and its Subsidiary Cos. have been approved by CIL Board in its 293rd meeting held on 16th January 2013. A copy of the guidelines is annexed as Annexure-I.

These guidelines will form a part of CIL Purchase Manual and will supersede all relevant provisions of Purchase Manual in case of e-Procurement.

CIL Board, while approving the above guidelines for e-Procurement, has directed that tender should be finalized as quickly as possible under e-tendering process and in any case the period taken should be less than the manual process.

Encl.: Guidelines for e-Procurement of Materials
by CIL and its Subsidiary Cos. in Annexure-I.

Yours faithfully,

(Atul Agarwal)
General Manager (MM)

De. UA.
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CC to:

1. CMD, BCCL/CCL/CMPDIL/ECL/ MCL/NCL /SECL/WCL.
2. Director (Tech.), CIL /Director (F), CIL/Director (Marketing), CIL/ Director (P&IR), CIL/ CVO, CIL.
3. Director (Tech.), BCCL/CCL/CMPDIL/ECL/ MCL/NCL /SECL/WCL.
4. Director (F), BCCL/CCL/CMPDIL/ECL/ MCL/NCL /SECL/WCL.
5. TS to Chairman, CIL/ TS to Director (Tech.), CIL.
6. GM (F) I/C, CIL/GM (EED), CIL/GM (System), CIL/GM (Telecom), CIL.
7. GM (MM), BCCL/CCL/CMPDIL/ECL/ MCL/NCL /SECL/WCL.
8. CGM (F)/GM (F), BCCL/CCL/CMPDIL/ECL/ MCL/NCL /SECL/WCL.
9. CGM, NEC.
10. Company Secretary, CIL- This has reference to approval of CIL Board communicated vide your letter No. 5736 dated. 29/01/2013 and No. 5899 dated 25/02/2013.
11. All Executives of MM Division, CIL.

CC: CVOs, - All Subsidiary Companies .

Guidelines for e-Procurement of Materials for Coal India Limited (CIL) and its Subsidiaries.

- 1. Preface:** - Electronic procurement (e-procurement) is the use of information and communication technology (specially the internet) by the buyer (in this case CIL and its subsidiaries) in conducting their procurement processes with supplier for the acquisition of goods (supplies), works and services with the aim of open, non-discriminatory and efficient procurement through transparent procedures.

These guidelines may be modified with the approval of Chairman, CIL in order to comply with new or changed laws, directives or guidelines issued by Govt of India (GOI). These guidelines may also be modified with the approval of Chairman, CIL for reasons which, amongst others, may include (a) Improvement in the System functionality (b) Enhanced convenience to the users of the System and (c) Technical limitation in implementation of any feature as proposed in this document; however, all such modifications may not compromise with the basic principles of manual public procurement as given in Guidelines of the Central Vigilance Commission (CVC), the basic Legal, Security and Transparency related requirements and corresponding procedures.

The individual subsidiary companies may seek approval of respective CMDs (*Chairman, CIL in case of CIL) for adopting any particular system required for a particular case.

- 2. Service Provider:-** A Service Provider will be engaged by CIL for CIL and all its subsidiary Companies. The e-procurement systems and processes used by the Service provider shall have to be compliant to all the applicable Laws of India as also to the directives/instructions issued by competent agencies which, amongst others, may include CVC, Standardisation Testing and Quality Certification (STQC) Directorate of the Ministry of Communications & Information Technology, Procurement Policy Division of the Ministry of Finance and Ministry of Coal of GOI.

- 3. SCOPE :-** The e-procurement system will cover the following:

I. Tenders having Indent value/ Tender Value of Rs 2 Lakhs and above.

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- II. All the steps involved starting from hosting of Tenders (based on approved and financially concurred Indent/Material Budget) till determination of techno commercially acceptable lowest bidder is covered like Hosting of NIT, Downloading and submission of bids, Opening of Tender and Evaluation of bids on line on a dedicated e-procurement portal of the company with validation of Tender Committee at nodal stages only. The Portal will also archive the information and generate Reports required for the MIS/Decision Support System of CIL/Subsidiary Cos.
- III. The other terms and conditions of NIT, not covered under this document, will be as per the Purchase Manual of CIL.

Note:-

1. The Purchase Manual of CIL is available on the website www.coalindia.in
2. The Guidelines of e-Procurement for material in CIL/ Sub. Cos. will be available on www.coalindia.in

4. THE ORGANISATIONAL SETUP

An e-procurement cell at CIL and each Subsidiary shall be created whose responsibility shall be as below.

- a. To co-ordinate and correspond with Service Provider, Bidders, User Departments and other concerned authorities such as Banks, Auditors etc. for the effective and efficient implementation of e-procurement consistent with these guidelines
- b. Arrangement of Training to Bidders and Departmental Users for adoption of automated web based e-procurement mode.
- c. To coordinate for the infrastructure development for the proper implementation of the e-Procurement system
- d. To create a helpdesk for online and offline support to different stakeholders of the system
- e. To arrange and update the Digital Signature Certificate for departmental users
- f. To arrange Publicity and facilitate change management for smooth migration from manual system of tendering to electronic mode.
- g. To finalize the different documents, formats etc. for the e-procurement system.
- h. To Administer the e-Procurement Application and Online User Management.

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5. THE PROCESS :

- a. The e-procurement portal shall be in compliance with all relevant Laws of India including the Information Technology Act 2000 and Information Technology (Amendment) Act 2008 and subsequent amendments , if any.
- b. Tenders will be published in the e-Procurement portal by authorized executives of CIL/ Subsidiary Co. with Digital Signature Certificate (DSC) issued with the approval of the competent authority. The authorized executive for this purpose will normally be the HOD of the Material Management/ Purchase department. The tender may be created by the executive as authorized by the HOD, publishing the tender.

While creating/publishing the tender the "Bid Openers" will be identified. For the purpose of tender opening, e-tender may envisage names of four officers (two from MM Discipline and two from Associate Finance) for various tenders. A provision may be kept that tenders may be opened by any two of the above four officers (essentially one from MM Discipline and one from Finance Discipline.)

In case of Tenders floated by MM/Purchase department at CIL/ Subsidiary HQ., the Bid Openers will be the executives posted at CIL/ Subsidiary HQ only and in case of Tenders floated by Area authorities, the Bid Openers will be the executives posted at Area office only. Any individual may have multiple roles in this system.

- c. The Digital Signature Certificates have to be obtained for CIL/ Subsidiary Co. users from certifying agency of NIC which is authorized by Controller of Certifying Authority (CCA) of Govt. of India. The bidders will have to obtain the Digital Signature Certificate from any Certifying Agency, which is authorized by CCA.
- d. Tender will be floated on-line by the MM/Purchase department indicating all the salient details such as description of items, indent value, delivery period, bid validity period, date of pre-bid meeting (if required), start date and last date & time of submission of bid, period for seeking clarifications online by the bidder, date and time of opening of Techno commercial bid etc. and by uploading Notice Inviting Tender (NIT) and Terms & Conditions of supply contract.

After creation of tender a unique "Tender Id" is automatically generated by the system.

The tenders shall be floated on the dedicated e-Procurement portal of CIL/ Subsidiary Cos. and the information will also be hosted in a prescribed format on the Government tender website

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<https://www.tenders.gov.in> and Central Public Procurement Portal (CPP) <http://www.eprocure.gov.in> which shall contain the Description of items, Indent Value/Tender Value, start date and end date of bid submission, date of opening of part-I tender, contact addresses, the Unique Resource Locator (URL) of CIL/ Subsidiary Co.'s tender website for downloading and submission of bid etc.

There shall be no sale of hard copies of tender from issuing Offices. Tenders can be accessed by the prospective bidders on above websites and may be downloaded by them.

In each tender having Indent Value/Tender Value above a threshold value and for all Global Tenders, an Independent External Monitor (IEM) is to be nominated as per Integrity Pact. IEM's name and address is to be given in the NIT and the Integrity Pact will be a part of the NIT document.

Pre-bid meeting may take place, if required, after publication of Tender but in any case at least 1 day before the start date of bid submission. The pre-bid meeting shall be held on the scheduled date & time, if specified in the NIT. The purpose of the pre-bid meeting is to clarify the issues and to answer the questions on any matter that may be raised at that stage. Non-attendance at the pre-bid meeting will not be a cause for disqualification of bidder and it shall be presumed that the bidder does not require any clarification. However, there should be no change in the basic feature of NIT.

- e. The bid submission will start from the next day of e-publication of NIT, but if there is a pre-bid meeting, it will start on the next day of pre-bid meeting.
- (i) Publication of Tender Notice in Newspaper:- The Publication of Tender Notices in Newspaper/ITJ may continue as envisaged in CIL Purchase Manual and policy of the respective companies regarding publication in Newspaper. However, the minimum time should be 21 days for open tender and 30 days in case of global tender. This minimum time shall be counted from date of uploading of tender on CIL/ Sub. Co. Website/ CPP Portal.
- (ii) Limited Tenders:- The above e- Procurement guidelines shall be applicable for limited tenders as well. LTE may be issued to the short listed firms through the e-procurement portal by e-mail alongwith SMS alert. Offers from these short listed firms may received through the e-procurement portal as e-tender only.
- (iii) Single Tender:- In cases where tender is required to be issued to a single party either on single tender basis or on proprietary basis, the enquiry may be sent to the concerned firm through

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the e-procurement portal by e-mail along with SMS alert. Offer will also be required to be submitted by the bidder through the system as e-tender only.

- f. The Tender can be downloaded by any prospective bidder from the website free of cost. The download of tender may start immediately after e-Publication of NIT and shall continue till the last date and time of bid submission.

In all cases of e-tendering there shall not be any tender fee or cost of tender documents payable by the prospective bidder.

Registration/Enrollment of Bidder on e-procurement Portal of CIL:

In order to submit the Bid, the bidders have to get themselves registered online on the e-Procurement portal of CIL with valid Digital Signature Certificate (DSC) issued from any agency authorized by CCA and which can be traced up to the chain of trust to the Root Certificate of CCA. The online Registration of the Bidders on the portal will be free of cost and one time activity only. The registration should be in the name of bidder, whereas DSC holder may be either bidder himself or his duly authorized person.

The bidders will have to accept unconditionally the online user portal agreement which contains the acceptance of all the Terms and Conditions of NIT including Commercial and General Terms & Conditions and other conditions, if any, along with on-line undertaking in support of the authenticity of the declarations regarding the facts, figures, information and documents furnished by the Bidder on-line in order to become an eligible bidder. No conditional bid shall be allowed/accepted.

- g. The bidder will have to give an undertaking online that if the information/declaration/scanned documents furnished in support of the same in respect of eligibility criteria is found to be wrong or misleading at any stage, they will be liable to be punitive action.
- h. The bidder may seek clarification on-line within the specified period. His identity will not be disclosed by the system. The department will clarify as far as possible the relevant queries of bidders. The clarifications given by department will be visible to all the bidders intending to participate in that tender. The clarifications may be asked from the next day of e-publication of NIT. The last date for seeking clarification will be up to 15 (fifteen) days before the last date of submission of bid and the last date of giving clarification on-line will be up to 7 (Seven) days before the last date of submission of bid.

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The tender publishing authority will be responsible for giving the clarifications online within the prescribed time frame.

As the clarifications shall be of explanatory nature only without altering the basic tenants of the tender documents, therefore technical clarifications and commercial clarifications may be issued with the approval of head of Technical Department/ Head of MM(Purchase) Department respectively.

- i. Corrigendum should be issued only in exceptional cases with the due approval of competent authority. However, corrigendum to NIT will be possible on-line with respect to extension of date and address. However, the extension of date for an event/activity will be possible only before the expiry of earlier specified date and time for that particular event. Preponement of date for any event/activity is not permitted. Any corrigendum other than extension of date and change of address is not allowed. The scanned copy of corrigendum notice is to be uploaded on the e-Procurement Portal and also on the portal where the original NIT has been published.
- j. The bidder will submit their Techno commercial Bid and Price bid on-line. No off-line bid shall be accepted.

The bidder will be required to submit EMD through ONLINE mode only.

In Online mode the bidder can make payment of EMD either through net banking from designated Bank or through NEFT/RTGS from any scheduled Bank.

In case of payment through net banking, the money will be immediately transferred to CIL/Subsidiary Cos. designated Account. In case of payment through NEFT/RTGS the bidder will have to make payment as per the Challans (separate challans for Application Fee & EMD) generated by system on e-Procurement portal and will have to furnish online the alpha-numeric Unique Transaction Reference (UTR) Number [for Application Fee & EMD separately] before submission of bid. The payment made through NEFT/RTGS must be received in CIL/Subsidiary Cos. designated Account before the last date and time of submission of bid.

In case of exemption of EMD the scanned copy of document in support of exemption will have to be uploaded by the bidder during bid submission. The EMD will be as per the Purchase Manual of CIL.

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- k. The bidders will have to upload scanned copies of various documents required for eligibility and all other documents as specified in NIT, in Cover-I, and "Price-bid" in Cover-II.

1. Technical Parameter Sheet: The Technical Parameter Sheet containing the technical specification parameters for each tendered item will be in Excel format or any other format as specified in NIT (password protected) and will be uploaded during tender creation. This will be downloaded by the bidder and he will furnish all the required information on this file. Thereafter, the bidder will upload the same file during bid submission in General Technical Evaluation (GTE). The Technical Parameter Sheet which is incomplete and not submitted as per instruction given above will be rejected.

2. Price bid: The Price bid containing the bill of quantity will be in Excel format or any other format as specified in NIT (password protected) and will be uploaded during tender creation. This will be downloaded by the bidder and he will quote the rates, taxes & duties etc. for his offered items on this Excel file. Thereafter, the bidder will upload the same Excel file during bid submission in cover-II. The L-1 will be decided for each item/module as stipulated in the NIT. The Price-bids of the tenderers will have no condition. The Price Bid which is incomplete and not submitted as per instruction given above will be rejected.

- l. Modification of the submitted bid shall be allowed online only before the deadline of submission of tender and the bidder may modify and resubmit the bid online as many times as he may wish.

Bidders may withdraw their bids online within the end date of bid submission.

m. The Techno Commercial bid will be opened on the pre-scheduled date and time of tender opening. The Techno Commercial bids (Cover-I) will be decrypted on-line and will be opened by the "Bid Openers" with their Digital Signature Certificates. The Bidders may view the bid opening remotely on their personalized dash board under the link "Bid Opening (Live)" and can see the documents submitted by all participating bidders.

n. Tender will be opened on the pre-scheduled date irrespective of the number of offers received. Even in case of receipt of single offer, the same is to be opened for evaluation. In case no offers are received tender will automatically be cancelled with competent approval.

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6. Techno- Commercial Evaluation of Bids:-

The e-Procurement System will evaluate the Techno Commercial bids automatically with least human intervention. For this purpose all the required parameters will be obtained from the Bidders in an objective and structured manner. Bidders will be required to upload scanned copy of various documents as stipulated in the NIT for the evaluation process, document in support of exemption of EMD (if applicable) and Technical Parameter Sheet(TPS) in Excel/any other format as specified in the NIT, for Technical Evaluation .

- (i) Initially, there will be a technical scrutiny report and commercial scrutiny report generated by the system itself.
- (ii) The copies of system generated technical and commercial scrutiny reports shall be available in the system and may be downloaded by technical department and MM/purchase department respectively for separately carrying out the technical scrutiny and commercial scrutiny.
- (iii) Subsequently, technical scrutiny and commercial scrutiny generated by the system shall be scrutinized/verified by the concerned departments in light of documents uploaded by the bidders in respect of bidders qualified based upon template response only.
- (iv) **Shortfall Document:** The Purchaser may ask for shortfall documents during the evaluation of the bids. These documents shall not be relating to submission of EMD. Request for documents and the response shall be in writing and no change in the prices of the bid shall be sought, offered or permitted. No modification of the bid or any form of communication with CIL/Subsidiary Co. or submission of any additional documents, not specifically asked for by CIL/Subsidiary Co., will be allowed and even if submitted, they will not be considered by the purchaser.

These documents may be allowed to be uploaded within the specified time period of 10 (Ten) days.

The above documents will be specified on-line under the link "Upload shortfall document" by Evaluator normally within 10 days of Technical-bid (Part-I) opening, indicating the start date and end date giving 10 days' time for on-line submission by bidder. The bidders will get this information on their personalized dash board under "Upload shortfall document/ information" link. Additionally, information shall also be sent by system generated e-mail and SMS,

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but it will be the bidder's responsibility to check the updated status/information on their personalized dash board at least once daily after opening of bid. No separate communication will be required in this regard. Non-receipt of e-mail and SMS will not be accepted as a reason of non-submission of documents within prescribed time. The bidder will re-upload the requested documents within the specified period and no additional time will be allowed for on-line submission of documents.

- (v) The final technical and commercial evaluation of bids shall be done by the concerned technical and commercial department, which shall require approval of concerned HOD.
- (vi) After the techno-commercial evaluation, as above, case may be put up to the appropriate level of tender committee for deliberations and recommendations in respect of listing of techno-commercially acceptable bidders.
- (vii) After the shortlisting of techno-commercially acceptable bidders as above, the date and time of opening of Price Bid shall be uploaded in the Portal and shortlisted firms shall also be informed through system generated e-mail and sms alert.
- (viii) The Price bid of the shortlisted bidders (qualified in Techno commercial bid) will be decrypted and opened on the scheduled date and after the pre-scheduled time by the *Bid Openers* with their Digital Signature Certificates. The Bidders may view the price bid opening online remotely on their personalized dash board under the link "Bid Opening (Live)" and can see the price-bid/BOQ submitted by all shortlisted bidders. The Price bids and system generated Comparative Statement will be downloaded and will be signed by the officers opening the Price Bids.
- (ix) A system generated comparative statement of landed cost; will be duly checked and vetted by the associated finance, before the case is put up for further deliberation by the appropriate level of Tender Committee. After opening of Price-bid the Comparative Statement of Prices indicating the rates quoted by all the bidders and item wise L-1 rank will be generated by the system which will be visible to all the participating bidders on-line.
- (x) The EMD of unsuccessful bidders will be refunded through e-Payment, immediately after the bidder is declared unsuccessful. The provision should be kept in the NIT that "the bidders should submit MANDATE FORM for ePayment along with EMD."

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(xi) All the details of Techno Commercial bid and Price bid will be kept preserved in the archives for auditing purposes and the same can be accessed with special authorization. The IP address of all the bidders who has participated in the bid along with timing and date will also be kept preserved in the system.

(xii) The Bid validity period for all tenders will be 180 (one hundred eighty) days from the last date of submission of bid.

7. Recommendations and approval : The Tender Committee will recommend for issue of Purchase Order to the successful bidder/s after evaluating their technical eligibility based on the computer generated evaluation sheets and after evaluation of the reasonableness of L-1 rates. The reasonableness of rates will be evaluated as per the provisions of Purchase Manual of CIL and other guidelines issued from time to time.

The approval for issue of Purchase Order to L-1 bidder/s will be accorded by the competent authority as per Delegation of Power based on the TC recommendation.

8. After competent approval and financial concurrence of TCR, the Purchase order to the successful bidder/s will be issued and the scanned copy of the Purchase Order will be uploaded on the e-Procurement portal and the original copy will be sent to the bidder/s through registered/speed post.

Any amendments to the Purchase Order shall also be uploaded in the Portal.

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