

क्रमांक संख्या: एम.सी.एल /मुख्यालय/निदेशक तकनीकी (संचालन) कार्यालय/17-18/ 046

दिनांक: 20/04/2017

To
All Area General Manager,
Jagannath/Bharatpur/Lingaraj/Kaniha/Hingula/Talcher/
IB Valley/Lakhanpur/Orient/Basundhara Area.

GM(MM)/HOD, MCL HQ.
GM(Stores), MCL HQ.
GM(Excv)/HOD, MCL HQ.
GM(E&M)/HOD, MCL HQ.
GM(CMC), MCL HQ.
GM(Civil)/HOD, MCL HQ.
GM(P&P), MCL HQ.
HOD(E-Procurement), MCL HQ.
GM(Pers-Admn.), MCL HQ.

Dear Sir/s,

Enclosed please find herewith Office Order No.CIL/C2D/e-Procurement Guidelines/HEMM/2017/47 dated 11.04.2017 of GM(MM)/HOD, CIL, Kolkata, which is self-explanatory.

You are hereby advised to go through it and do the needful for compliance thereof at your end.


Yours faithfully,

Encl:-As stated.

(J.P. SINGH) 20/4/2017
Director (Tech./Op.)

Copy for kind information to: 1) CMD, MCL.
2) Director(Fin), MCL.
3) Director(Pers), MCL.
4) Director(Tech./P&P), MCL.
5) CVO.

Cc also to: GM/TS to CMD/TS to D(T/P&P)/TS to D(P)/TS to D(F), MCL.

COAL INDIA LIMITED (A MAHARATNA COMPANY) Coal Bhavan, Materials Management Division Level I (1st Floor); Premises No.04, Plot No.AF-III Action Area IA, New Town, Rajarhat, Kolkata - 700 156 (WB)	PHONE:033-2324 4127 FAX : 033-23244115 Website : www.coalindia.in E mail : gmmm.cil@coalindia.in		कोयला इंडिया लिमिटेड कोयला भवन सामग्री प्रबंधन विभाग, लेवल १, परिसर No.04, प्लॉट No.AF-III, Action एरिया 1A, न्यू टाउन, Rajarhat कोलकाता- 700 156.	दुरीभास:033-2324 4127 फैक्स : 033-2324 4115 वेबसाइट: www.coalindia.in ईमेल: gmmm.cil@coalindia.in
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Ref No. CIL/C2D/E procurement Guidelines/HEMM/2017/ 47

Date : 11.04.2017

Office Order

The guidelines of revised e procurement process & e-Reverse Auction of Goods was circulated vide Office Order No. CIL/C2D/E procurement Guidelines/NIC/2016/1285 dated 08.01.2016. The following additional / amended guidelines are issued in accordance with the approval of CIL Board in its 334th meeting held on 13.12.2016, for all HEMM and other high value Mining Equipment :

1. Tenders issued from CIL, Subsidiary Headquarters and NEC for all HEMM and high value Mining equipment shall be created and published in the CIL e procurement portal under a specific Organization chain, as under :
 - (a) Bharat Coking Coal Limited||BCCL_CRITICAL TENDERS
 - (b) Coal India Limited || CILHQ_CriticalTenders.
 - (c) Central Coalfields Limited||CCL_CRITICAL TENDERS
 - (d) Central Mine Planning and Design Institute Limited||CMPDI_CRITICAL TENDERS
 - (e) Eastern Coalfields Limited||ECL_CRITICAL TENDERS
 - (f) Mahanadi Coalfields Limited||MCL_CRITICAL TENDERS
 - (g) Northern Coalfields Limited||NCL_CRITICAL TENDERS
 - (h) South Eastern Coalfields Limited||SECL_CRITICAL TENDERS
 - (i) Western Coalfields Limited||WCL_CRITICAL TENDERS
 - (j) North Eastern Coalfields||NEC_CRITICAL TENDERS

The Auto Tendering Process against the above Organization Chain has been disabled, and as such Tenders created in this organization chains are opened in separate stages (i.e Technical & Financial Bid separately).

2. The Tender Inviting Authority (TIA) is required to be registered in the above mentioned specific organization chains with a new Digital Signature Certificate (DSC), if he is already registered in the e procurement portal, as the portal does not support registration of the user with same DSC to different organization chain.
3. The TIA is required to select "Tender cum Auction" in "Form of contract" in the e-procurement portal of CIL, at the time of creation of tenders.

Handwritten notes and stamps:

DT (M) (X) (P) (CVO)

700 19/12/17

circulate to

All hqs
 GM MM
 GM EAC
 GM EEM
 GM CMC

for kind
 inform
 please

GM CIL
 GM (P&I)
 GM Stores
 GM
 HOD & Proc
 GM Ies
 GM TSCM/IT

19/4/2017

TS D(P) TS D(P)

4. There will be no change in the creation of the tender from the existing process. The TIA should create the Tender with two covers and TPS, BOQ, GTE should be used as per requirement of the NIT.
5. On scheduled date & time of tender opening only Cover I will be opened. The documents and the TPS of all the Bidders will be downloaded by TIA.
6. After evaluation of the uploaded documents, shortfall documents, are sought from all the bidders, if required. For this purpose, System allows one chance through Shortfall Document, which should be of 10 X 24 hours. If further clarification / shortfall documents are required, another chance may be given to the Bidders through confirmatory link, keeping a time frame of 10 X 24 hours.
7. The techno-commercial acceptability of all the bidders shall be evaluated and after evaluation, the date of opening of the Price bid shall be fixed. As soon as the date and time of opening Price bids of the techno-commercially acceptable bidders are set in the portal, system will send SMS & e mail alert to the eligible bidders.
8. On initiating the process of opening the Price bid, the system will allow for Auto Financial opening, and upon clicking the button, the Auction BOQ will be created with the L-1 rate of each item as "Auction Start Price in INR". This Auction BOQ Sheet will be filled up as per existing process and uploaded with an intimation of the Exchange rate considered by TIA, in case of Global Tenders.
9. Reverse Auction will be initiated within two hours after opening of price bids, as per the present practice. The auto extensions of time may be increased to 30 minutes in place ten minutes, in case of any reduction recorded in the last 30 minutes.
10. Item-wise H-1 bid will be eliminated during price bid opening, if more than three techno-commercially acceptable bids are available and those bidders will not be able to participate in the Reverse Auction for that item, for which they have quoted H-1 Landed cost. If two bidders have quoted the same H-1 landed cost, the bidder who submitted/frozen the bid later, shall be rejected and will not be able to participate in Reverse Auction.
11. The reverse auction platform will be created, displaying only the itemwise L1 Landed cost received, decrement value, starting and ending time as per present practice. The name of Bidders shall not be made visible to any Bidder, participating in the Reverse Auction.
12. There will be no change in the Reverse Auction procedures, other than above, which will be carried out as per existing practice.
13. The Clause No. A – 9 of the Revised E-procurement Guidelines (Penalty for defaulting Bidders) shall not be applicable in case of this system of opening of the Techno-commercial Cover (Cover- I) and Price Cover (Cover II) separately.

However, the submission of forged document, if any, by the bidder (s), shall be dealt as per extant guidelines of the Purchase manual.

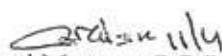
The above guidelines will supersede the e-procurement guidelines, as amended from time to time in respect to only HEMM and other high Value mining equipment, as indicated in the minutes of 334th CIL Board meeting held on 13.12.2016, circulated vide Ref no. CIL:XI(D):04112:2017:15338 Dated 10.01.2017 (Copy Enclosed).

Following provisions of e procurement guidelines, are also amended to be applicable for all types of tenders for Goods :

1. Decrement value : The reduction shall have to be made as per decrement value or in multiple thereon. The maximum seal percentage in one go shall be fixed as 2% over and above the normal decrement of 0.5% i.e. 2.5% of start bid price or the last quoted price during reverse auction, whichever is lower.
2. Break-up of price : The successful bidder shall upload break-up of price online through confirmatory link, after reverse auction in the same structure as per their original price bid and they will not be allowed to increase the initial quoted rate of any component. The composite price may be either equal to the price offered in reverse auction or less.
3. Exchange rate : The exchange rate prevailing on the price bid opening date, shall be fed to the system by the TIA during opening of the price bid. The data may be obtained from RBI / SBI website or directly from Banks. The automatic capturing of exchange rate in the NIC portal have been discontinued due to technical difficulty.

The revised guidelines shall be effective immediately and TIA will be able to float Tenders for HEMM and other high Value mining equipment in the CIL e procurement portal (<https://coalindiatenders.nic.in>), only under the Organization chain mentioned above.

This is issued with the approval of Chairman, CIL


General Manager (MM)/HOD

Encl: Minutes of 334th CIL Board [Item No.334:4(P)]

CC. CMD, ECL/BCCL/CCL/WCL/SECL/MCL/NCL/CMPDI
Dir (T), CIL/ Dir (F), CIL/Dir (Mktg), CIL/Dir (P&IR), CIL/ CVO, CIL
Dir (T), ECL/BCCL/CCL/WCL/SECL/MCL/NCL/CMPDI
Dir (F), ECL/BCCL/CCL/WCL/SECL/MCL/NCL/CMPDI
CVOs, ECL/BCCL/CCL/WCL/SECL/MCL/NCL/CMPDI
TS to Chairman, CIL/TS to Dir (T), CIL
GM , NEC
All HOD's, CIL
GM (MM), ECL/BCCL/CCL/WCL/SECL/MCL/NCL/CMPDI, GM(NEC), GM (DCC)
GM(ExcV)/GM(E&M)/GM (F), ECL/BCCL/CCL/WCL/SECL/MCL/NCL/CMPDI
All Executives of MM division CIL



Coal India Limited
A MAHARATNA COMPANY
Coal Bhawan, 3rd Floor, Core - 2
New Town, Rajarhat, Kolkata- 700 156.
PHONE: 033-2324-6526, FAX:033-2324-6510
Email - mvswanathan2.cil@coalindia.in
WEBSITE:www.coalindia.in
CIN - L23109WB1973GOI028844

Ref No.CIL:XI(D):04112:2017: | 5338

Dated 10th Jan. '2017

To
GM (MM),
Coal India Limited,
1st Floor, New Town,
Rajarhat, Kolkata - 700 156.



Sub: Minutes of 334th CIL Board Meeting held on 13th Dec.'2016.

Dear Sir,

Reproduced below is the relevant extracts from the minutes of 334th meeting of Board of Directors of Coal India Limited held on 13th Dec.'2016 at Kolkata with regard to the following item:

"ITEM No.334:4(P)

Sub:- Amendment to e-Procurement Process of CIL for all HEMM and other high value mining equipment.

5.15 Director (Technical) apprised the Board that in the 322nd Meeting held on 13th Nov.'2015, Board accorded its approval for E-procurement for Goods, Works & Other Services across CIL and all subsidiaries as under:-

- All tenders are invited in single stage single envelope system.
- Upon opening of the tender, System automatically evaluates particulars contained in Cover-I i.e Technical Parameter sheet and Compliance Statement of all Commercial terms and opens the Cover - II i.e Price bid of the System accepted Bids. Comparative statement of prices is generated by the system.
- Documents of L-1 bidder are downloaded. After evaluation of the uploaded documents of the L-1 bidder, shortfall documents, if required, are sought from them.
- If techno-commercial acceptability of L-1 bidder is established upon verification of documents, the case is processed by the Tender committee, for award of the work, after justification of price.
- If techno-commercial acceptability of L-1 bidder is not established, then the L2 bidder is considered as L1 and its documents are downloaded for evaluation. This process is repeated unless techno-commercially acceptable L-1 bidder is established.

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For indents/estimated value more than Rs. 1 crore, 'Reverse auction' is carried out further with L-1 price as "Start Bid Price". This decision was taken in 101st CMDs Meet held on 15th Jan'2016. The process is as under:

- Upon opening of the Tender, system displays items wise L-1 price. A reverse auction platform is created in the online portal, displaying only the item-wise start bid price, which is the L1 price received.
- All systems accepted bidders are eligible to participate in the Reverse Auction. However, number and identity of participating bidders is neither known to the department nor to other bidders. System generated e-mails, SMS alerts are sent to such bidders.
- The final L-1 bidder is determined after Reverse Auction and upon verification of the documents uploaded by them as per NIT in the same manner as e-tender process without reverse auction.

The procurement process of High Value HEMM through Reverse Auction was reviewed at various levels of CIL. It was observed that procurement of high value complicated machinery should be in two envelope system whereby evaluation of techno-commercial bids by downloading and verification of documents is done first and financial bid is opened only for those firms who are technically and commercially qualified. The system is in compliance of Rule 152 of GFR.

A two envelope system shall ensure Techno commercial suitability as per NIT before opening of price bids and the system would ensure fair competition amongst qualified competent bidders only.

Further, recently Ministry of Finance, Govt. of India has prepared draft manual for procurement of goods, seeking suggestions on its provisions. The draft manual contains a process in terms of single stage two envelope system for procurement of complex items. It has been prescribed that :-

- The tenderers should be asked to bifurcate their quotations in two envelopes. The first envelope, called the techno-commercial bid, contains eligibility, technical quality and performance aspects, commercial terms and conditions and documents sought in the tender, except the price and relevant financial details. In the second envelope, called the financial bid, the price quotation along with other financial details are submitted.
- The techno-commercial bids are to be opened in the first instance on the bid opening date and time and scrutinized and evaluated with reference to parameters prescribed in the tender documents and responsive, eligible and technically compliant bidders are decided.
- Thereafter, in the second instance, the financial bids of only the techno-commercially offers (as decided in the first instance above) are to be opened on a pre-announced date and time for further scrutiny, evaluation, ranking and placement of contract.

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The subject matter was deliberated during 109th Meeting of CMDs, held on 21st November 2016 and it was decided as under:-

"That earlier system of two bid procurement would be followed in respect of procurement of all HEMM Equipments or high value items including SDL, LHD, Continuous Miner, PSLW, Manrider etc. and thereafter Reverse auction would be conducted amongst the eligible bidders".

Based on the above, a proposal was placed before the Board. After detailed deliberations, CIL Board accorded its approval for the following as brought out in the agenda note :

1. The earlier system of calling of offers in Two Envelope would be followed in respect of procurement of all HEMM Equipment or high value items including SDL, LHD, Continuous Miner, PSLW, Man-rider etc. and Reverse auction would be conducted thereafter amongst the techno-commercially qualified bidders. Details of techno-commercially acceptable bidders will be entered into the system along with date and time for price bid opening and reverse auction. System generated e-mails/ SMS alerts will then be sent to qualified bidders intimating date and time for price bid opening and reverse auction. On the due date and time price bids of techno-commercially acceptable bidders will be opened, system will display only the L1 price which will be the start bid price for conducting reverse auction in the usual manner.
2. Since presently the e-Procurement process is being executed through NIC portal, NIC be approached first to ascertain if such system is now readily available (after due certification from STQC with reference to Security consideration).
3. In case NIC is not ready with the required module and require some more time, then the option of availing the above Module through MSTC, (A Govt. of India Enterprise) as is being availed by other PSUs such as POWERGRID be explored if readily available with them now, as a provisional measure [till NIC develops the module] on nomination basis, if required. Company should avail of the services of any of the providers -NIC/MSTC (A Govt. of India Enterprise) whosever is ready and is able to provide above services at the earliest. This is to be done in order to liquidate the long pending indents , as brought out in the agenda note
4. For all other cases, the existing system of procurement will continue i.e. for cases valuing Rs. One crore and above, dealt at Headquarters of CIL and Subsidiaries - Modified Single Stage Single Envelope with Reverse Auction and rest of the cases (less than Rs. One crore) Modified Single Stage Single Envelope without Reverse auction.

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10/1/17

Further, Board constituted a Sub-committee under the chairmanship of Dr. S.B.Agnihotri, Independent Director, Shri Vivek Bharadwaj, Joint Secretary, MoC, Shri C.K.Dey, D(F), CIL and Shri S.Saran, D(T), CIL to review e-procurement policy of CIL and suggest improvement."

This is for your information and taking necessary action please. You are also requested to arrange to review e-procurement policy of CIL by this committee of Directors.

Yours faithfully,

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10/1/17

(M.Viswanathan)
Company Secretary