



THE SINGARENI COLLIERIES COMPANY LIMITED

Corporate Purchase Department

PURCHASE MANUAL

(01.04.2020)

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LIST OF ABBREVIATIONS

AMC	: Annual Maintenance Contract
BIS	: Bureau of Indian Standards
CEMA	: Council of Economic Mutual Assistance
CGST	: Central Goods and Services Tax
CIF	: Cost, Insurance and freight
CIP	: Carriage and Insurance Paid
CMC	: Comprehensive Maintenance Contract
DGMS	: Director General of Mines Safety
DSC	: Digital Signature Certificate
EMD	: Earnest Money Deposit
EPC	: Engineering Procurement and Construction
ERP	: Enterprise Resource Planning
FDR	: Fixed Deposit Receipt
FOB	: Free on Board
FOR	: Free on Road/Rail
GST	: Goods and Services Tax
HEMM	: Heavy Earth Moving Machinery
IEEMA	: Indian Electrical and Electronics Manufacturers Association
IGST	: Integrated Goods and Services Tax
ISO	: International Standards Organization
LD	: Liquidated damages
LOA	: Letter of Award/Acceptance
MDO	: Mine Developer cum Operator
MMTC	: Metals and Minerals Trading Corporation
MSME	: Micro, Small and Medium Enterprises
NABL	: National Accreditation Board for Testing and Calibration Laboratories
NIT	: Notice Inviting Tenders
NSIC	: National Small Industries Corporation
OBR	: Over Burden Removal
OEM	: Original Equipment Manufacturers
OES	: Original Equipment Supplier
OPM	: Original Parts Manufacturer
ORG	: Operations Research Group
PAC	: Proprietary Article Certificate
PBG	: Performance Bank Guarantee
PSU	: Public Sector Undertakings
SD	: Security Deposit
SGST	: State Goods and Services Tax
SSI	: Small Scale Industry

CHAPTER 1

INTRODUCTION

1.0 ORGANIZATION:

The Singareni Collieries Company Limited (SCCL), being a public sector undertaking is jointly owned by Govt. of Telangana and Govt. of India. The Company is managed by a Board of Directors nominated by State and Central Government and other appointed functional Directors. Chairman and Managing Director (C&MD), is a whole time Director and is the Chief Executive of the company, entrusted with powers of management of the affairs of the company duly delegated by the Board.

1.1 PURCHASE FUNCTIONS:

The Purchase functions are carried out by Material Procurement Department headed by General Manager (Material Procurement) reporting to Director (Operations), Contract Management headed by General Manager (Contract Management) reporting to Director (Planning & Projects). The Area purchase cells including that of Singareni Thermal Power Plant (STPP) carry out the procurement action within the delegated financial powers of Area General Managers, for Revenue items related to Production, in stock out situation. A purchase cell also exists at Hyderabad, assisting procurement of materials required by Area GM and Departmental Heads within the delegated powers to make local purchases and for sending the materials to the respective Areas.

1.2 RESPONSIBILITIES:

The GM(MP)/GM(CM) is responsible for procurement of all items of stores including P&M/Contractual activities/consultancy services required for the Organization. Timber procurement from Government / Private Parties is however looked after by Plantation & Timber Management Department. For procurement of certain items of the nature mentioned at Para 1.1 above, Area General Managers are vested with delegated powers for purchase of Revenue items related to Production in stock out situation by following the normal Purchase procedure laid down.

1.3 APPLICABILITY OF PURCHASE MANUAL:

- i. Executives at various levels are involved in the procurement and contractual activities throughout the Company. Thus, it is important to ensure uniform and transparent procedures governing these activities. These procedures contain the best practices for not only maintaining fairness and transparency, but also for achieving the organization's requirements in a competitive environment.
- ii. This manual is a guideline and all purchases shall be regulated as per procedure laid down herein.
- iii. Circulars subsequently issued for any clarifications / amendments shall be annexed to the purchase manual duly displaying in brief at all appropriate pages with effective dates.

CHAPTER 2

OBJECTIVES AND PURCHASE POLICIES

2.0 OBJECTIVES:

The main objectives of the Purchase department are as under:

- i. To ensure uninterrupted flow of materials of good and required quality for production/services.
- ii. To procure the materials required at the best price keeping abreast of price trends and market conditions.
- iii. To procure the right quantity material so as to maintain the inventory at the minimum.
- iv. To ensure continuous search for alternate sources of supply.
- v. To promote and develop indigenous sources of supplies wherever possible and to minimize reliance on imports.
- vi. To strive for cordial, enduring and beneficial business relationship with the suppliers
- vii. To ensure economic, efficient, fair, durable, legal, ethical business and transparency in procurement.
- viii. In brief, the materials obtained shall be:
 - a) Of right quality
 - b) In right quantity
 - c) In right time
 - d) At right prices
 - e) From right sources
 - f) At right destination

2.1 MODE OF TENDERING:

i. Methods of Purchase:

- a) **E-Procurement:** e-tendering, e-Forward/ Reverse auction and e-tender cum auction.
- b) **Govt. e-Marketing Place (GeM):** As per guidelines given in Annexure – I.
- c) **Conventional Tendering.**
- d) **Local Purchase/ Committee Purchase:** As per delegation of powers.
- e) **Unit rate Tenders:** Unit rate system shall be adopted for identified items/ services for procurement / hiring respectively with the approval of C&MD as and when required – Guidelines are given in Annexure – II.

ii. As far as possible, the procurement of material and services shall be through e- Portal only.

iii. The recommended modes of tendering for placement of orders are as under:

- a) Open Tender/Global Tender
- b) Limited Tender
- c) Single Tender

iv. Apart from the above modes of tendering, the following methods may also be considered for placement of direct orders.

- a) Sub orders against SCCL rate contracts.
- b) Repeat Orders.
- c) Orders of products with administered pricing.
- d) Spot purchase for low value purchases.

2.2 OPEN /GLOBAL TENDER:

- i. Normally all tenders shall be floated in e-Portal on Open Tender basis.
- ii. However, in some specific cases, it may be inevitable to float tenders in conventional mode. In such cases, specific approval of GM(MP)/GM(CM) at corporate and Director (Operations)/Director(P&P) in case of Areas shall be obtained duly recording the reasons before initiating such action.
- iii. Normally, tenders for Procurement of material & Hiring of services shall be floated on open tender basis, irrespective of tender value. However, tenders on limited/proprietary/nomination shall be floated with the specific approval of the appropriate authority as mentioned in the subsequent clauses.
- iv. All Open/Global tenders floated shall be uploaded in the SCCL website (www.scclmines.com) in case of conventional tenders and e-Portal in case of e-tenders. Notification regarding availability of the tender notices for e-procurement of all departments on websites shall be published by PRO (SCCL) in the leading newspapers once in fortnight on a regular basis as per approved policy from time to time. The bid submission closing date shall be at least 1 week from the date of publication of notice.
- v. In case of Global tenders, the notification shall be given in two leading national news papers specifying as GLOBAL TENDER as per the approved policy from time to time and also publish in Indian Export Service Bulletin. In case of global tender, an abridged version of the tender shall be sent to the Embassies of the Countries known to be manufacturing such equipment by e-mail.
- vi. For the sake of publicity and to ensure the participation of bidders on whom orders were released earlier / whose offers were found technically acceptable, simultaneous intimation of published tenders may be sent by Post/Courier/e-mail.
- vii. For procurement of material on specific make(s), brand(s), model(s): Open / limited / Proprietary Article Certificate (PAC) tender (Proprietary tender) shall be floated with due justification and with the approval of Director (E&M).

2.3 LIMITED TENDER:

Limited Tender shall be floated under the following conditions:

- i. If it is felt necessary to resort to Limited Tender due to urgency or any other valid reason(s) in preference to Open Tender, the same shall be floated with due approval of GM(MP)/GM(CM) at corporate and Director (Operations)/Director(P&P) in case of Areas.
- ii. Limited tender shall be issued to at least 3 proven suppliers as per clause 5.18 [iii (d)] considering their capacities. Wherever it is not possible to identify at least 3 proven Firms, reasons for the same shall be recorded.
- iii. Wherever more than 3 manufacturers are available, limited tender shall be sent to manufacturers only.

iv. **(a) For Conventional Mode:**

The limited tender document / NIT shall be sent to the approved and identified bidders through Registered post / courier / e – mail.

The bidder shall submit their bids manually by dropping them in the tender box.

(b) For e – procurement Mode:

The limited tender document / NIT shall be uploaded in the e – portal to the approved and identified bidders. The bidders shall submit the bids in e-portal.

- v. Limited tender documents shall not be given by hand to the representatives of any Firm. In exceptional / emergency cases when the tender documents are to be given by hand, the reasons there of must be recorded in writing and approval of GM(MP)/GM(CM)/Area GM shall be obtained.

2.4 SINGLE TENDER: PROPRIETARY AND NON PROPRIETARY ITEMS:

i. **Proprietary Items / Service:**

- a) Procurement of proprietary items / Services on single tender basis shall be treated as proprietary tenders.
- b) Items / Service under this system would be procured either from the Original Equipment Manufacturers (OEM) / Original Equipment Suppliers (OES), or Original Parts (Sub-assembly/Spares) Manufacturers (OPM) or their authorized dealers on Proprietary Tender basis.
- c) In case, these have to be purchased from their authorized dealers or agents, efforts shall be made to obtain the list of authorized agents/dealers. If there are more than one authorized agent / dealer for proprietary item / service, Open/Limited Tenders shall be floated.
- d) In principle approval for floating Proprietary Tenders shall be obtained from Director (E&M).

ii. **Non - Proprietary Items / Service:**

- a) Procurement of Non-Proprietary Items / Services on single tender basis shall be treated as Nomination Tender.
 - b) Nomination Tenders shall be avoided as far as possible.
 - c) In principle approval for floating Nomination Tender shall be obtained from C&MD irrespective of the value. The same is applicable to the Area Purchases also.
 - d) Procurement of Passenger Vehicles: Passenger vehicles may also be procured from manufacturers or dealers at the best possible price on nomination basis. The make/brand/type/model shall be approved by Director (E&M) on the recommendations of the Committee constituted for the purpose and headed by GM (Transport). Other members of the Committee shall be nominated by Director (Operations).
- iii. Details of orders placed on Limited / Single Tender basis shall be uploaded in the SCCL website, quarterly as per the format mentioned in Annexure - III.

2.5 SCCL RATE CONTRACTS FOR MATERIAL AND SERVICES:

- i. It is recognised that it is often advantageous on commercial as well as technical grounds to finalise orders on Rate Contract basis/ long term contracts for items which are procured regularly, repetitively and for items of proprietary nature. For entering into rate contracts/long term contracts, the mode of tendering to be followed may be decided as per the nature of the item, the available sources of supply etc. Thus Rate Contract tenders may be floated on Open / Limited / Single Tender basis, depending upon the nature of item.
- ii. While floating Limited Tender, guidelines mentioned at clause 2.3 related to limited tender shall be followed.
- iii. The guidelines for operating the rate contracts by Areas are in Annexure – IV and format for purchase under Rate Contract is in Annexure – IV A
- iv. When more than one rate contract order is placed against any tender, transfer of fund from one contract to another may be done with the approval of Chairman of Tender Committee of the original proposal, as per the recommendation of Technical HOD / GM (E&M) Stores within the total allotted fund.
- v. Normally, sub-orders/delivery schedule shall be issued in the same proportion as per original approval, in case of rate contracts placed on multiple sources for the same item/service.

2.6 ENHANCEMENT OF QUANTITY / REPEAT ORDER:

2.6.1 Enhancement of quantity/ Extension of period:

- i. In case of Firm order: Enhancement of quantity / Extension of period shall not be more than 25% (Revenue items/service) of originally ordered quantity/period, with the same rate, terms and conditions, within the original validity period of the order.
- ii. In case of Rate contract: Fund Enhancement shall not be more than 50% of the initial allotted value of the contract, within the original validity period of the contract as per the requirement.
- iii. Sanction for enhancement of fund/quantity shall be duly obtained from the competent authority under the delegation of financial powers considering the cumulative value of the proposal (originally ordered value + Enhanced proposal value) and this shall be processed in continuation of original note by ensuring no-downward trend in the prices.
- iv. In case of quantity /fund enhancement, the validity of the Firm order/ Rate contract may be extended suitably with the consent of the Firm, if required, to facilitate supply of the material including the enhanced quantity.
- v. The quantity/fund/period enhancement shall be done in the same purchase order/contract.

2.6.2 Repeat Order:

- i. Repeat orders shall be avoided as far as possible. Normally, as per the lead time, prior to expiry of the running supplies/service contract, the indenter has to process fresh indent. However, repeat order can be considered under special circumstances when the need is urgent or to cut down lead time in procurement. In principle approval shall be obtained from Director(Operations)/Director(P&P) for placing of repeat order irrespective of the value. Proposals for repeat orders on same rates, terms and conditions, specifications may be considered, when the original order was placed without any major deviations by following the criteria given below:
- ii. The original order must have been placed in the usual course after issue of Open Tender/Limited Tender /Single Tender.

- iii. Repeat orders shall be placed within one year from the placement of the original order. By ensuring no-downward trend in the prices, the Tender Committee may decide based on the indicators like:
 - a) General Inflation
 - b) Cost of major materials used in the item like Steel in case of tubs, wire ropes, bolts & nuts etc., Copper for motors, cables, transformers, switch gear etc., and Rubber for tyres, belts etc.
 - c) Prices available from the tenders on hand for similar items.
 - d) Movement of national indices like WPI/RBI Index/Nationally accepted Price variation formulae.
 - e) In case of imported items, quoted/ ordered in foreign currency, suitable indices of the respective countries shall be considered.
 - f) In case of imported items quoted/ ordered in INR, suitable indices of the respective countries and currency conversion factor shall be considered.
- iv. The quantity considered for ordering is not more than 50% of the originally ordered quantity.
- v. The original order was not placed at higher prices for early delivery.
- vi. The total quantity, including the repeat order quantity (up to a maximum of 50% of originally ordered quantity) and enhanced quantity (up to a maximum of 25% of originally ordered quantity) shall not exceed 75% of originally ordered quantity. However, not more than one repeat order shall be placed.
- vii. Sanction for repeat order shall be duly obtained from the competent authority under the delegation of financial powers considering the cumulative value of the proposal (originally ordered value including enhanced value if any + repeat order proposal value) and this shall be processed in continuation of original note.
- viii. In case of repeat order requirement for an Area, other than the Area from where the original order is released, the proposal shall be processed in continuation to the original note from the respective Area on approval by the competent authority.

2.7 COMMODITIES WITH ADMINISTERED PRICE:

- i. The procedure that may be laid down from time to time by the respective price administering authority/Govt. Agency dealing with such items has to be studied and followed in this respect.
- ii. Procurement of such commodities shall be finalized by Procurement Executives up to a value as per DoP at the prices fixed by Government Agencies from time to time. The purchase shall be made within the approved material budget.

2.8 PROCEDURE FOR PROCUREMENT PROCESS:

Procurement shall be carried out under conventional mode, e-procurement or GeM as per the prevailing policies of the SCCL. The important steps involved in each mode are listed below.

2.8.1 Conventional Mode:

- i. In principle approval for floating conventional tender shall be obtained from GM(MP)/GM(CM).
- ii. Preparation of Draft NIT and approval from the competent authorities for publication in the SCCL website.
- iii. Creation of Preliminary Approval for floating tender in ERP to generate tender number.
- iv. Publication of tender notice, if required, in journals and newspapers and publishing of NIT in the SCCL website(www.scclmines.com).
- v. Submission of bids by suppliers.
- vi. Opening of Techno-Commercial bids as per schedule.
- vii. After Techno-Commercial evaluation, the price bids shall be opened with the approval of competent authority.
- viii. Price negotiations shall be conducted, if required, with the approval of competent authority.
- ix. Release of Purchase Order/ Agreement on successful bidder.

2.8.2 e-Procurement: Guidelines are given in Annexure – V.

A. Procedure for e-tendering:

- i. In case of first time procurement, Expression of Interest (EoI) may be published in e-Portal for identifying the prospective bidders.
- ii. Preparation of Draft NIT and approvals from competent authorities for publishing in e-Portal.
- iii. Creation of Preliminary Approval in ERP to generate tender number.
- iv. Publication of tender notice, if required, in journals & newspapers and Uploading of tender document in e-Portal.
- v. Conducting pre-bid meeting / clarification of bidders' queries.
- vi. Online submission of bids by the bidders in e-Portal.
- vii. Opening of Techno-Commercial bids.
- viii. Bid evaluation and approvals from competent authorities for price bid opening.
- ix. The Techno-Commercial evaluation shall be uploaded in e-Portal.
- x. Price bid opening in e –Portal as per schedule.

- xi. Price negotiations, if required.
- xii. Release of Purchase Order/Agreement on successful bidder with the approval of competent authority.

B. Procedure for e-Tender Cum Auction:

- i. Normally, all Open/Limited tenders, whose value is more than ₹1.00 Crore shall be floated through e-Tender cum Reverse Auction. However, approval of Director(Operations)/ Director(P&P) shall be taken when it is resorted to tender without reverse auction by recording the reasons for the same.
- ii. Tenders proposed to be floated in e-Tender cum Reverse Auction are divided into Critical Tenders and Non Critical Tenders.
- iii. Creation of Preliminary Approval in ERP to generate tender number with e- Tender cum Reverse Auction.
- iv. Preparation of Draft NIT with “Tender cum Reverse Auction”and approvals from competent authorities for publication.
- v. Publication of notice, if required, in journals & newspaper(s) and Uploading of tender document in e-Portal.
- vi. Conducting pre-bid meeting / clarification of bidders’ queries.
- vii. Online submission of bids by the bidders in e-Portal.
- viii. **Conducting Reverse Auction:**
 - a) **In case of Critical Tenders:** After evaluation of Techno-Commercial bids, intimation shall be sent to techno-commercially acceptable Firms by eliminating H1 bidder for participating in reverse auction subject to minimum of 3 bidders are left after exclusion of H1 bidder. After completion of reverse auction, orders shall be placed on L1 Firm if the prices are reasonable or otherwise negotiations may be conducted before placement of order.
 - b) **In case of Non Critical Tenders:** On schedule date, price bids of all the system qualified bidders shall be opened and Reverse Auction shall be conducted by eliminating H1 bidder subject to minimum of 3 bidders are left after excluding H1 bidder under intimation to the Firms for participating in Reverse Auction. After completion of Reverse Auction, the Techno-Commercial evaluation of L1 Firm shall be carried out. In case L1 Firm is Techno-Commercially disqualified, then the Techno-Commercial evaluation of L2 Firm shall be carried out and so on.... If the technically acceptable L1 Firm prices are reasonable, order shall be placed or otherwise negotiation may be carried out before placement of order.

- ix. The detailed procedure for the above reverse auction process is furnished in Annexure –V A

C. e-Forward Auction:

- i. All tenders for disposal of Scrap & used material and Selling of Goods /Service, shall be floated through e-Forward Auction.
- ii. Creation of Preliminary Approval in ERP to generate Tender number with e-Forward Auction.
- iii. Preparation of Draft NIT with “Forward Auction” and approvals from competent authorities for publication.
- iv. Publication of notice, in newspaper(s) and Uploading of tender document in e-Portal by fixing of Auction date.
- v. Conducting pre-bid inspection of the Lots for Auction by the prospective bidders / clarification of bidders’ queries.
- vi. On line submission of EMD for participating in the Auction at least 1 day prior to the date of auction.
- vii. Conduction of e-Forward Auction and finalisation of successful bidder.
- viii. Awarding of contract to the successful bidder.
- ix. Submission of Security Deposit amount within seven days from the date of award of contract.
- x. The detailed procedure for the above e-Forward Auction is furnished in Annexure – V B.

2.8.3 GeM: Government e-Marketing place: Procurement of items/service shall be as per the guidelines laid down by GeM from time to time.

2.8.4 Soft copies of the complete tender shall be kept for a period of 20 Years and hard copies for a period of 8 years from the date of completion of contractual obligations or settlement of cases related to Litigation/Vigilance/CBI/Audit/ Customs Claim / Insurance claim etc., whichever is later.

2.9 EMERGENCY PURCHASES:

2.9.1 Local Purchase (Goods/Services):

Any item(s) / service(s) which are revenue in nature including daily consumables valuing up to ₹50,000.00* per occasion can be procured through local purchase under this clause as per the DoP of the respective HODs.

- i. **Spot Purchases:**
Procurement of smaller value purchases up to ₹5,000.00* can be effected on the spot.
- ii. **Purchases through quotations:**
Purchases exceeding ₹5,000.00* and up to ₹50,000.00* can be made by obtaining at least 3 quotations in general or single quotation in case of proprietary spares/service and regularize the transaction by recording the same in the stores. Payment shall be made to the Firm through authorized person of the user dept., against submission of pro-forma invoice if required and the bills shall be settled by the authorized person on procurement of material.
- iii. However, a formal order shall be placed by Purchase department for all stores items/service for which ITC is applicable if the value exceeding ₹10,000.00*.
- iv. Local Purchase may be resorted to when any of the following conditions exist:
 - a) When the item is not regularly purchased.
 - b) When the item is urgently required by the user.
 - c) When the item is sundry & perishable in nature.
 - d) When the item is daily consumable under stock out situation.

2.9.2 Purchase through Committee:

Purchases through committee are avoided as far as possible. However, Purchases through committee can be made up to a value not exceeding ₹30.00*Lakhs with the approval of Director (Operations) and up to ₹1.00*Crore with the approval of C&MD under any of the following conditions.

- i. In case of extreme emergency involving loss of life and property or due to consequences of natural calamities / or an accident in the mine which would lead to stoppage in production / operations resulting in considerable loss of revenue, emergency purchase without resorting to normal tendering procedures may be resorted to.
- ii. Purchases through committee may also be resorted for those items (revenue / capital), for which there are no standard and proven specifications available such as sports items, items for guest house, uniforms, furniture and fixtures, items linked with Company's official functions etc. Production and safety items/services/consultancy services may also be procured as per the necessity by constituting of a committee with the approval of Director (Operations).
- iii. In case of consultancy services, the EoI may be published in the portal and the SCCL website wherever required for identifying the prospecting bidders. The collection of the quotations by the committee may be through e-mail/courier/post/in person based on their technical competency.

- iv. The cumulative value of the purchases made through committee during the financial year shall be brought out in the in principle approval note in the respective Area / Corporate.
- v. The committee shall short list the vendor/vendors for the items/ services to be procured based on any of the following two methods:
 - a) On selection basis by collecting a single quotation from the selected vendor among the limited vendors, which shall be treated as single offer against limited tender for the purpose of processing & placement of orders.
 - b) By collecting minimum 3 quotations from the selected vendors which shall be treated as limited tender for the purpose of processing & placement of order.
 - c) The committee shall prepare comparative statement and arrive at L1 status. The collected quotations, Technical evaluation and comparative statement shall be submitted to GM(MP)/GM(CM)/Area GM for further processing.
- vi. There shall not be any change in the purchase procedure for placement of orders except for collection of sealed quotations by the committee instead of calling for tenders & technical evaluation.
- vii. **The committees shall consist of :**
 - a) Up to **₹50,000.00***
One executive each from user dept., and Purchase dept.,
 - b) Above **₹50,000.00***
 - 1. One executive from user dept.,
 - 2. One executive from purchase dept.,
 - 3. One executive from Finance dept.,
 - c) The committees shall be constituted by GM(MP)/GM(CM)/ Area GM/Corp. Technical HoD as the case may be with the approval of Director(Operations)

*The above financial limits are subject to vary as approved by C&MD from time to time.

2.9.3 For procurement of production & safety items/service required in emergency:

C&MD is authorized to adopt any procedure by relaxing general condition of procurement duly ensuring transparency.

2.10 PURCHASE POLICIES:

Procurement action shall be taken by the following agencies:

- i. Corporate Material Procurement Department/Contract Management Cell
- ii. Area Purchase Cells including STPP treated as an Area.
- iii. Hyderabad Purchase Cell.

2.11 MAIN ACTIVITIES OF CORPORATE MATERIAL PROCUREMENT DEPARTMENT/ CONTRACT MANAGEMENT CELL:

The following activities are carried out by Corporate Material Procurement Department/Contract Management Cell:

- i. Registration, development, banning & delisting of Vendors.
- ii. Procurement of all capital plant and machinery items as per Annual Plan and project requirements based on approvals.
- iii. Procurement of revenue items as per requisitions raised by user department/ GM (E&M) Stores.
- iv. Procurement of imported items.
- v. Procurement of Medicines, Medical items and Medical equipment.
- vi. Establishing rate contracts, open orders and annual maintenance /service contracts.
- vii. Major/Minor Contracts.
- viii. OB removal contracts.
- ix. Coal, sand and material transport contracts.
- x. Consultancy Services.

2.12 PURCHASES THROUGH AREA PURCHASE CELLS:

- i. All Revenue items related to production in stock out situation are delegated to Area purchase cell.
- ii. **Purchase of Capital items, safety items and Non Production items:** Approval from Director (Operations) is to be obtained.
- iii. **Purchase through Limited Tenders/Conventional tenders:** Approval from Director (Operations) is to be obtained.
- iv. **All kinds of services:** Approval from Director (Operations) is to be obtained, with the consent of their respective Director.
- v. **The Area purchase cells have to ensure that:**
 - a) The requisitions are to be raised by mine/ department duly recording reasons.
 - b) After obtaining the approval of competent authority, purchase officer initiates procurement action i.e., decides mode of tendering keeping in view the indenter's recommendation, the nature of item, value involved, knowledge about sources of supply etc.
 - c) Proposal to tender committee (PTC) may be prepared as per the format mentioned in Annexure – XVIII. If the proposal is for repair of P&M, the format mentioned in Annexure –XVIII A is to be enclosed to main PTC.
 - d) Area purchase proposals exceeding the DoP's of Area GM as mentioned in Annexure-XXIII, shall be forwarded to Director (Operations) /Director(P&P)/ C&MD for approval as per DoP's.
 - e) Areas shall use their discretion to place orders for spares sparingly under the following circumstances.
 1. Emergency due to breakdowns
 2. Emergency safety requirements
 3. Stock out situations i.e., when the safety stock levels are alarming.
 - f) Various committees pertaining to Area are in Annexure – VI
 - g) The repair requisition for repairs to P&M, vehicles etc., shall be as per Annexure – VII

2.13 LOCAL PURCHASES THROUGH HYDERABAD PURCHASE CELL:

- i. Areas/Departments shall send their requisitions for local purchase of spares etc., to be purchased at Hyderabad with the approval of competent authority and within the delegated financial powers as per format given in Annexure– VIII.
- ii. The process of local purchase is not an alternative for procurement of materials through regular purchase channels but is only meant to meet unforeseen situations/emergencies.
- iii. Repeated requisitions shall not be resorted to and the requirements strictly restricted to cross over the stock outs or to meet a situation of breakdown in mines, workshops, power houses etc.
- iv. Only under special circumstances, capital items can be proposed for local purchase from Hyderabad purchase cell with the prior approval of competent authority, subject to plan provision.
- v. Requisition shall be sent by the Corporate/Areas to Hyderabad purchase cell as and when items are required instead of bunching up all the indents and sending them together with one covering letter.
- vi. The financial limit for local purchase at Hyderabad office is **₹3,00,000.00*** on each occasion. The requirements shall not be split to bring down the value within this limit.
- vii. All the Areas and Departments shall ensure that their requirements of local purchase of materials, spares etc., from Hyderabad are made only through Hyderabad purchase cell and deputation of office from different ends shall not be resorted to.
- viii. Hyderabad purchase cell shall procure materials/ services/ emergency medicines by floating enquiries to the Firms situated at Hyderabad/Secunderabad only. In case of Medicines, tenders may be floated with short tender notice by obtaining approval from Director (OP)

*The above financial limits are subject to vary as approved by C&MD from time to time.

CHAPTER 3

MATERIAL REQUISITION PROCEDURE

3.0 METHOD OF REQUISITION:

- i. The materials can be categorized into two categories:
 - a) Capital items
 - b) Revenue Items
- ii. Purchase actions shall be initiated after receipt of duly approved Purchase Requisitions from the Stores officer/user department. Placement of orders for right quantity and indicating clear specifications including material code is therefore an essential pre requisite for efficient Materials management. The purchase executive shall ensure that the Purchase Requisitions be processed after careful examination of all aspects and with the approval of the competent authority.
- iii. The Purchase Requisitions shall be accompanied with detailed specification and/or drawings etc., wherever considered necessary.
- iv. **While submitting the requisition the indenter shall also mention the following :**
 - a) Any requirement for submission of samples (only for items that have no standard/quantifiable specification) shall be suggested by the indenter along with the methodology for testing the samples.
 - b) Any Requirement of matching or complementary part of equipment is to be supplied by one supplier only.
 - c) Lead time to start supply & delivery schedule.
- v. The requisitions for similar items shall be grouped as one and no split up there of shall be made to decide the approving authority for such tender as per delegation of powers.

3.1 PURCHASE OF CAPITAL ITEMS:

Plant & Machinery Categories: Procurement action for Plant and Machinery normally fall under two categories:

- a) New Requirement;
 - b) Replacement requirement
- i. a) **New Requirements:** New requirement is assessed & provided in the respective project reports/feasibility reports/schemes and purchase actions are to be initiated on the basis of provisions as mentioned in the sanctioned report / feasibility reports/schemes etc. Depending on its nature and cost involved, a project report/feasibility report/scheme is sanctioned by different authorities namely C & MD, Board of Directors and Government of India.
 - b) **Replacement requirement:** If the equipment crossed its specified life then the equipment may surveyed off and raised the appropriate request for replacement.

- ii. **Approving Authority:**
 - a) Directors have full powers to approve procurement action for Plant & Machinery of approved projects.
 - b) C&MD shall have full powers to approve procurement action for Plant & Machinery and other sub detailed items under various heads beyond the provision in the sanctioned feasibility report of projects / schemes as per Government of India guidelines.
- iii. Appropriate Request shall be created by user department/Technical HOD's against Replacement/FR/Approvals for procurement of Plant & Machinery. GM (I&PM) shall provide funds against Appropriate Requests after approval of competent authority and generate requisitions and communicate to GM(MP) for procurement action.
- iv. **Annual Plan:** While finalizing and consolidating the annual requirement of Plant & Machinery items of all Areas, the quarter-wise requirement also may be indicated by the planning department and shall be shared with Corporate Material Procurement department at least one month before the next financial year. The annual plan shall have approval of the Board.
- v. The user /Technical HOD shall create Appropriate Request in ERP and obtain the approval for procurement of Capital items in the format as shown in Annexure – IX, if the item is not covered under annual plan.
- vi. **Flexibility on Make/Model of an equipment:** Procurement of capital equipment on project specific requirement etc., for standardisation of equipment and to avoid accumulation of large inventory of spares of different makes, capital equipment of any Make / Model can be procured based on specific requirement of any project for replacement against survey-off report for like to like equipment. This can also be resorted to for marginal addition of new equipment to any project.
- vii. **Technical specifications:** Technical specifications of the equipment, to be procured, shall be finalized and approved by competent authority before floating of tender.
 - a) For processing the requirement as per approved annual plan or approved notes, the updated specifications for floating tenders have to be obtained from technical HOD duly taking approval from Director (E&M).
 - b) Technical department shall clearly draw and set the specifications before sending the requirements so that there is no need of re-tendering due to change in specifications at a later stage. EoI for Tender may be floated and conduct Pre-Tender meet if required to finalise the specifications.
 - c) Any major change in specifications involving high financial implications shall be approved by the Director (Operations). Technical HOD has to put up a note for approval of Director (Operations) through Director (E&M) to bring out the following points.

1. Details about major changes proposed in the specifications.
 2. Necessity for the above changes.
 3. Number of suppliers available for equipment with the above changes.
 4. Number of equipment with the above changes available or working with the SCCL and the year since which these are introduced or working and their performance.
 5. Likely cost benefit of the same.
- d) Technical HOD shall obtain approval from Director (E&M) and send a copy of such approval of the original / revised specifications to Corporate Material Procurement department.
- e) **Advance action for procurement of short lead and long lead items:**
The action for placement of order without budget provision shall be initiated by concerned one year in advance for short lead items and 2/3 years for long lead items which shall be in line with the requirements projected in the approved/upcoming projects by Director (P&P). Approval for the requirement schedule under these categories shall be sought by the indenter from the competent authority after financial concurrence and subsequently requisitioned to concerned material procurement department. The order for this equipment shall be placed based on lead time.

3.2 PURCHASE OF REVENUE ITEMS:

- i. In case of Revenue items, requisitions shall be raised by the Stores Officer/ user department, in ERP, as per the requirement.
- ii. GM (E&M) Stores/Technical HOD shall raise requisitions for procurement of spares/consumables/services through rate contracts. However, Technical HOD shall obtain approval from Director (E&M) when the tender for Rate Contract is floated for the first time for any particular item/service with detailed specifications.
- iii. GM (E&M) Stores/Technical HOD shall scrutinise the Area requisitions once in every year and explore the possibility to raise the requisitions for procurement of items through Corporate Purchase department to avoid duplication of work at different Areas.
- iv. **Measures to keep optimum stock of spares:** To keep the stock of spares to only optimum requirement, the following factors are to be considered:
 - a) Stocks held on the date of requisition.
 - b) Desired inventory level.
 - c) Max. Inventory level.
 - d) Stock in transit including the balance deliveries in the balance order, tenders in process and requisitions in process.
 - e) Lead time.
 - f) Sharing of nonmoving/slow moving store items to all the Areas.

CHAPTER 4

TENDERING PROCEDURE

4.0 PREPARATION OF TENDER DOCUMENTS:

- i. Invitation to tenders and instructions to bidders is an important document as the Firm's offer is based on them. The tender shall therefore be carefully prepared setting out in clear terms the requirements of the purchaser as to specifications, quality, quantity, delivery period, destination etc.
- ii. Wherever applicable/decided by the competent authority, a notice about the upcoming tender shall be published in www.scclmines.com along with subject of the tender in advance prior to the publishing of NIT document. The format for the same is given in Annexure – X.

4.1 NIT DETAILS:

The Notice Inviting Tenders (NIT) shall consist the following;

- i. General Terms & conditions as per Annexure – XI.
- ii. Model technical specification format is in Annexure – XII.
- iii. **Quotation Format:** LOB, Commercial terms, Other Commercial Information, Price Bid and check list formats shall be as per Annexure – XIII.
- iv. The following points shall be covered in detail among other General terms and conditions as per Annexure – XI.
 - a) Bid evaluation criteria.
 - b) Inspection and acceptance criteria including third party inspection wherever required.
 - c) Installation and commissioning.
 - d) Guarantee and warranty.
 - e) After sales service including supply of spares along with price list of spares.
 - f) Performance bank guarantee.
 - g) Taxes and duties.
 - h) While procurement of equipment, the AMC charges quoted for 3/5 years beyond warranty period shall be taken for evaluation of commercial status, wherever applicable. Such clause is to be provided in the tender documents. Further, whenever feasible the rates of spares required for the entire life of the equipment will be factored into the evaluation of the bid while finalizing the tender.

- v. **Conformance to safety standards:** The equipment shall have the approval of the concerned Statutory Government Authorities such as Director General of Mines Safety (DGMS) having jurisdiction over the Equipment and its use. The equipment supplied shall comply with the latest norms/stipulations/ compliance standards given by the approving authorities like DGMS.
- vi. If NIT terms vary when compared with general terms of Purchase Manual, NIT terms only prevail.

Note: Any important and relevant safety approvals/standards (like DGMS/ Euro Standards / BIS) to be complied are to be explicitly specified in the NIT.

For example: Compliance to DGMS technical circular. no: 10 dated. 30.07.2004 & DGMS technical circular no: 9 dated. 2.12.2008”.

4.2 OFFER VALIDITY:

The bidders are expected to keep their offers valid for a minimum period of 4/6 months from the date of opening of the tender.

- i. Revenue items -----120 Days
- ii. P&M items -----180 Days
- iii. Turnkey projects and P&M of high value and imports----270 Days

Efforts shall be made at various levels to process the enquiries and release order within the offer validity period.

4.3 PROCUREMENT OF GENERAL MATERIAL:

- i. For all indigenous supplies, the Firms shall normally be invited to quote their rates for free delivery at destination including freight and insurance. The safe arrival of stores at destination is the responsibility of the supplier.
- ii. Tenders are normally invited to standard specifications where these exist and to the schedule of requirements drawn up by the indenter. Tenders for standard items are not called by maker's name or mode/type etc. All invitations to tender shall be standardized.
- iii. Normally, all Items shall contain full description without any reference to a particular make or trade name, model, type etc. A reference to Bureau of Indian Standards specifications to which the item shall comply has to be mentioned. In the absence of BIS, a reference to other national standards like BSS may be made.

4.4 PROCUREMENT OF IMPORTED MATERIAL:

Equipment and spares as required are being procured by floating proprietary /limited /Open/Global enquiries as the case may be.

Based on the offers (FOB basis/CIF basis/Ex-works basis/ FOR destination) submitted by the Firms i.e.

a) By the foreign suppliers directly.

or

b) Through their technical collaborators/Agents as per the Reserve Bank of India/ Ministry of Finance (GoI) guidelines.

or

c) By the Indian manufacturers / suppliers the landed value (at which price SCCL is procuring the equipment / spares) is estimated based on the parameters involved as mentioned vide Annexure – XV.

However, the estimated landed value as above varies from offer to offer as given below:

i. In-case the Firm (Indian manufacturer) offers for the item in Indian Rupees, confirms that the item contains import content and does not indicate the value of import content.

- The Firm to bear all the duties/charges such as exchange rates, customs duty etc., and SCCL to pay basic value and the local taxes/ duties /charges (such as GST, packing, forwarding, freight & insurance etc.), if any, as per offer/ confirmations received from the Firm, against documentary evidence.

ii. In-case the Firm (Indian manufacturer) offers for the item in Indian Rupees, confirms that the item contains Import content and does indicate the value of Import content.

a) If the Firm agrees to absorb all the duties / charges towards procurement of Import content.

SCCL to pay basic value and the local taxes/duties / charges (such as GST, packing, forwarding, freight, insurance etc.) if any, as per the offer / confirmations received from the Firms, against documentary evidence.

b) If the Firm states that SCCL to pay extra at actual all the duties/charges (such as exchange rate, customs duty etc.) towards the import content.

SCCL to pay basic value and the local taxes/ duties / charges (such as GST, packing, forwarding, freight, insurance etc.), if any, as per the offer/confirmations received from the Firm, apart from the duties/charges towards the Import content against documentary evidence.

- iii. In-case, the Firm (Foreign suppliers) directly supplies on FOB/ CIF basis and order is placed on foreign Firm.

SCCL to pay FOB/CIF value and all the duties/charges such as exchange rate, Ocean freight/Air freight, insurance, customs duty etc., as applicable and inland freight/insurance etc., against documentary evidence towards import of the item (both in the cases of project import and normal import).

- iv. In-case the Firm (Foreign supplier) offers through technical collaborator /Agent and requests to place order on Indian Firm.

In-case of applicability of GST:

SCCL to pay basic value and all other duties/charges such as exchange rate, customs duties etc., apart from local charges towards freight & insurance etc., as applicable.

In this regard, Spl. Additional Customs duty is not applicable, since GST is being paid.

In this regard, other financial charges/ technical charges may have to be paid as per offer/negotiations as the case may be.

Any changes in applicable Taxes and duties or interpretation of methodology shall be incorporated in the NITs from time to time as per Gol guidelines with the approval of competent authority.

4.5 PREBID TECHNO – COMMERCIAL DISCUSSIONS:

In large turn-key contracts or complicated equipment, where only written specifications may not clarify the situation, the Planning Department and also the Technical Department in consultation with Material Procurement Department / Contract Management Cell, duly involving the Finance Department, may hold a pre-bid technical discussions with the intending bidders, so that all the technical points are clarified to all the bidders at one point of time. It is also possible that the bidders may be able to give extra information regarding technical developments and the same can be considered, if so desired by the Technical Department.

4.6 PRELIMINARY APPROVAL FOR FLOATING TENDER:

- i. Preliminary approval for floating tender is to be obtained by Purchase Officers/Section Officers from GM(MP)/GM(CM)/Area GM for items, for which plan provision exist or requirement has been raised in ERP or while taking advance action.
- ii. In case more number of sources of supply are required, No. of sources required shall be mentioned at the time of preliminary approval itself. The number of sources for supply shall be decided by GM(MP)/GM(CM)/ Area GM or as per the recommendations of user dept.

- iii. Purchase officer/Section officer shall prepare NIT and take approval of the NIT approval committee depending on the value of tender as per Annexure – XIV. However, the approval of Director (Operations) shall be taken if the value of the Tender is more than ₹ 100.00 Crores with the recommendation of NIT approval committee.

4.7 FLOATING OF TENDERS:

Tenders are invited on following two systems duly indicating the system followed, in Tender Schedule.

- a) Single Cover basis.
- b) Two Cover basis.

4.7.1. Single Cover Basis:

Techno-commercial terms in one cover and price bid in another cover and both the sealed covers shall be placed in separate cover. All the sealed covers shall be opened on tender opening day and only technical bid(s) shall be sent for evaluation.

4.7.2. Two Cover Basis:

- i. Part A – Technical Terms
 - a) Technical parameters of the equipment
 - b) The machinery installed by the manufacturers
 - c) Technical Competence of the manufacturers
 - d) Order Copies for supplies made to reputed concerns or Govt. Undertakings
 - e) Performance reports if any
 - f) NSIC or SSI , ISO certificates along with other documents drawings & specification
 - g) Guarantee / Warranty
 - h) Service support, Spares Depot
- ii. Part B - Commercial terms
 - a) Validity, EMD, delivery period, applicability of taxes and duties, LD penalty, warranty / guarantee.
 - b) Specimen copy of Part C without prices.
- iii. Part C - Price bid contains

Basic price, Price variation clause (PVC) formula if any, duty, taxes and other commercial terms viz; credit, rebate etc.

A. In case of Conventional Tenders:

Techno-commercial terms in one cover and price bid in another cover and both covers shall be placed in separate cover. Techno-commercial terms cover shall be opened on tender opening day and technical bid shall be sent for technical evaluation and price bid cover shall be placed in the Tender box with the signature of tender opening committee. The price bid shall be opened after approval of competent authority for price bid opening.

B. In case of e-Procurement:

Tenders can be invited on following two systems duly indicating the system followed, in e – procurement tender schedule.

- i. Single Cover basis and
- ii. Two Cover basis

Single Cover - Comprises of Technical offer, Commercial offer (EMD, Letter of bid (LOB), and Commercial Terms & Commercial Information) & Price Bid.

Two Cover: Cover 1 - Comprises of Technical offer & Commercial offer (EMD, LOB, and Commercial Terms & Commercial Information);
Cover 2 - Comprises of Price Bid.

4.8 TENDER SUBMISSION PERIOD :

Generally time allowed for submission of bid shall be as follows:

- i. **Against Limited/ Single Tender:** up to 2 weeks from date of publishing of tender, for both conventional and e- procurement tenders.
- ii. **Against open Tender:**
 - a) For conventional tenders - 3 weeks from date of publishing tender.
 - b) For e-procurement tenders - 3 weeks from date of publishing tender with provision of two auto extensions of 5 days in the first and 2 days in second extension, if the number of bids received are less than 3.
- iii. **Against Global Tenders:**
 - a) For conventional tenders - 8 weeks from date of publishing tender.
 - b) For e-procurement tenders - 5 weeks from date of publishing tender with a provision of two auto extensions of 5 days in the first and 2 days in second extension, if the number of bids received are less than 3.
- iv. **Date and Time for following activities shall be clearly mentioned:**
 - a) Tender publication date
 - b) Document download start date, if tender is available through website
 - c) Start date for seeking clarification on-line or through letter / Date and time of pre -bid meeting
 - d) Bid submission start date
 - e) Last date for seeking clarification on-line or through letter
 - f) Document download end date
 - g) Bid submission end date
 - h) Last date of receipt of EMD
 - i) Technical bid opening date

- v. In case of emergency, approval of C&MD shall be obtained for floating enquiries on short tender notice.

4.9 DEALING WITH TWO COVER TENDERS:

4.9.1 Conventional:

- i. In two cover tendering basis technical offer in Part A and commercial terms in Part B shall be opened on the date of tender opening and Part C shall be opened after technical bid acceptance.
- ii. Normally, all the tenders shall be floated on two cover basis where price bid is to be opened after techno-commercial acceptance of the bid.
- iii. In case of tenders where price bids are to be opened separately Part A i.e., technical offer and Part B commercial terms shall be opened on the initial tender opening day and readout to all the bidders and Part A shall be sent to Technical Evaluation Committee for their scrutiny and evaluation. Part B commercial terms shall be kept with purchase department to prepare comparative statement of the commercial terms accepted by / offered by all the bidders for like to like comparison. In case any technical clarifications are to be obtained, the Technical Evaluation committee only shall correspond with the Firms. While obtaining such clarifications, there shall not be any impact on the prices offered. Any clarifications required on commercial terms, purchase department shall correspond with the Firms. Till that time all the price bid covers of the same Tender shall be kept under safe custody in a sealed cover and signed by the dealing officer.

After receipt of technical evaluation report and basing on the commercial terms offered, the Firms qualifying for opening the price bids shall be short listed on approval of such short list by the competent authority. Another date shall be fixed for opening of price bids and the parties shall be informed well in advance so as to enable the bidders to attend. When the price bids are opened, the prices, terms and conditions shall be read out to the eligible bidders and the offers then sent to the Section Officers for processing.

4.9.2 E - Procurement:

- i. **In case of Single Cover tenders:** Techno-commercial bids and price bids shall be opened on tender opening day and techno commercial bid shall be sent for technical evaluation.
- ii. **In case of Two Cover tenders:** Techno-commercial bids shall be opened on tender opening day and sent for technical evaluation. The technical evaluation report shall be uploaded in website on approval of competent authority, duly publishing the date and time of the price bid opening in e-Portal. Price bids of the techno-commercially accepted bids shall be opened. Reverse auction shall be carried out in case of tender cum reverse auction.

4.10 PROCUREMENT OF SPARES:

- i. Items like bearings, tools, medicines etc., for which there are established manufacturers or authorized importer of proven quality and capacity, may be procured through limited tenders, irrespective of the value of the indent. Such limited tenders can be restricted to those who are on our vendors list or who are known in the field of manufacturing or supply of the type of equipment or items required to be purchased.
- ii. In order to minimize the delays in procurement process and also to reduce the inventories of high cost items, it is proposed to identify such critical components equipment wise, which are not bought out items of OEM, and enter into rate contract with OEM. However, bought out items by OEM may be excluded from the scope of Rate Contract.

4.11 CANCELLATION OF TENDERS:

Due to some reason or the other, if the tender notice or tenders received against tender notices are to be cancelled, such cancellation shall be done with the approval of competent authority as mentioned below duly recording reasons.

- i. **Before the approval for opening of price bid:**

Approving authority for cancellation is GM(MP)/GM(CM)/Area GM.

- ii. **After the approval for opening of price bid:**

Approving authority for such cancellation shall be the same authority competent to approve for placement of orders as per the DoP's duly recommended by tender committee. However, C&MD is the highest authority to approve such cancellations.

4.12 VENDOR DEVELOPMENT:

Vendor development system is an essential pre-requisite for scientific materials management system which includes Identification, Registration, Codification, Rating based on performance etc., based on the objective criteria, so that the Vendors are brought up to and maintain the required quality standards at optimum price as per specified delivery schedules and form an integral member of the Organisation. A vendor master is to be updated in ERP from the Corporate Office by Vendor Development Cell.

- i. **Identification of Vendors:** Initially, all the existing Vendors details shall be compiled, along with the products which they are supplying. Further, New Vendors shall be identified by the following modes.

- a) Through Open Enquiries.
- b) User recommended Firms, after successful execution of trial orders.
- c) Self introduction by Vendors.
- d) Through vendor advertisements in the Magazines and Internet.

While identifying the vendor, preference shall be given to manufacturers or their authorized dealers.

ii. Registration of Vendors:

To include the New Vendor, Corporate/Area purchase department issues blank Vendor Registration Form to the Vendor, as per the Format enclosed. (Annexure – XVI).

After receiving the filled in application from the Vendor, the committee scrutinises and if necessary recommends for plant inspection. Based on the scrutiny / inspection, the committee recommends the vendor for Registration for an initial period of three years for the Identified Products. The Areas after receipt of duly filled in Vendor Registration Form shall send the same to Corporate Purchase Department for scrutiny by the Vendor Development Committee for further action.

iii. Vendor Master:

Approved Vendor Master consisting of List of approved Vendors along with the product for which the vendors are approved is updated in ERP.

4.13 ISSUE OF TENDER DOCUMENTS:

i. Conventional Mode:

1. **Open/Global:** Tender documents can be downloaded from the SCCL website (www.scclmines.com).
2. **Limited/Single Tender:** The tender document / NIT shall be sent to the approved and identified bidders through Registered post / courier / e – mail.

ii. e–Procurement Mode:

1. **Open/Global:** Tender documents shall up load in e-portal. The bidders shall submit their bids in e-Portal.
2. **Limited/Single Tender:** The tender document / NIT shall be uploaded in e-Portal to the approved and identified bidders. The bidders shall submit their bids in e-Portal.

4.14 EXTENSION OF DUE DATE OF TENDERS:

Normally the last date of submission of tender shall not be extended after auto extension by two times. The tender due date can be extended further with the approval of GM(MP)/GM(CM)/Area GM, by recording the reasons. Some of the reasons for extension may be;

- i. Number of quotations received is few in respect to the nature of item and availability of sources of supply.
- ii. Where some of the suppliers have asked for extension and it is felt that it shall be in Company's interest to postpone the opening to receive their quotations.
- iii. Force majeure conditions like natural calamities, civil commotions, riots, bandhs, depending upon their effect.
- iv. Any other reason felt necessary.
- v. Notice of extension date of tender shall be published in the SCCL web site/ e-Portal.

4.15 EARNEST MONEY DEPOSIT (EMD):

- i. SCCL shall ask the bidder to submit an EMD in the form of DD or through RTGS/NEFT or Irrevocable BG in specific cases, or any other method as mentioned in the NIT.
- ii. Bidder shall deposit earnest money to assure the SCCL that he is earnest in his offer. A suitable clause on EMD deposit shall be mentioned in the tender document considering the following:
 - a) EMD @ 1% of the offer value (rounded off to the nearest hundred), subject to a maximum of ₹50.00 Lakhs for Material Procurement and ₹ 1.00 Crore for Contracts.
 - b) No EMD shall be payable for Tenders valuing less than ₹15.00 Lakhs. However, EMD can be incorporated in the NIT with the approval of GM(MP)/GM(CM)/Area GM wherever felt necessary.
- iii. In case of conventional Tender, EMD may be accepted by way of Bank Guarantee, which shall be valid for three months over and above the offer validity period.
- iv. **Exemption from submission of EMD:** The tender document shall clearly mention the list of entities that are exempted from EMD.

The following are exempted from submission of EMD:

- a) All Government Undertakings.
 - b) OEM /OES /OPM or their authorized dealers with tender specific authorization for supply of spares & services
 - c) Foreign manufacturers against enquiries for spares and for capital items, if they are Proven Suppliers to the SCCL.
 - d) Firms registered under Micro, Small and Medium Enterprises Development (MSMED) Act, State Industries Dept. / National Small-Scale Industries Corporation for enquired items. This is applicable for procurement of only items produced and services rendered by MSMEs, but not for trading activities.
 - e) Ancillary Units / Subsidiaries of SCCL.
- v. The Bidder claiming exemption from submission of EMD, shall upload the scanned copy of documents in support of exemption during bid submission online, otherwise the offer is liable for rejection.
 - vi. The offers from bidders (other than those exempted from EMD) without EMD or with EMD of lesser value, shall be rejected. In the event of default in deliveries etc., such EMD/security deposit is liable to be forfeited.
 - vii. No transport contract either for sand or coal or any other material shall be considered without depositing the requisite EMD along with the tender.

viii. **EMD Refund:**

- a) EMD of the technically or commercially not qualified bidders/ unsuccessful bidders shall be returned after opening of the price bid.
- b) The EMD of the successful bidders on whom orders are released, shall be refunded to them on submission of performance guarantee/security deposit as per the format enclosed with the NIT document.
- c) In the event of cancellation of Tender due to reasons attributable to the SCCL, EMD if any, paid by the bidders shall be returned.

ix. **Forfeiture:** Generally forfeiture of EMD is resorted to when the bidder

- a) Withdraws his offer during the validity / extended validity of the offer.
- b) Changes the terms of offer and submits a revised offer amounting to withdrawal.
- c) Do not accept the Firm order/LOA placed within the validity/ extended validity period, which is in conformity with the offer, after negotiations and discussion.
- d) Submits false documents or incorrect information.

4.16 QUANTITY VARIATIONS :

- i. A suitable clause shall be incorporated in the NIT, stating that the SCCL reserves the right to increase or decrease the quantity by 25% of the tendered quantity.
- ii. As far as possible Quantity variation shall be avoided after publishing of the Tenders.
- iii. In case the quantity to be increased/decreased by more than 25% of tendered quantity, the tender shall be cancelled and refloated.
- iv. In case the quantity to be decreased by more than 25% after opening of the price bid, the consent of L1 Firm shall be obtained for further processing the Tender. If the Firm does not agree, the Tender shall be dropped.

CHAPTER 5

TENDER FINALISATION

5.0 OPENING OF TENDERS:

A. Conventional Tenders:

- i. **Opening of tenders in presence of bidders:** In case of conventional method of procurement, the tenders shall be opened on the date and time specified in the tender schedule in the presence of the representatives of bidders who may be willing to be present at the time of opening. The dealing officer shall open the tenders along with another executive of other than purchase department. Representatives of Firms, who have not submitted a tender, shall not be allowed to be present at the time of opening of tender. The officer opening the tenders shall prepare a list of representatives present at the opening of tenders and obtain their signatures on the list. The list shall be initialled and dated by the officers conducting the opening of tenders. The following particulars shall be read out from each tender opened by him for information of the representatives of the bidders present:
 - a) Tender Number
 - b) Name of the Bidder
 - c) Description of article in brief
 - d) Quantity
 - e) Unit price including discount if any, point of delivery and price escalation clause if any
 - f) Delivery schedule
 - g) Payment terms
 - h) Clauses having financial implications
 - i) Any other important particulars may also be read out.
- ii. **Signing on pages of tender document by SCCL executives and noting of quotes:** Every tender shall be numbered serially, initialled and dated in front page. Each page of the schedule or the letter attached to the tender shall also be initialled.
- iii. Additionally, when the bid is opened the schedule containing prices (that part of the main sheet of the tender) shall be initialled separately. The total number in figures and words of tenders received and opened shall be noted down by the officer concerned in the note portion of the relevant file so that there may not be any possibility of suppression, substitution or addition of any tender.
- iv. **Date of opening of single tender:** Offers received against single tender cases can be opened before the tender opening date by the dealing purchase department/contract cell executives.

- v. **Rejection of bids (not submitted in separate sealed covers):** In case of 2 cover tenders, if the techno-commercial bid and price bid are not received in separate sealed covers, such offer shall not be considered.
- vi. Where tenders are issued on 2 cover basis, only the techno-commercial bids shall be opened on the tender opening date. The price bid shall not be opened, but, after signing on the envelopes by the designated officers, shall be kept under lock and key till the receipt of approved techno-commercial evaluation from competent authority.
- vii. **Complaints / Representations:** If any complaints /representations are received against the Tender in process, the same may be resolved as far as possible before opening of the price bids.
- viii. When price bids are opened, wherever basic price or discount etc., are indicated only in figures and if there is any over writing, such figures shall be mentioned in words and duly signed by the tender opening executives.

B. e – PROCUREMENT TENDERS:

Tenders shall be opened on the pre-scheduled date and time of tender opening. The Techno-commercial bid shall be decrypted on-line and shall be opened by the “bid opener” with their digital signature certificates. The bidders may view the bid opening remotely on their personalized dash board and can see the documents submitted by all participated bidders. It shall be the bidder’s responsibility to check the status of their bid online, after the opening of Techno-commercial bid till opening of the price-bid. No separate communication shall be made to the bidder in this regard.

i. **e – tenders:**

The price-bid of the successful bidders (qualified in techno-commercial bid) shall be decrypted and opened on-line, on the pre-scheduled date and time by the “bid opener” with their digital signature certificates (DSC). The participating bidders may view the opening of price-bids remotely on-line. The bidders shall get the information regarding the status of their financial bid and ranking of bidders on website.

ii. **e- Tender-cum-Reverse auction:**

On opening of price bids the system displays the base price for bidders to start reverse auction. The bidders may decrease the offered price of the item during the specified time and the lowest bid price during the auction time will be the considered as L1 bidder, subject to techno commercial acceptance of the Firm’s offer.

C. GeM :

As per the procedure laid down by the GeM.

5.1 RECOGNIZED METHODS OF RECEIPT OF TENDERS:

- i. Tenders received by post
- ii. Tenders received by courier service
- iii. Tenders received personally – Bulk documents to be handed over to nominated members.
- iv. Through e-Portal
- v. Through GeM

a) Conventional Tenders:

- i. In case of conventional tenders, bids shall be posted in sealed envelope clearly super-scribed with the subject of the Tender, Tender number, last date of receipt of tender and date of opening of the tender, without which the covers shall not be taken for delivery and would be returned to the sender. Also each cover inside the sealed envelope shall be sealed and super-scribed Technical / Commercial / Price bid, subject of the Tender, Tender number, last date of receipt of tender and date of opening of the tender without which the bids may be rejected.
- ii. The tender document can be sent by post / courier services / or received personally. However, SCCL shall not be responsible for any kind of delay in tenders submitted through post / courier etc.

b) e-procurement:

In case of e-procurement, the bidders shall submit their bids online on the e-procurement portal. Hard copies of the bids shall not be accepted.

5.2 MINIMUM NUMBER OF OFFERS:

For opening the tenders, a minimum of 3 offers shall be received. In case less than 3 offers are received even after two extensions, approval for opening of tenders shall be obtained from GM(MP)/GM(CM)/Area GM.

5.3 DELAYED TENDERS:

In case of conventional tenders, delayed tenders viz., tenders received after the tender opening time, shall be treated as late tenders and rejected outright without opening.

5.4 UNSOLICITED TENDERS:

- i. Tenders received in any form other than the format in Tender Documents either uploaded or supplied by the SCCL shall be treated as unsolicited. A tender received from the Agent / Dealer/ Sister Concern of the original unit along with the authorization letter of that unit to whom the Tender was originally issued shall not be considered as unsolicited and such tenders are to be treated as normal tenders.

- ii. In any tender whether open/Limited, if the prices are revealed before price bid opening, then such tenders/offers shall be treated as unsolicited and will be rejected.

5.5 EVALUATION CRITERIA:

- i. The tenders are evaluated on the basis of set criteria which shall be clearly stated in the tender documents. It shall not, nor shall it be compelled to change the criteria, after the bids are opened. No document presented by the bidder after the closing date and time of the tender shall be taken into account by the evaluation committee unless it is of a purely technical nature which has no financial bearing on the contract and which does not seek any change in technical specification given in the bid documents.
- ii. If a bidder offers a rebate unilaterally after the closing date and time of the tender, it shall not be taken into account for evaluating purposes. But if the bidder emerges as the lowest evaluated, the rebate offered shall be taken into account by GM(MP)/GM(CM)/Area GM while forwarding the tender committee's recommendation to the approving authority.

5.6 PREPARATION OF COMPARATIVE STATEMENT:

After opening of price bids, the bidder wise quoted prices shall be tabulated and a comparative statement shall be prepared. The statement shall be signed by section officer and Finance officer.

Following are generally the main parameters that are to be taken into consideration while preparing comparative statements:

- i. **Basic Price:** The price quoted by Firm per unit to be taken as basic price.
- ii. **Quantity Discount:** Quantity discount offered by any Firm, which is eligible for commercial order, is deducted from the basic price, to arrive at a net basic price. Both the prices with and without quantity discount are shown in the landed cost statement. For deciding the status of the Firm on landed cost basis, conditional discount/quantity discount shall not be considered.
- iii. (A) **Excise Duty:** Excise duty is applicable on basic price. Where the Firm has stated that Excise Duty shall be charged extra, Excise Duty Charges applicable or indicated shall be added to the price. If applicable rate of duty or NIL rate of duty is not mentioned, loading shall be done as per highest rate indicated by other bidder. In case where excise duty is stated to be included in the price, it shall be treated that the quoted price as inclusive of excise duty and no additional duty is payable.
(B) **Sales Tax:** Sales Tax is applicable on the sum total of basic price plus excise duty. Sales Tax at the rate applicable/ indicated shall be added to the price, wherever the bidder mentions that Sales Tax shall be extra.
- iv. **Goods & Services Tax:**
GST: GST shall be applicable as per provision of GST Act 2017. GST is applicable on basic price + Freight + Insurance:

- a) **CGST and SGST** : If bidder is having local office / ware house in the state of supply and is having valid GSTN number in that state then CGST & SGST, if applicable, shall be payable extra as per prevailing GST Act and rules only in case of Intra state supply. Input tax credit obtained on CGST/ SGST shall be passed on to the SCCL by the bidders.
- b) **IGST** : If the location of the bidder is other than the state of supply and not having any office/ ware house in the state of supply then IGST, if applicable, shall be payable extra as per prevailing GST Act and rules only in case of Inter State supply. Input tax credit, if any, obtained on IGST shall be passed on to the SCCL by the bidder.

The legally applicable rate of tax shall be clearly mentioned in price bid.

GST registration is mandatory for bidders unless they were specifically exempted from registration. In case bidder is exempted to register under GST act due to his aggregate turnover is less than ₹20.00 Lakhs, the bidder shall submit their turnover certificate duly certified by Chartered Accountant for the immediate proceeding financial year.

GST where applicable, and intended to be claimed from the SCCL shall be distinctly shown along with the price quoted. Bidder shall quote the applicable rate of CGST, SGST or IGST in the price bid. The rate of CGST, SGST or IGST entered by the bidder in price bid shall be legally applicable rate of GST at the time of submission of bid. In case the tendered item is eligible for Input Tax credit then the L1 status shall be decided by deducting the ITC (SGST, CGST or IGST as the case may be) amount from the total rate by the system. Duties / taxes entered in the price bid are final. However, in case of any variation in the duties and taxes quoted, the decision by GM(MP)/GM(CM)/Area GM shall be final.

- v. **Packing & Forwarding**: In case where the Firm has quoted prices on FOR destination /Ex-works basis, the same shall be considered for evaluation purpose. In case the price is not quoted, it is to be treated that the price is inclusive of P&F charges. The same shall be incorporated in the Tender document clearly.
- vi. **Freight charges**: Freight charges are to be quoted by the bidders in price bid where the price quoted on either FOR destination / Ex-works basis. In case freight charges are not quoted in price bid the same shall be treated as inclusive of offered price in case of FOR destination unless otherwise specified by the bidder. In case of Ex-works the Firm shall quote freight charges also. The same shall be incorporated in the Tender document clearly.
 - a) In case of direct imports, the bidders shall be required to quote on CIF/FOB delivery port basis. The total price shall be estimated in the following manner to arrive at the landed cost of the import offers:

1. The loading for freight and insurance is as per the methodology given below and the same be indicated clearly in the NIT.

Port of delivery at	Freight (%)
USA, Canada and Japan Sectors	12% of FOB value
All other Sectors	10% of FOB value

2. Insurance charge for loading purpose shall be considered as per the existing transit insurance contract concluded by the SCCL. If the Company has the data for actual freight paid by them for identical items in the past, the same percentage may be taken for loading for freight charges. This shall be clearly mentioned in the NIT.
 3. The CIF Price shall be multiplied by the Exchange Rate between Indian Rupee and the quoted foreign currency, prevailing on the date of opening of the price bid. The applicable rate shall be “selling BC rate”, of State Bank of India.
 4. Customs duty and countervailing duty as applicable on assessable value/CIF value shall be added on the CIF price, thus converted into INR.
 5. On this net price, 2% of FOB shall be added as port clearance and forwarding charges and 3% of FOB as estimated average inland freight up to destination, to arrive at the total price (landed price).
 6. Alternatively the bidders shall quote FOR Destination (SCCL Stores) price also which shall be treated as a direct landed cost. In such case the bidder has to provide the split up for FOREX & INR to facilitate payment accordingly.
- b) For comparison of import offer with the indigenous offer in a Global Tender, Landed price of indigenous offer (i.e., FOR destination price plus GST plus Octroi, plus entry Tax, if any) shall be compared with the landed price of import offer (i.e., CIF price plus customs duty plus port clearance charges plus Inland freight and Insurance etc., as above). These evaluation criteria shall be clearly mentioned in the NIT.
- c) The above methodology of evaluation of tender shall be clearly indicated in the tender document. The quantum/rate of loading for the various factors indicated above, are for the guidance. The Company can decide the quantum of loading factors suitably but the same must be mentioned in the NIT to facilitate the bidders to know the evaluation methodology being followed for evaluating the tenders before submitting their offer.
- vii. **Insurance Charges:** In case where the price is quoted on FOR destination basis, the bidder has to quote the insurance charges in price bid, otherwise the prices are deemed to be inclusive of Insurance charges.

The values mentioned in price bid are final, if no rate is filled in price bid no amount shall be paid to successful bidder.

Where the prices quoted are on ex-works or ex-factory or FOR dispatching station, even though the freight is agreed to be borne by seller and if nothing has been mentioned about the insurance by the bidder it shall be deemed that Insurance charges are inclusive. The same to be incorporated in the NIT.

- viii. **Cess and Other Duties:** Applicable cess shall be charged extra in case it is specifically quoted by the bidder in his offer.
- ix. **Price Variation Clause:** Price variation mentioned in the tender conditions by the purchaser shall only be considered. The bidder cannot provide his own price variation clause and shall be non-acceptable to the purchaser.
- x. **Price variation formula:** may consist of the following contents:
 - a) Specified price variation formula as per IEEMA, CEMA formula, or as per SAIL on weight to weight basis or certain percentage depending on the wastage.
 - b) On MMTC price.
 - c) As per RBI formula or any other specified formula correlated to the raw materials and price of living index etc.
 - d) It may also depend on the parity of foreign currency, in case the quotation is given in foreign currency. In such an eventuality, the bidder shall mention the base date and the exchange parity, which they have taken into calculation for arriving at the quoted prices. Price variation also may take place due to rate of customs duty changing from time to time. Though this can be incorporated in the comparative statement, no Firm shall be loaded extra on this account.
 - e) However, payments shall be made for all variations mentioned supra under price variation clause on production of documentary evidence only at the time of supplies, like published price list or proof of supplying at the same price to other companies etc.
- xi. **Payment Terms:**
 - a) Payment terms mentioned in the NIT shall be adhered to by the bidders SCCL shall not accept payment terms offered by the bidders in their submitted tenders.
 - b) For imports, foreign letters of credit shall be opened following international rules in this regard.
 - c) When it is unavoidable, relating to supply of critical items like iron and steel, inland letters of credit can be opened.
- xii. **Cash Discount:**
 - a) If stipulated period for the offered cash discount is below 30 days, the same is treated as conditional discount and it shall not be considered to decide the status on landed cost basis.

- b) However, if stipulated period is 30 days and above, the discount offered shall be treated as normal/ unconditional and subject to bidder not stipulating any interest clause on delayed payments if any. This is considered as discount for arriving at the status on Landed cost.
- xiii. **Erection, Commissioning & Other Charges, if any:** In case the tender called for, includes erection & commissioning and servicing of the equipment, the bidder has to quote the Erection, Commissioning & Other charges in price bid, otherwise the prices are deemed to be inclusive of Erection, Commissioning & Other charges.
- The values mentioned in price bid are final, if no rate is filled in price bid no amount shall be paid to successful bidder.
- xiv. **Landed Cost:** By adding all the elements on basic price, quantity discount, Taxes & Duties, packing and forwarding, freight charges, insurance, price variation, erection & commissioning, servicing and other charges shall constitute landed cost of the item/machinery offered by each supplier.
- xv. After the comparative statement is prepared, the same shall be signed by the Section officer and vetted by Finance officer.

5.7 DEEMED EXPORTS:

- i. If the bidder quoted the items under the deemed exports, then it shall be the responsibility of the bidder to get all the benefits under deemed exports from the Government.
- ii. SCCL's responsibility shall and be limited to issuance of necessary certificates.
- iii. The quotation shall be unconditional and phrases like "subject to availability of deemed exports benefits" etc., shall not find place in it. If mentioned in the offers the same shall be rejected.

5.8 SHORTFALL DOCUMENTS:

i. Conventional Tenders:

After opening of the techno-commercial bids, in case any short comings are noticed in the tenders quoted, like not enclosing SSI certificates or not enclosing copies of orders & performance certificates, non-submission of samples or DGMS approval, a letter shall be sent to the supplier, giving a specific time schedule for giving clarifications or submission of the documents not enclosed. While ensuring such clarifications the same shall not have any bearing on the price quoted.

ii. e-Tenders:

After opening of the techno-commercial bids, in case any short comings are noticed in the tenders quoted, like not enclosing SSI certificates or not enclosing copies of orders or performance certificates or non-submission of samples or DGMS approval or any technical clarifications or drawings as desired by the evaluation committees from the bidder before arriving at any conclusions, the same shall be recommended to GM(MP)/GM(CM)/Area GM for seeking documents under shortfall through e-Portal giving a specific time schedule. While ensuring such clarifications the same shall not have any bearing on the price quoted.

5.9 TECHNICAL EVALUATION COMMITTEES:

For evaluating the technical part of the offers, technical evaluation committees are mentioned in Annexure – XIV. In case the committee feels that they shall co-opt additional member for the purpose of evaluation the same shall be done with the approval of concerned Director.

5.10 TECHNICAL EVALUATION CRITERIA OF OFFERS:

The technical part of the offers shall be sent to the respective Technical Evaluation Committees. The technical evaluation is to be completed within 4 weeks in respect of capital items and 2 weeks in respect of revenue items.

The technical evaluation committee shall take the following technical factors to determine the technical competence of the offer.

- i. Whether offers are as per our specifications or as near to our specifications as possible. If only the bidder has copied our specifications, but not given any general drawings or the technical committee has a doubt about their capacities, the same shall be brought out in their report. In case the technical committee feels that any of the technical offers are vague, they shall seek necessary clarifications from the bidder without any need to refer to GM(MP)/GM(CM)/Area GM in case of conventional Tender and refer to GM(MP)/GM(CM)/Area GM for obtaining shortfall documents in case of e- tenders . While ensuring such clarifications the same shall not have any bearing on the price quoted.
- ii. The general technical competence of the bidder and the facilities available with the bidders.
- iii. Whether the bidder has enclosed BIS standards/ISO accreditation certificates as required.
- iv. Whether the Firm is a Manufacturer or a Trader, in case of a Dealer, whether the dealer has enclosed original manufacturers guarantee towards supply of the equipment or items offered and whether after sales-service including supply of spares is assured.
- v. Whether samples are submitted and they are in accordance with the specifications desired by the SCCL.
- vi. Whether the valid DGMS approvals are enclosed or not as per the specifications given in NIT.

- vii. If the notice inviting tender has specified about guaranteed supply of spares for a specified period, whether the bidder has quoted for the same or not.
- viii. The past performance of the bidders in case they have supplied the material to SCCL.
- ix. Order copies and performance reports of similar equipment / items supplied to Coal India Ltd or other Public Sector Undertakings.
- x. Guarantee in terms of powder factor / tonnage/ meterage drilled / quantity handled shall be the criteria in respect of items like explosives, feeder breaker picks, coal drill bits, drill rods, Open cast drill bits and belting etc.
- xi. The evaluating officer has to put his initial on all pages of the technical evaluation report and signed by all the committee members.
- xii. Spares depot and Magazine at the project site wherever applicable.

5.11 OPENING OF PRICE BIDS:

- i. Based on the technical evaluation report, proposal shall be submitted for approval of the competent authority for opening of “price bids” of techno- commercially acceptable tenders. In this proposal the reasons for the offers considered as technically & commercially acceptable are to be dealt. The reasons for disqualifying the offers on technical & commercial grounds have also to be brought out in detail.
- ii. **Price bid opening proposals are to be approved as under:**
 - a) When all the offers received are technically acceptable, opening of price bids shall be approved by the chairman of the tender committee.
 - b) When any of the offers received are technically not acceptable, the opening of price bids shall be approved by the same authority competent to approve the procurement proposal. However, the highest authority is C&MD.
 - c) In case of Tender with multiple items, if any one of the offered item is technically not acceptable in the tender, the opening of price bids shall be approved by the same authority competent to approve the procurement proposal. However the Highest authority is C&MD.

5.12 NEGOTIATIONS:

- i. **Negotiation only with L1 Firm:** As a matter of policy, where the rates are reasonable there shall be no negotiations for any item /service procured through competitive open tendering. In case of procurement through single tender, negotiations shall invariably be carried out. Negotiations, wherever applicable, shall always be with L1 Firm-only.

After negotiations, if the rate offered is not reasonable fresh tenders may be floated.

- ii. **Reasonable price:** The following may be some of the guidelines to decide the reasonability of prices :
 - Price available for similar/same item during the current year.
 - Previous executed order price +/- general escalation of the same/similar item as per RBI indices.
(Previous executed order price: Price of the item ordered previously against which at least 60% of the supplies are made by the supplier and are working satisfactorily.)
 - Any other appropriate method found suitable for price comparison by the tender committee.
- iii. The proposals for negotiations shall be approved by the chairman of the tender committee.
- iv. Negotiations shall be conducted by an appropriate committee as detailed in Annexure-XIV.
- v. Where more than one source is required for critical and safety items, L-2 and L-3 and so on. Firms shall be asked to match with the accepted L-1 rate, by way of giving counter offer letters with the approval of GM(MP)/GM(CM).

5.13 SELECTION OF VENDORS:

Normally, on the basis of the technical evaluation report and commercial evaluation, the lowest technically acceptable bidder shall be considered for placement of orders. For certain critical items/equipment and for items of considerable value, for reasons recorded, the SCCL may opt to have more than one source of supply, and the practices followed shall be as under.

Orders to more than one vendor:

- i. Where more than one vendor is needed, or desirable, the second lowest techno-commercially acceptable bidder shall be considered for certain percentage of orders depending on their matching of the prices with L1 firmed up price on landed cost basis.
- ii. In case the requirement of the SCCL is large, and one supplier, may not be in a position to supply all the quantities according to delivery schedule desired, more than one vendor shall be selected.
- iii. While deciding the percentage of allocation of quantities to the first lowest bidder, their commitment to the other customers shall also be taken into consideration, before deciding the quantity to be ordered on the Firm.
- iv. In case of criticality of the item to be procured and due to force-majeure condition in the works of one vendor is likely to affect the production schedule of the SCCL, due to non-availability of the stores, more than one source shall be selected.
- v. In case the landed cost price of more than one manufacturer is one and the same, more than one vendor shall be selected.
- vi. Offers received from sister concerns or from two or more units belonging to same group whose works are located in the same/adjacent premises shall be considered as one as any disturbance at their works are likely to affect supplies as SCCL's works shall suffer.

5.14 PRICE PREFERENCE:

No price preference shall be given to any Firm / bidder including Govt. Firms and Public Sector Enterprises.

5.15 PURCHASE PREFERENCE:

- i. No purchase preference shall be given to SSIs / NSIC / Govt. Undertakings / PSUs / APHMEL except for ancillary units of the SCCL.
- ii. Ancillary policy is as detailed in Annexure – XVII

5.16 DISTRIBUTION OF QUANTITIES TO TWO OR MORE BIDDERS:

If SCCL wishes to split the order quantity / scope of work among more than one bidder, then rank-wise distribution among the bidders shall be clearly mentioned in the NIT. Stipulations under this section shall adhere to following conditions:

5.16.1 Single source of supply:

Normally, total quantity shall be placed on technically acceptable L1 Firm. In case more than one offer are identical in all respects then;

- i. **In case of conventional tender:** The quantity shall be equally distributed among the technically acceptable L1 Firms. If the item cannot be split then the procedure mentioned at clause No. 5.24 shall be followed.
- ii. **In case of e-tender:** The bidder who submitted the bid first shall be treated as L1 among all the technically acceptable L1 Firms and the total quantity shall be awarded to him.

5.16.2 Two or more sources of supply:

- i. The allocation shall be in the descending order with L-1 getting the highest share.
- ii. If the supply capacity of the L-1 Firm is less than the offered quantity in the bid, then quantity to be awarded to the L-1 Firm shall be limited to its supply capacity only. The left over quantity shall be awarded to L2, L3... bidders subject to matching with L1 price.
- iii. Distribution of order to L2, L3 and L4 Firms at technically acceptable L1 prices can be made when –
 - Quantity is very high
 - Item is critical
 - Limitation of capacity exists
- iv. Distribution of Quantity (In case of more than one source):
 - a) In Case of two sources : 70:30
 - b) In Case of three sources : 50:30:20
 - c) In case of four sources : 50:25:15:10

- v. When more than one offers are identical in all respects:
 - a) **In case of conventional tender:** The quantity shall be equally distributed among the same ranking Firms.
 - b) **In case of e-tender:** The bidder who submitted the bid first shall be treated as first among all the same ranking technically acceptable Firms and the bid submitted next shall be treated as 2nd among all the same ranking technically acceptable Firms ranking and so on and shall be awarded quantities accordingly.
- vi. Wherever such quantity distribution does not come into exact whole number, the remaining 1 no. (after distribution in whole numbers) shall be included in the quantity of that Firm whose share in the decimals shall be more. Example: In case of boreholes drilling tender with a provision of 70:30 distribution among the bidder: If the L-1 is entitled to drill 6.5 boreholes (as per 70:30 ratio in value/work) then the L-1 bidder shall be awarded nearest higher whole number of job i.e., 7 boreholes.
- vii. The critical items where 2 or more sources of supply are required shall be identified by GM (MP)/GM (CM)/Area GM.
- viii. In case of spares/service identified for ancillary units, the distribution of quantities to other suppliers shall be limited to only 50% of total quantity, as 50% quantity shall be awarded to registered ancillary units. In such case, the distribution of 50% quantity among non-ancillary suppliers would be as stated in Annexure – XVII.
- ix. If L2, L3 bidders and so on do not match with L1 bidder, orders can be released on L1 Firm for entire quantity.

5.17 DUAL OR DIFFERENTIAL PRICE:

Normally dual or differential prices orders shall be avoided. However in case of essential and critical requirement of supplies from more than one source, as indicated in NIT, if L2, L3 bidders and so on do not match with L1 bidder, orders can be released on L1 and the next lowest bidder at differential prices in the ratio of 90:10. This fact shall be indicated in the NIT.

5.18 TRIAL ORDERS & DEVELOPMENT ORDERS:

- i. Trial orders shall be considered for revenue items & development orders for capital items / equipment.
- ii.
 - a) In principle approval from Director (Operations) shall be obtained for floating Tender for Trial orders.
 - b) In principle approval from C&MD shall be obtained for floating Tender for development orders.

iii. **The following shall be considered while placing a Trial / Developmental orders:**

- a) **Purpose of trial/development order:** For development of new source of supply, a separate tender shall be floated. Tender shall be preferably Open/Global tender to explore domestic as well as overseas markets. Trial orders/ Developmental orders may be placed on the new source/sources whose offers are found to be techno-commercially acceptable and at prices lower than the price being paid for the proven product.
- b) **Listing of items required to be developed:** It is not necessary to place order for development of source for all items. Items required to be developed shall be identified by the user department. 10% of the assessed requirement of the identified items may be kept aside for trial/development order and forwarded to corporate MP department for floating enquiries.
- c) **Satisfactory Performance:** The Performance is considered to be satisfactory if the equipment / spares supplied conform to the ordered parameters and the equipment / spares rendered the prescribed service during the warranty period successfully.
- d) **Proven suppliers:** Proven suppliers are those who had supplied/provided services earlier in the SCCL conforming to the ordered parameters and fulfilled at least 60% of the contractual obligations as per the order terms and conditions.

iv. **Payment terms for Trial / Developmental orders:**

- a) **Trial orders Payment terms:** For trial orders, 50% payment shall be made within 30 days from the date of receipt and acceptability of the material and balance 50% after guaranteed satisfactory performance as mentioned in the order.
- b) **Developmental Orders Payment terms:** 100% payment shall be made after six months of satisfactory performance against submission of Bank Guarantee of equivalent amount, valid for a period of nine months thereafter (beyond initial six months). The equipment found to perform satisfactorily and fulfilling the contractual obligations as per the supply order for a period of one year from the date of commissioning, 100% Bank Guarantee shall be released on receipt of Performance Bank Guarantee of suitable amount, may be 10% or 20%, according to the nature of the item, which shall be valid till the completion of warranty. Six months satisfactory performance shall not, however, give entitlement to claim that their equipment shall have to be considered proven. This shall be mentioned specifically in the tender.

5.19 TENDER COMMITTEE:

5.19.1 Tender committee recommendations:

Tender Committees are constituted at various levels for the purpose of recommending the proposals are in Annexure – XIV.

- i. After technical and commercial evaluation of the tenders followed by opening of price bids of technically and commercially acceptable tenders, the duly constituted respective tender committee submits its recommendations regarding placement or otherwise of the order against the identified selected source of supply.
- ii. Generally all the points shall be covered in the tender committee recommendation. The tender committee is normally expected to give clear recommendation covering the terms and conditions which govern the execution of the order.

5.19.2 Duties & responsibilities of tender committee:

- i. The section/purchase officer shall put up the Technical Evaluation report before the Tender Committee which is submitted by GM (Technical Services). Incidents of non-conformance to the NIT specifications, if any, indicated in the Technical evaluation Report, shall be brought to the notice of the Tender Committee by the Section/Purchase officer.
- ii. The Tender Committee shall examine the Technical Evaluation Report on the offers submitted by the Bidders in Cover-I (Techno commercial Bids).
- iii. To make out a list of technically acceptable Bidders on the basis of Evaluation Report. If the Tender Committee disagrees with the Technical Evaluation Report, then the Tender Committee has to record the reason for disagreement in their recommendations to the approving authority. If any bid is technically rejected in the Technical Evaluation Report, Tender Committee shall also examine the same and record the reasons for rejection vis-à-vis NIT specifications and the terms & conditions specified in the NIT.
- iv. To find out whether the technically acceptable Bidders have accepted/fulfilled all the general and commercial terms & conditions of the NIT. Section /Purchase officer shall prepare and put up a statement of deviation/non-conformance of General and Commercial Terms & Conditions of the NIT (duly vetted by Group Officer.) before the Tender Committee members.
- v. To give recommendation regarding acceptance or otherwise of any deviation quoted by the Bidders from any of the general terms & conditions and specifications of the NIT.
- vi. In case of 2-cover Bids, recommending the names of the Bidders whose price covers shall be considered for opening and specific reason for not considering any bid for opening their price covers.

- vii. Price comparison of the techno-commercially acceptable bids shall be done on like to like basis. The Section /Purchase officer shall prepare the Comparative Statement based on the above principle and put up the same, vetted by Finance before the Tender Committee.
- viii. Any deviation with regard to price comparison on like to like basis is to be indicated in the Comparative Statement.
- ix. Vendor rating where available shall be put up by the Section / Purchase officer to the Tender Committee for consideration, if available.
- x. The Tender Committee shall recommend the names of the bidder/bidders to whom orders shall be placed indicating the quantity to be ordered , unit price, total price and the total financial implication including taxes and duties etc. and other terms & conditions for supply of stores.
- xi. If Tender Committee recommends distribution of orders to more than one Bidder, the distribution methodology shall be mentioned in the Tender Committee deliberations. TC recommendation for distribution of order quantity, if any, must be in conformity to NIT.
- xii. Tender Committee shall verify the offers (Both Part-I and Part-II) of the finally recommended bidders to guard against any irregularity.
- xiii. If the price of a particular item is found to be varying from Area to Area, the bidder may be asked to indicate their last supplied prices for the same item supplied to the other Areas, any other Public Sector Undertakings like CIL and if possible to get satisfied about their authenticity to guide the procurement. This shall not be considered as a mandatory directive but this information is considered to be essential to exercise the negotiation technique and therefore if possible this may be explored.

5.20 GUIDELINES FOR PREPARATION OF PROPOSAL FOR TENDER COMMITTEE:

While presenting the Tender Committee Recommendation proposal, the following points are brought out.

1. The details of purchase requisitions and consolidated requirement giving details of nature of item, type of item, approval reference and approximate value.
2. Details of specifications and approval reference.
3. Details of fund provision in case of capital items.
4. **Details of preliminary approval:** Preliminary approval is accorded by GM(MP)/GM(CM)/Area GM vide Note No.where the mode of tendering is also covered.
5. **Mentioning important dates of tender:** Last date of receipt of quotation and opening date.

6. **Sharing simultaneous intimation of enquiries to vendors:** Whether simultaneous intimation of the enquiries was sent to the technically qualified vendors in the previous enquiries and proven suppliers.
7. **Listing of Firms submitted the bids:** Offers received from the Firms. (List to be given).
8. **Recommendation from Technical Evaluation Committee:**
 - a) **Inspection of samples:** The samples, if asked for against this Tender be inspected by Centre for Controller of inspection and technical services (CITS) and reports were received vide his letter no.dt...
 - b) Technical evaluation committee consisting of.....scrutinized the offers, and submitted their recommendations vide their letter no.....date.....considering various technical aspects and suitability of the material regarding usage of the same. The evaluation is as follows:
 - c) Tabular form of all the offers and technical acceptability.
 - d) In the proposal to Tender committee, technical evaluation shall be given paramount importance. If the offer is not technically acceptable, the reasons have to be brought out in detail. While rejecting the offers, such details are more essential, since it is the objective of the Purchase Department that to get the materials at the lowest cost and no injustice is done to any earnest bidder.
9. **Commercial Terms of Technically acceptable Firms:** Tabular form showing the commercial terms of the technically acceptable offers are to be listed.
10. Other Details of the Firms like manufacturer/SSI/NSIC/authorised dealer, etc., whether previous supplier, details of EMD submitted, details of previous orders& performance.
11. **List of Commercial evaluation of Technically acceptable Firms:** Details to be clearly brought out for commercially not acceptable offers.
12. **Details of reviewed requirement:** Details of review requirement given by the heads of the respective user dept mentioning the letters numbers.
13. Quantity justification with stock and consumption.
14. Details of complaints, if any.
15. Details of offers of the Firms proposed for not opening of price bids.
16. Details of offers of the Firms proposed for opening of price bids.
17. Details of Deviations & Justification to accept the deviations.
18. Proposal to open the price bids:
19. Delegation of powers: (Annexure-XXIII)
20. **Observations and Recommendation of tender committee:** After deliberation on various offers, their merits and demerits, the tender committee shall submit its recommendations to the approving authority for opening of price bids.

21. **Details of price bid opening:** Date of approval of Price bid note, intimation details to the qualified Firms, list of Firms whose price bids are opened, and price bid opening date. A comparative statement containing details of quoted prices, landed cost, and status shall be prepared and the same is placed in the enclosed current file together with the quotations received.
22. Price comparison:
23. Price justification:
24. Number of sources & Quantity distribution:
25. Fund provision in case of capital items.
26. If the prices are found reasonable, proposal shall be put up for placement of order, otherwise proposal for negotiations shall be made: Details of prices, terms and conditions shall be brought out.
27. Deviations, if any & justification.
28. In case the vendor rating register maintained in the Purchase Department varies with the recommendations of the technical evaluation committee, the same shall be brought out in the proposal at appropriate place, giving full reasons for not considering the offer due to non-performance, due to not sticking to delivery schedule, supply of defective materials, if any, satisfactory or unsatisfactory after-sales-service, or any other point which goes against the offer submitted by the bidder and vis-a-vis.
29. All the terms and conditions of the recommended offers are to be clearly brought out in the proposal to Tender Committee. This will be followed by Checklist wherein all the salient points of the proposal are narrated for scrutiny at a glance by the tender committee. All the pages of proposal to Tender Committee and Checklist are to be signed by the Section officer and vetted by Group officer. The check-list is as per Annexure- XIX.
30. The specific recommendations of the tender committee including the proposed values, and quantities on each bidder and the total value of the proposal shall be brought out. The approximate landed cost also is to be indicated.
31. The proposal shall be submitted to the tender committee and after considering different aspects, with the signatures of all tender committee members, shall be forwarded them to the appropriate authority for sanction through designated finance executives.
32. In case of proprietary items and spares, the proposal to the tender committee shall briefly describe the requisitions received from different Areas, the enquiries sent to the bidders /proprietary concern, the offers received, reference back to the Areas for review of the quantities, if necessary, the percentage of spares working out to the total cost of the equipment and whether or not this is justified, correspondence entered

into with the Firm, replies received from the concerned and the ultimate recommendations for the consideration of the Tender Committee. The above recommendation also shall show the prices as compared to the previous price and also percentage of high value items versus percentage of low value items and whether or not the increase, if any, is in high value items or in low value items. The value of the class and sub class of items already available in stock is also to be brought out.

33. In case the recommendations are being placed on the basis of the price list submitted from time to time by the manufacturers, the tender committee recommendations for the spares shall contain reference to the same, including the time when the price list was submitted and its validity.
34. Tender Committees shall regularly meet on the appointed dates for discussing tender committee recommendations put up to them. Every member of the tender committee shall have right to question the narration regarding quantity and quality. However, no one shall raise objection regarding Technical qualification, Commercial Terms, quantity etc., after the price bids are opened. Delays on this account shall be avoided. More over members shall reach consensus after discussions and dissent note shall be rare and only in cases of serious doubts.
35. General guidelines to be followed for preparation of proposal for the tender committee where all the relative points which shall bring out the details about the offers, so that no point is missed in each of the offers and is available at a glance for the scrutiny of the proposal by proposing officer and by Tender Committee.

5.21 PROCEDURE FOR RECORDING THE MINUTES OF TENDER COMMITTEE:

The tender committee in its recommendations shall mention the following amongst other things:

- i. In case of revenue items that the proposed items are covered under revenue head;
- ii. In case of capital equipment, they are covered under annual plan and budget provision made;
- iii. That the requirements are in order;
- iv. That the prices proposed are reasonable;
- v. Distribution amongst various parties specifically regarding the reasons for any deviation from the set practice;
- vi. Total value of the purchase and the terms & conditions and any other points.
- vii. All the pages of tender committee recommendations are to be signed by GM(MP)/GM(CM)/Area GM.
- viii. A sample format (Corporate / Area) of Price bid note / PTC (Proposal to Tender committee) for capital as well as revenue items is given at Annexure – XVIII.

5.22 DELEGATION OF POWER FOR APPROVING PROPOSALS:

The tender committee recommendations have to be processed at various levels in compliance with the delegation of power to seek administrative approval as per Annexure – XXIII.

5.23 FILE MOVEMENT CHART TO BE MAINTAINED WITH EACH FILE:

Each current file of the Area Purchase/ MP/CM Department has a file movement chart showing the movement of the file right from the date of receipt of requisition to the date of refund of EMD or bank guarantee, against the particular tender after order is placed.

The format is to be maintained as per Annexure – XX.

5.24 PLACEMENT OF ORDERS IN CASE OF CARTELIZATION:

In case of indication of cartelization and failure to bring down the rates to a reasonable level even after negotiations with all the jointly L1 Firms, orders shall be placed on one Firm name of which shall be drawn on random basis by calling all the bidders and taking the draw in the presence of those present. If the vendor rating is finalised the order shall be placed on the vendor having highest vendor rating.

5.25 PROCUREMENT OF SPARES:

Since spares for any equipment are crucial for the performance of the equipment, procurement of spares, at times shall be done through limited tenders, sending to OEM or their authorized dealers / importers to avoid unproven / unknown Firms participating in the open enquiries, irrespective of order value. Such orders shall be linked to the performance and the previous track record of dealers.

5.26 INSPECTION OF FIRMS:

If necessary manufacturer's works shall be inspected by the SCCL's officers for ascertaining the capability of Firm to manufacture and supply quoted items as per requirement. Firms shall also facilitate such inspection.

CHAPTER 6

PLACEMENT AND EXECUTION OF ORDERS

6.0 PLACEMENT OF ORDERS:

- i. After approval by the competent authority, Purchase department prepares purchase orders in ERP. Before issue of order/contract, to take care of offer validity, letter of Acceptance (LOA) may be issued, if necessary.
- ii. Letter of Acceptance issued by the SCCL within the validity period of the offer is binding on the bidder. In case the bidder declines the LOA issued within the validity period, the EMD of such bidder is forfeited and action can be taken for breach of contract.

6.1 CONTENT OF PURCHASE ORDER:

Care shall be taken to ensure that all terms and conditions as per tender committee recommendations are incorporated in the purchase orders. The purchase order shall indicate the serial number, code number of the item, description of the item in full, rate per unit, unit description, total value of the order and number of units ordered. The order shall contain the description of item under subject and Tender no., Quotation No. and date of negotiations under reference. The Vendor code also shall be filled in, the complete address of the Firm along with Telephone nos., e-mail id and person to be contacted are to be furnished. It also shall contain other commercial terms like;

- i. Price on FOR/CIF/FOB/CIP
 - FOR destination: For bulk items point of delivery shall be mentioned as (Respective store). For other minor items point of delivery shall be the transporters' godown or respective stores at the following places:
 - KGM/Central stores – Godowns at Kothagudem;
 - MNG stores – Godowns at Manuguru;
 - YLD stores – Godowns at Yellandu;
 - BHPL – Godowns at Bhoopalpalli;
 - RG – II, RGII-OC3, RG – III OC1 & RG – III OC2 stores – Godowns at Godavarikhani / Ramagundam;
 - SRP & STPP stores – Godowns at Mancherial;
 - MM – Godowns at Mandamarri/Mancherial / Bellampalli;
 - Goleti stores – Godowns at Mancherial / Bellampalli.
- ii. Discounts or rebates offered.
- iii. Packing & Forwarding Charges.
- iv. Freight.
- v. Insurance.
- vi. Mode of dispatch.
- vii. GST/ Any other taxes/duties.
- viii. Guarantee/warranty.
- ix. Performance Bank Guarantee.
- x. Price variation clause and any other terms.
- xi. Payment terms etc.
- xii. Delivery Schedules as given by Technical HOD/GM (E&M) Stores/ Area GMs with lead-time.
- xiii. Validity of the Contract.

6.2 TRIAL ORDERS/DEVELOPMENT ORDERS:

In case of a 'trial order/development order', the same viz., 'TRIAL ORDER/ DEVELOPMENT ORDER' has to be stamped in bold letters on the order copy to draw the attention of the receiving stores for early supply / installation and for monitoring the performance.

6.3 DELIVERY SCHEDULE:

To reduce the inventory holding, delivery schedule shall be sent through Registered Post/e-mail with acknowledgement due by the respective Area GM/GM (E&M) Stores/Consignees/ Technical HOD, taking lead time given by the bidder into consideration. However, the delivery schedule for total quantity as per the phased requirement has to be given within one month from the date of order. Any advancement /postponement of delivery schedule once given shall be only with the consent of the Firm. In case of trial order/development order, the delivery schedule mentioned by the bidder in their offer shall be considered.

6.4 GENERAL TERMS & CONDITIONS:

The purchase order is sent with a printed terms and conditions as per Annexure-XXII, containing different clauses and conditions which take care of the interest of the SCCL like:

- i. Acceptance of order
- ii. Quality, Workmanship and Guarantee/Warrantee
- iii. Liquidated damages (LD)
- iv. Force majeure conditions
- v. Performance bank guarantee
- vi. Price fall clause
- vii. Risk purchase clause
- viii. Quantity variation
- ix. Supply of plant & machinery, equipment, spares, goods and material of good quality, good workmanship as per specifications / samples
- x. In case, the order is for supply of equipment / spares / to carry out erection / repairs / maintenance etc., at SCCL site
- xi. Packing
- xii. Despatch documents
- xiii. Despatch to wrong destination
- xiv. Damages / warfage
- xv. Extension of time
- xvi. Cancellation of contract in part or in full
- xvii. Consequences of breach
- xviii. Laws applicable
- xix. Indemnity
- xx. Arbitration
- xxi. Work and payment during arbitration
- xxii. Jurisdiction
- xxiii. Correspondence after placement of order
- xxiv. Bribes & Gifts

6.5 INSPECTION CRITERIA:

Specifications of SCCL or agency approved by the SCCL shall clearly indicate the acceptance norms against which supplies of equipment/materials are to be accepted.

These specifications among other things must indicate the following:

- i. That the inspection shall be carried out by the SCCL or agency approved by the SCCL to establish conformance to the acceptance criteria specified.
- ii. That in case, equipment and materials do not conform to the acceptance norms, they shall be summarily rejected unless the deviations in this regard have, for good and sufficient reasons, to be recorded in writing, been accepted by the SCCL or agency approved by the SCCL. However, the deviation shall not jeopardise the safety.
- iii. The cost implications as a result of deviations in such cases shall invariably be taken into account and such cost shall be borne by the supplier. Also it shall be ensured that no Firm was disqualified on the above grounds while placing the order.
- iv. Where third party inspection is to be carried out, the supplier shall give a clear notice period offering the equipment/materials for inspection and they shall not be dispatched unless they are inspected and cleared for dispatch.
- v. In case of HEMM and other plant and machinery, inspection shall be invariably carried out at the works of the supplier including stage-wise inspection, if required, before clearing for dispatch.
- vi. Further, in case of other items of complex technical nature, high value items or items for which there is no third party approval like DGMS, BIS License etc., or where any kind of advance payment is being made or in any other case where it is felt necessary to do so, pre-dispatch inspection may be stipulated in the order. Such pre-dispatch inspection may be carried out either by an inspecting officer nominated by the Company or by a recognized Government/private inspection agency.

Even after pre-dispatch inspection, the materials shall be subjected to final inspection after receipt of the same at site.

- vii. **Third party inspection:** Reputed Government/private agencies specialized in offering inspection services may be engaged to carry out pre-dispatch inspection, if it is decided to do so. Such inspection services may include examination of raw materials, test certificates, verification, inspection of materials and equipment as per specifications laid down in the order, stage inspection, review and approval of test procedures, witnessing the test procedures and signing of the test reports, marking of inspected materials and issue of inspection notes. The contract with the agency shall specify the scope of inspection by the third party.

- viii. **Inspection of safety items:** Inspection of safety items at different stages is very important. Therefore, qualified inspecting officers shall be nominated for carrying out such inspection.
- a) Pre-dispatch inspection when so required shall be carried out at the manufacturer's factory by a team of qualified inspection officers.
 - b) Production batch samples for testing may be drawn during such inspection in presence of the supplier's representative by method of random sampling as per BIS or other applicable and acceptable norms.
 - c) A team shall witness the testing of the batch samples drawn at the testing laboratories and also arrange for testing at different laboratories for cross checking.
 - d) Post-dispatch final inspection shall be made at the stores by an officer nominated by Area GM.
 - e) All inspecting officers shall be given training in method of inspection, drawing of samples or metallurgical tests and shall be made fully conversant of the BIS and other specifications and conditions stipulated by the DGMS in its approval.
- ix. Conditions mentioned in 'the Inspection and acceptance criteria clause' of terms and conditions of NIT specific to the enquired item shall be adhered to.

6.6 VALIDITY OF CONTRACT

- i. Generally, Firm orders / contracts are valid for a period of one year from the date of release of order. However, validity of order / contract shall vary as per the specific requirement of the material / service as prescribed in the NIT.
- ii. Generally, rate contract orders are valid for a period of two years. However, contracts like OB removal, cost cap orders, AMC/CMC, Transport contracts and other service / job contracts etc., shall have long term validity as prescribed in the NIT.
- iii. In general, no upward price and Tax variations shall be considered during the period of extension if the same is considered at the request or default of the Firm.

6.7 CONSIGNEE DETAILS:

The order copies also shall contain consignee postal address, place of destination station for road and rail transport, name of the bankers for negotiation of documents, paying authorities and address of persons to whom advance copies of invoices are to be marked, in addition to the consignee and paying authority.

6.8 TRANSPORT OF ORDERED EQUIPMENT BY SCCL:

Where freight charges are payable by the SCCL for equipment etc., in full truck/trailer, the supplier shall obtain prior approval of road freight charges well in advance by sending a minimum of three quotations obtained from reliable bank of SCCL approved transporters.

6.9 DISPATCH OF ORDER COPIES:

Order copies shall be sent to the vendors only on whom orders are placed through post/ courier/mail/e-Portal. All others including the SCCL personnel shall view the orders in e-Portal/ ERP.

6.10 WARRANTEES/GUARANTEES:

- i. The supplier shall adhere to the warrantees and guarantees agreed upon.
- ii. Equipment, sub-assemblies or spare parts replaced under warranty shall have further warranty, from the date of acceptance for a mutually agreed period.

6.11 INCREASE/DECREASE IN STATUTORY LEVIES:

- i. **Increase in statutory levies, in case of in-time delivery, to be borne by SCCL:** Any increase in rates of statutory levies to be absorbed by the SCCL as per the terms and conditions of the purchase orders can be vetted and cleared by Accounts Department at Area level without reference to GM(MP)/GM(CM). Accounts department at Area level, of course, shall have to obtain/examine documentary proof for such increases before releasing payments. GM(MP)/GM(CM)/Area GM shall also be informed of variations effected for record.
- ii. **Payment of increased statutory levies for delayed deliveries:** All the deliveries made beyond the contract validity period with supplier being responsible for the delay and the deliveries accepted by the SCCL, shall not attract any payment by the SCCL towards increase in statutory levies/taxes etc.
- iii. **Payment of extra levies if the delay is not attributable to the suppliers:** In cases where the suppliers cannot be held responsible for the delay in supplies, the extra paid amount on account of increase in statutory duties, rates and taxes shall not be treated as actual or potential loss and waiver of LD, all such cases shall be considered by Area GM with concurrence of Area Finance.

6.12 LIQUIDATED DAMAGES FOR DELAYED SUPPLIES/FAILURE OF SUPPLY:

- i. a) In case, the supplier / contractor fails to complete the supplies / work within the stipulated period, he shall pay to SCCL in a way of compensation for delay @ 0.5% per week on the delayed supplies up to a maximum of 10%.
b) However, if some Firms (like OEM / PSU / Foreign suppliers etc.) still request for reduction / waiver of penalty to be levied, the same may be considered by Tender Committee on the merits of the case with the approval of approving authority who approved the original proposal. However C&MD is highest authority to approve such proposals.
- ii. The said amount shall be payable by the contractor / supplier on demand without there being any proof of the actual loss or damages caused by such delay / breach.

- iii. Any request for delivery extension without imposing liquidated damages for delayed supplies due to force majeure conditions or any other reasons attributable to the SCCL shall be referred to GM(MP)/GM(CM)/Area GM with documentary proof for further action. Any such claim shall be made by the supplier within six months from the date of expiry of contract validity.
- iv. Based on the merits of the case, Purchase Department shall put-up the proposal to the original sanctioning authority for approval. However C&MD is highest authority to approve such proposals.
- v. If the case does not deserve consideration, the supplier shall be intimated accordingly.
- vi. In case, Supplier / Contractor fail to supply the goods, money shall be realized by invoking the bank guarantee.

6.13 EXTENSION OF DELIVERY SCHEDULE:

- i. Delivery extension may be granted with or without reserving purchaser's right to levy liquidated damages depending upon the merit of the case, provided the materials are required by the consignees even after expiry of the stipulated delivery period. Approving authority for delivery extension without imposition of LD shall be the same authority approved the original proposal with the recommendation of tender committee. However, C&MD is the highest authority in this regard.
- ii. Approving authority for delivery extension reserving purchaser's right to impose LD shall be the same authority approved the original proposal. However, Director (Operations)/Director (P&P) is the highest authority in this regard.
- iii. Validity extension of the order/ contract shall be extended suitably in conformity with the delivery extensions as mentioned above.
- iv. All cases of refusal of requests for extension of delivery and cancellation of contracts shall be decided in consultation with the Finance.
- v. The following procedures shall be adopted for considering the requests for extension of delivery period :
 - a) If the reasons of delay in supply falls within "Force Majeure" conditions, extension of delivery period without imposing liquidated damages (LD) may be granted after obtaining documentary evidence about existence of the "Force Majeure" conditions or being reasonably satisfied that such conditions existed. The appropriate authority for approval is Area General Manger with the concurrence of Area Finance.
 - b) If the reasons for delay do not fall within "Force Majeure" conditions but were beyond the control of the supplier, delivery extension will be granted with or without LD on examining the merits of the case, Purchase Department shall put-up the proposal to the original sanctioning authority for approval. However C&MD is highest authority to approve such proposals.

- c) If the delay in supply was due to any other reasons, which cannot be considered to be beyond the control of the supplier and the materials are still required by the user, suitable extension of delivery period with clear imposition of LD clause may be granted . In case it is felt necessary, reference to the user may be made to ascertain if the materials are still required.
- d) If the supplier requests for a delivery period extension after completion of supply, extension of delivery period may be granted up to the date of completion of supply, if the materials are required by the user even after expiry of the delivery period. Imposition of LD clause shall be decided as per clause 6.13 v a), b) and c) above.
In case materials are accepted by the consignee, due to urgency expressed by user department/technical HOD, though the delivery period of the supply order has expired, extension of delivery period shall be granted with or without LD, as per clause a), b) and c) above.
- e) In case the user informs that no loss is suffered due to delayed supply, the delay in supply may be considered and the LD clause may be waived with the approval of Director (Operations) / Director (P&P).
- f) In any other case, where it is established that the supply is delayed, solely due to any failures on the part of the SCCL to discharge any significant contractual liabilities as per the terms of the order, or as per statutory rules or regulations, which has a direct bearing on the timely execution of the order by the supplier, extension of the delivery period without imposing LD may be granted with approval as per 6.13.
- g) In all cases, where imposition of LD is proposed to be waived, concurrence of finance shall be taken.
- h) For the purpose of calculation of the LD amount, the basic FOR Destination price shall be considered. For direct imports, the FOB Port of delivery/CIF price shall be considered. Taxes and duties shall not be taken into account for calculation of LD. However, when prices indicated in the order are inclusive of taxes and duties, such prices shall be taken for calculation of LD.

6.14 FORCE MAJEURE CONDITIONS:

The following clauses and conditions are to be treated as "FORCE MAJEURE".

- i. "Force majeure shall mean any events or circumstances, or combination of events or circumstances beyond the reasonable control of either party (the affected party) and such event or circumstance cannot by exercise of reasonable diligence be prevented or caused to be prevented, cannot despite the adoption of reasonable precaution and reasonable alternative measures be prevented and which mutually and adversely affects such party's performance of its duties and obligations under the Purchase Order terms".

- ii. Force Majeure shall include the following matters at the works of supplier or SCCL which affects the supplies.
 - 1. Any riots or civil commotion.
 - 2. Any War or hostilities.
 - 3. Any earthquake, Flood, Tempest and other natural and physical disasters.
 - 4. Any accident by the fire or explosion.
 - 5. Any law and order proclamation, regulation/ordinance affecting the production / dispatch of the goods.
 - 6. Power interruptions due to grid failures.
 - 7. Court orders / Judgements.
 - 8. International sanctions / Embargo.
 - 9. Any other condition which is beyond reasonable control of either of the parties subject to approval of the original approving authority. However C&MD is the highest authority.
- iii. If Force majeure conditions exist in the place of operation of the Bidder at the time of submission of bid, the Bidder has to specify them in his bid and state whether they have been taken in to consideration in their quotation.
- iv. If either party is prevented or inordinate delay occurred in the performance of any of its obligations, under the contract by Force Majeure and if the affected party gives written notice within 15 days thereof by Registered Post to the other party specifying the matter constituting Force Majeure that contractual obligations are thereby prevented or delayed and the further period for which it is estimated that such prevention or delay shall continue, then the affected party shall not be penalized for the non-performance or delayed performance as the case may be of such delay as from the date of such notice for so long as may be justified. The Force Majeure conditions shall be supported by a certificate from the Statutory Authorities concerned. After cessation of force majeure conditions, the affected party shall inform the other.
- v. If Force Majeure conditions continue to exist for 60 days, the SCCL at its discretion can cancel the order without any penal consequences for the SCCL.
- vi. In case there are more than one force-majeure conditions and the delays are concurrent, the concurrent delays shall not be taken in series, but the total delay excluding the overlapping delay shall be considered for the purpose of granting of extension of delivery schedule without imposition of Liquidated damages for delayed supplies.
- vii. When the execution of the order/contract placed by corporate which involves more than one Area such cases shall be referred to GM(MP)/GM(CM) for taking decision with the approval of competent authority.

6.15 FOLLOW-UP BY CONSIGNEE:

Follow up is done by Main stores and respective Area stores. Wherever there is gross failure in supplies or any directive, the matter shall be brought to the notice of GM(MP)/GM(CM)/Area GM. GM(MP)/GM(CM)/Area GM shall also take up with the respective suppliers.

6.16 CHANGE IN THE CONSTITUTION OF THE CONTRACTING AGENCY:

If any change in the constitution of the supplier / contracting agency is contemplated, prior approval of the SCCL in writing shall be obtained by submitting relevant documents.

6.17 ACCEPTANCE OF EXTRA QUANTITIES OR IGNORING SHORT SUPPLIES:

GM (E&M) Stores/Area GM is empowered to accept up to 5% in excess of the quantities, where the items are being specifically manufactured for the SCCL inclusive of embossing of the SCCL's emblem on the consignment irrespective of the value of the order. In case the vendor supplies up to 95% and above of the ordered quantity, where such materials are exclusively meant for the SCCL, and for reasons of batch manufacture, seller is unable to bring out another batch, and also due to difficulties in transport due to standard packaging or lorry loads, GM(E&M)Stores/Area GM is empowered to ignore the balance quantities and treat the order as completed.

6.18 AMENDMENTS TO THE PURCHASE ORDER:

- i. Amendments concerning price, delivery schedule, liquidated damages for delayed supplies, discounts, rebates, scope of supply and any other aspects which shall have a bearing on landed cost arrived at while finalizing the tenders shall be approved by same authority approved the original proposal with the recommendation of the Tender Committee. However, C&MD is the highest authority in this regard. Other amendments like mode of transport, change of destination and any other aspects, which do not have financial implications, can be approved by GM(MP)/GM(CM)/ Area GM.
- ii. **Amendments regarding mode of transport:** In certain cases it becomes necessary after release of orders to amend the orders on the mode of transport by either Rail or Road or by Sea or by Air, depending upon the exigencies. If the consignments are urgently required in case of breakdown of a machinery or impending shifting of the long wall packages from one face to another or for immediate overhaul of the equipment or for any other reasons felt necessary, it shall be within the powers of GM(MP)/ GM(CM) with finance concurrence to alter the mode of transport either from sea to air or from rail to road and vice versa and grant extra fare on this account.
- iii. Amendments to purchase orders involving changes in specifications, quantity, price, place of delivery shall not be normally undertaken. Where amendments cannot be avoided, the same can be undertaken with full justification subject to compliance of the following conditions:
 - a) Change in specification, if any, shall be minor in nature, duly vetted by the concerned Technical Head. The change of specification shall not adversely affect the performance of the product, tender specification and the sanctity of the tender and without any downward impact on the price.

- b) In regard to change in quantity, price, it shall be ensured that these changes do not result in acceptance of less favorable condition and that the financial implication shall be clearly brought out in the proposal seeking the change. Such proposal must be financially concurred before approval.

Such amendments shall be approved by an authority one level higher than the authority, approved the original purchase proposal. However, C&MD is the highest authority.

- iv. If the validity extension is for regularization of transactions (delivery of the supplies/service already made to SCCL within validity), then such validity extension shall be approved by GM(MP)/GM(CM)/Area GM.

6.19 BANK GUARANTEES:

- i. Bank guarantees are normally sought from the suppliers in the following circumstances:
 - a) To cover guaranteed supply of spares within a given period.
 - b) To cover advance payments or payment through Bank.
 - c) All penal clauses of the SCCL.
 - d) To ensure Annual maintenance contract as per agreed terms. Or
 - e) Any other case as may be provided in the NIT.
- ii. Bank guarantee towards performance for a given period shall be incorporated in the NIT as given below:
 - a) 10% of the order value for supply of capital items/ equipment/ annualized value of AMC/CMC/contracts.
 - b) 5% of the order value for supply of sub-Assemblies / spares.
 - c) 2.5% of the order value per year for supply of sub-assemblies/ spares on rate contract basis.
 - d) The percentage on order value for any other items where guaranteed performance is required as approved by Director (Operations)/ Director(P&P).
- iii. The successful bidders shall submit a single consolidated Bank Guarantee to GM(MP)/GM(CM) against the orders/contracts involving different stores/paying authorities.
- iv. The successful bidder shall submit a bank guarantee issued by any Public Sector Bank/Private Bank incorporated in India having networth of ₹ 5,000.00 Crores and above for the previous Financial Year.
- v. The bank guarantees in original shall be kept in safe custody of internal finance in case of Corporate Purchase Department, Area finance head in case of Area orders and shall be recorded in ERP. All the BGs' submitted by the suppliers shall be verified with the bank.
- vi. All foreign bank guarantees shall be confirmed by a Public Sector bank located in India. This aspect has to be indicated in the NIT.

- vii. Jurisdiction of court relating to disputes on encashment of bank guarantees shall be “Kothagudem” in Telangana only.
- viii. In case of staggered delivery schedules, the suppliers at their discretion may submit one performance bank guarantee for the complete order or be allowed for deduction of consignment wise guaranteed amount by the respective paying authorities. In case the Firm submits consolidated PBG and requests for return of the same after completion of warranty for partial supplies, on complete execution of the order, the same may be considered on submission of PBG at the rate specified in the order for the items for which warranty is yet to be completed. However, Firms having MSME certification are allowed to submit consignment wise bank guarantees to respective paying authorities.
- ix. No Performance Bank guarantee may be sought for Tenders up to a value of ₹15.00 Lakhs for revenue items/service. However, where ever felt necessary the PBG clause may be incorporated in NIT with the approval of GM(MP)/GM(CM)/Area GM.
- x. The performance bank guarantee may be released, if the Firm supplied 95% of the ordered quantity/value subject to satisfactory performance. The PBG can be released for consumables/revenue items, even if the performance is not received after expiry of validity period of BG.
- xi. The original BG submitted is also valid for the enhanced quantities/ repeat orders with suitable validity extension unless it is exclusively mentioned in the extension order to obtain additional BG for the additional value of enhanced portion of the material / service.
- xii. The consolidated performance report may be submitted by GM (E&M) Stores/Technical HOD to GM (MP) for release of PBGs.
- xiii. The Performance Bank Guarantee may be released after expiry of validity period of BG, if no claim is pending, with the approval of Director(Operations)/Director(P&P). However, in case there is no dispute pending & No Claim Certificate is not received in writing from the user within 6(six) months from the expiry of the validity period of BG, the BG shall be released without further reference to the user, with the approval of Director(OP)/Director(P&P).

6.20 FAILURE OF SUPPLIER / CONTRACTOR:

If the supplier / contractor fails to supply the materials/complete the work and the order is cancelled, the amount due to him on account of supplies made / work executed, if payable, shall be paid only after due recoveries including risk purchase amount as per the provisions of contract and that too after alternate arrangements to complete the work are made.

6.21 SUB-CONTRACTING:

The contract works awarded shall be executed by the successful bidder only and sub-contracting of work is not permitted.

6.22 DISPUTES AND LITIGATIONS:

- i. As per Annexure – XXII (General Terms & conditions) to the Purchase Orders, any disputes arising out of the contracts / Purchase orders issued by the SCCL, only the Courts at Kothagudem, Bhadradi Kothagudem Dist., in Telangana shall have jurisdiction in case of Corporate and Kothagudem Area orders and in case of Area orders, the courts in respective district head quarters have jurisdiction to deal with and decide any legal matter or disputes whatsoever arising out of the contract / purchase order.
- ii. **Through Negotiations:** Normally all disputes shall be settled by negotiations between the Company and the concerned parties.
- iii. In case any defect in the material supplied by a supplier or a vendor is noticed, the material must be got inspected by our inspecting officer and if he certifies that the material supplied to the Company is defective, a notice shall be sent to the supplier or Vendor, as the case may be, indicating the nature of the defects and shall be advised to attend for joint inspections of the material along with our inspecting Officer. As far as possible, the issue shall be decided between the Company and the supplier by mutual discussions. Normally our Purchase Order includes a clause whereby the supplier is bound to replace the material free of cost and also bear the transport charges, if any.
- iv. **Through Court:** If a dispute arises regarding any contract in which there is no arbitration clause, a suit must be filed in the appropriate court. For this purpose, it is provided that the Courts at Kothagudem, Bhadradi Kothagudem Dist., in Telangana shall have jurisdiction in case of Corporate and Kothagudem Area orders and in case of Area orders, the courts in respective district head quarters have jurisdiction to decide the dispute between the Company and the other party in respect of the matters arising out of the contract/purchase order.
- v. **Work and Payment during Arbitration:** Notwithstanding the reference of any dispute to the arbitration, work under the contract may continue by mutual agreement during the arbitration proceedings and no payment due to or payable by the SCCL shall be withheld without reasonable cause and merely because of the pendency of the arbitration proceedings. If there is any dispute, suitable amount shall be deducted and the balance shall be paid, so that the work can continue.

6.23 CANCELLATION/SUSPENSION OF PURCHASE ORDERS:

- i. **Suspension of pending orders:** In situations where it is found that the supplier has tried to supply substandard material not according to the specifications of the SCCL or not according to the sample given by him at the time of evaluation, SCCL has right to suspend the order pending Tender and obtain satisfactory assurances from the supplier, including replacement of defective material. Alternately, SCCL may procure the material / get the work done by invoking the risk purchase clause i.e., any additional cost to the supplier's account.

- ii. In case of financial misdemeanor on the part of the supplier like drawing excess payment than what is due against the supplies, until full clarifications to the satisfaction of the authorities is available.
- iii. Where due to reasons of late delivery or otherwise, or where in such cases it is found that the party is coming under fall clause, SCCL shall have the option to cancel such an order. However, before cancellation of such an order, a proper notice shall be given to the supplier by registered post. A copy of such registered notice shall also to be marked to the concerned Stores Officers/Inspecting Officers, to ensure that no supplies are received after such a notice date. The Accounts wing shall be informed not to accept and make payments against the cancelled orders.
- iv. When it is found that the deliveries are not forthcoming, and the delivery date has already expired and it is not in the interest of the Company to keep alive the order, the cancellation shall be issued on the expiry of the delivery date, by the respective Area stores stating that the quantities remaining undelivered on the due date are cancelled and copies endorsed to all concerned.
- v. In case due to force-majeure conditions, the requirement of the SCCL has gone down substantially, there is a difficulty regarding stocking space, and also in case the shelf life of the material is short, SCCL shall have option of canceling the pending orders.
- vi. The appropriate authority to cancel the order before expiry of validity of the order is the same authority who approved the original proposal. However, C&MD is the highest authority in this regard. In case the validity of the order is expired, GM(MP)/GM(CM)/Area GM is appropriate authority to cancel the order with the recommendation of Technical HOD/user/ GM (E&M) Stores.

6.24 DEALING WITH REJECTED MATERIAL:

- i. **In case payment is not made for supplies:** In case the material supplied is rejected and the same is not replaced by the supplier, 30 days notice shall be given by Registered Post intimating the supplier to remove such materials. If the supplier fails to remove the defective goods, SCCL shall charge ground rent @ 1% per week and confiscate such goods after 90 days and dispose of the same in public auction or any other mode of disposal and appropriate the proceeds towards the ground rent and other charges.
- ii. **In case payment is made for supplies:** In case the equipment / material supplied is rejected on account of its nonconformance to the specifications, bad quality or workman-ship or noncompliance with any other clauses of contract, the supplier shall promptly replace / rectify the rejected equipment / materials to the satisfaction of the SCCL. All expenditure incurred on account of such replacement / rectification shall be entirely borne by the supplier.

iii. SCCL also reserves the right and may desire the defective materials and plant & equipment to be removed from the Company's premises and terminate the contract. In such a case the supplier shall remove the materials / equipment at their cost and pay to the SCCL any money paid for the cost of goods in part or full with interest @ 12% per annum (borrowing rate of interest from the bank) within a period of 30 days on being informed to do so and in case of noncompliance by the supplier, SCCL may proceed to recover the same by encashment of performance bank guarantee, recovery from the amounts payable to the Firm for supplies made against any other contract / order or recover the same by process of law. SCCL can also invoke Risk Purchase clause in such cases. (This clause shall be incorporated in the order).

6.25 RISK PURCHASE CLAUSE:

i. In the event of failure of the supplier to deliver or dispatch the stores/service within the stipulated date/period of the supply order or in the event of breach of any of the terms and conditions mentioned in the supply, SCCL will have the right to purchase the stores from elsewhere after due notice to the defaulting supplier at the risk and cost of the defaulting supplier. It may be mentioned clearly in the NIT that in the event of failure of the supplier, the cost as per risk purchase clause may be recovered from the bills against any other supplies pending with the SCCL.

ii. **Conditions for Risk Purchase :**

Risk purchase action may be initiated as a last resort, under any of the following conditions:

- a) When the supplier fails to deliver the materials even after the delivery period is extended on several occasions, on request from the supplier.
- b) When the supplier fails to respond to the SCCL's request for supply of the materials and fails to provide any valid reason for delay in supply.
- c) When in the judgment of the SCCL, the supplier is unable to execute the order due to various reasons within the validity period.
- d) When the materials are urgently required and the supplier fails to deliver the materials within the extended/original delivery schedule.
- e) When the supplier breaches any of the terms and conditions of the supply order and as a result fails to execute the order satisfactorily.

iii. **Procedure for Risk Purchase:**

The following procedure shall be adopted when it is decided to initiate risk purchase action. Approval of GM(MP)/GM(CM)/Area GM shall be taken before initiating such action.

- a) **Serving a risk purchase notice with a stipulated time for goods delivery:** A risk purchase notice shall be served, under registered post, to the supplier giving a time period of not less than 30 days to complete the supply. It shall be stated that unless execution of the order is completed by that date, the materials shall be purchased at their risk and cost.
- b) **Failure of supplier to deliver goods in the stipulated time given in risk purchase notice:** In case the supplier fails to resume and complete supply even after the above time period, which is considered genuine and acceptable by the purchaser, the following actions shall be initiated.
 1. Cancel the order and take action for forfeiture of the security deposit/Bank Guarantee if any.
 2. Float tender as per normal tendering procedure as followed for placement of original order, for the outstanding quantity of the materials of identical specifications. In case of limited tenders, enquiries shall be sent to all the Firms to whom the original tender against which the original order was placed, were sent.
 3. A copy of the Tender marked 'Risk Purchase Tender' may be sent to the defaulting supplier under registered post/courier and they shall be specifically informed that the Tender is sent for information only and not for submission of any offer.
 4. While evaluating the tenders, any offer submitted by the defaulting Firm, in spite of the above instruction for not submitting any offer, shall be ignored.
 5. Simultaneously all pending claims of the supplier or any amount payable to the supplier shall be withheld to enable the Company to recover the amount of difference, if any, between the original ordered price and price payable against the risk purchase to be made. Finance department shall be advised to make appropriate claim on Firm. After recovery of the amount towards risk purchase, the balance amount, if any, may be paid to the defaulting supplier.

- c) **Failure of the supplier to pay the Damages amount arising out of risk purchase situation:** In case the supplier fails to pay for the damages arising out of risk purchase, necessary action in the court of law shall be initiated by the Legal Department. Purchase department shall inform legal department accordingly. Simultaneous action towards banning of business dealings with the Firm may also be considered with the approval of GM(MP)/GM(CM)/ Area GM.

6.26 PRICE FALL CLAUSE:

Supplier shall pass on the benefit to the SCCL on its own, in case the supplier sells same item to any Public or Private sectors within a period of 6 months from the date of receipt of order at price less than the price offered to SCCL with same terms and conditions, otherwise, SCCL reserve its right to recover 1½ times the difference amount from the running bills anywhere in the company for the items delivered and to be delivered. In case the running bills amount is not sufficient, SCCL may give notice to pay the amount, the bidders shall pay the amount within 15 days of receipt of the notice, otherwise the amount will be recovered by invoking the Performance Bank Guarantee.

CHAPTER - 7

EXCAVATION WORK TENDERS

7.0 REQUIREMENTS FOR OFFLOADING:

- i. Project Officer/Agent shall project the quantity of OB removal to be offloaded for a particular period along with the details of depth, lead, lift, etc., well in advance duly recording the valid reasons for offloading. The OB projection shall be drawn duly considering the exposure of coal in the said period in line with coal targets/FR Provisions. The proposal shall be routed through Area General Manager with full details along with plans and sections to Project Planning Department for vetting.
- ii. With the recommendations of GM (Project Planning), the proposal shall be routed through Corporate Survey for lead vetting, GM (CP&P), GM (F&A) for financial vetting, concerned Director, Director (P&P), Director (Finance) and C&MD for approval.
- iii. The approved proposal(s) shall be forwarded to Contract Management department to initiate tendering action for award of contract(s). On scrutiny of the proposal by CM dept., if any further clarifications are required for preparation of NIT, the same shall be obtained from the concerned Authorities.

7.1 NOTICE INVITING TENDERS:

The details (required to be incorporated in tender documents) in the above proposal are again examined by the Contract Management Department and any additional data required, shall be collected from Areas for inviting tenders for each Project.

7.2 PREPARATION OF TENDER DOCUMENTS:

- i. Parameters like Quantity, Depth, Lift, Lead, etc., are to be confirmed by the Project Officer/ Area GM before preparing the tender document.
- ii. Tender documents are prepared incorporating all the approved terms and conditions, quantum of excavation works, the terms related to qualification, experience of the bidders, EMD amount and mode of payment of EMD, etc. The estimated excavation value of the OBR work furnished by the estimate committee is also incorporated in the NIT for awareness of the prospective bidders. The excavation bid documents shall clearly specify the reasons of delay solely attributable to the SCCL for granting extension of time and it would be as per the recordings made in WORKS PROGRESS REGISTER which shall be jointly signed by both the parties. Any refusal on the part of the contractor to sign the register would be treated that the delay, if it occurs, shall be only attributable to him.

- iii. Force majeure conditions:
 - a) The following shall be treated as force majeure conditions.
 - 1. War, strikes, lockouts, law & order problem
 - 2. Natural calamities like Flood, Fire and Epidemics
 - 3. Interruption of work due to Fog
 - 4. Rains
 - 5. Riots or Civil commotion
 - 6. Non-availability of land
 - 7. Production loss due to interruption of work for the reasons not attributable to either SCCL or the successful bidder.
 - b) The Force majeure conditions shall not be considered on weekly holidays (Play days) and official Paid Holidays (PHDs) declared by the SCCL.
 - c) The Force majeure conditions shall be considered subject to documentary evidence. The force majeure conditions shall be recorded in "site register" maintained by Project Authorities at the beginning and at the end of force majeure conditions and signed by the contractor and Project Authorities. Otherwise such a plea of force majeure cannot be agreed. The force majeure conditions are considered for extension of time for completion of work and shall not be considered for exemption of quantities to be excavated.
 - d) Any event of regular nature such as crossing the roads etc., shall not be considered under force majeure conditions.
 - e) In case the SCCL stops the work in the event of violation of any Statutory Rules, such period of stoppage shall not come under force majeure condition.
- iv. After preparation of tender document, the same shall be sent to the concerned Project Officer to ensure correctness of the excavation parameters and specific conditions applicable if any.
- v. Purchase officer/Section officer shall prepare NIT and take approval of the NIT approval committee depending on the value of tender as per Annexure – XIV. However, the approval of C&MD shall be taken if the value of the Tender is more than ₹ 100.00 Crores with the recommendation of NIT approval committee.

7.3 EARNEST MONEY DEPOSIT (EMD) AND SECURITY DEPOSIT :

- i. EMD shall be payable by all the bidders whether private, Co-operative or public sector undertaking by way of Demand Draft / Fixed deposit / BG in case of conventional Tender. In case of e-procurement, EMD shall be paid only through payment gate way or challans.
- ii. **Submission of EMD for OB excavation contracts:** For OB excavation tenders, EMD shall be fixed as 1% of the estimated value, rounded off to nearest hundred rupees subject to a maximum of ₹1.00 Crore.

iii. **Forfeiture of EMD** : As per clause no: 4.15

iv. **Security Deposit:**

Security deposit shall consist of two parts:

- a) Performance security deposit to be submitted on award of work
- b) Security Deposit to be recovered from running bills

a) **Performance Security Deposit:** The successful bidder shall submit performance security deposit for 5% or as specified in the NIT for annualized excavation value excluding GST in the form of Bank Guarantee (BG)/FDR/Demand Draft drawn in favour of SCCL, within 30 days from the date of signing of agreement. The same shall be submitted at the beginning of the contract period.

In case of non submission of performance security deposit by the contractor within stipulated period as mentioned above, the same shall be recovered from their running bills. Further, a penal interest at the rate of 12% per annum shall be levied for the period from the last date for submission of performance security deposit to the actual date of submission/date of recovery. EMD of the successful bidder shall be converted as a part of Performance Security Deposit. If the Firm submits total Performance Security Deposit in the form of BG then EMD shall be refunded.

In case, the successful bidder intends to submit the performance security in the form of BG issued by any Public Sector Bank/Private Bank incorporated in India having net worth of ₹ 5,000.00 Crores and above for the previous Financial Year with a validity of 6 months beyond the scheduled contract period as per the prescribed proforma.

b) **Security Deposit:** Security deposit of 5% of the running bill amount shall be deducted and the same shall be refunded at the end of every year on achieving progressive scheduled quantities as mentioned in the NIT, subject to submission of Bank Guarantee for equivalent amount from any Public Sector Bank/Private Bank incorporated in India having net worth of ₹ 5,000.00 Crores and above for the previous Financial Year with a validity of 6 months beyond the scheduled contract period as per the prescribed proforma.

However, total of Performance Bank Guarantee (PBG) and Security Deposit (SD) shall not exceed 10% of annualized excavation value excluding tax under GST. The Performance Bank Guarantee and Security Deposit amount shall be refunded only on satisfactory completion of the allotted work, duly certified by the Mine authorities.

- v. **Additional Performance Security:** If the quoted price of the successful bidder is less than 80% of the SCCL estimated value, then the successful bidder shall submit Additional performance Security Deposit to the extent of the difference between the quoted value and 80% of the SCCL estimated value, within 30 days from the date of signing of agreement in the form of BG/DD/cash. The same shall be returned only after completion of the contract subject to satisfactory performance.

In case of non submission of additional performance security deposit by the contractor within stipulated period as mentioned above, the same shall be recovered from their running bills. Further, a penal interest at the rate of 12% per annum shall be levied for the period from the last date for submission of additional performance security deposit to the actual date of submission.

- vi. **Retention Money:** The payment shall be made based on the performance of the contractor while excavating the monthly scheduled quantities. The percentage of payment to be made against the percentage of monthly scheduled quantities achieved by the contractor shall be as per the conditions specified in the NIT. However, the retention money, if any, may be returned at the end of each year after adjusting against the penalties to be levied, if any.
- vii. **Forfeiture of Security deposit & Performance Security Deposit:** In case, the contractor leaves before the completion of scheduled period without successful completion of work or contract is terminated on account of bidder's fault, the Performance Security Deposit, Security Deposit and Additional performance Security Deposit, if any, available with SCCL shall be adjusted against the penalties to be levied as per the terms & conditions of the contract.
- viii. **Refund of Security deposit:** The performance security deposit and Security Deposit shall be refunded only on satisfactory completion of the work, duly certified by the mine authorities.
- ix. In case, the contract period is extended with / without applicable penalties, as per the terms and conditions of the contract, the BG submitted against Performance Security Deposit, Security Deposit & Additional performance Security Deposit, if any, shall be suitably extended so as to cover 6 months beyond the extended period.

7.4 MODE OF TENDERING:

- i. Tenders, as far as possible, shall be published in e-Portal. In case the Tenders are to be floated through conventional mode, approval from GM (CM) shall be obtained duly recording the reasons.
- ii. The procedure for tendering process as laid down in Chapter - 5 shall be followed.

7.5 TENDER CLOSING AND OPENING:

- i. The procedure for tender closing and opening as mentioned in Chapter - 5 shall be followed.
- ii. Normally the last date of submission of tender shall not be extended after auto extension by two times. The tender due date can be extended further with the approval of GM (CM)/Area GM, by recording the reasons. Some of the reasons for extension are as listed out at Clause No. 4.14.

7.6 TECHNICAL EVALUATION:

After opening the tenders, all the offers (Techno-Commercial part) are evaluated by the technical evaluation committee as mentioned at Annexure – XIV

7.7 PRICE BID OPENING & NEGOTIATIONS:

The procedure for opening of price bids and conducting negotiations as detailed in Clause Nos. 5.11 & 5.12 shall be followed.

7.8 EVALUATION:

- i. If the offer of the successful bidder is abnormal in comparison to the SCCL's cost estimations for the proposed work, SCCL may ask the bidder to produce detailed price analysis for any or all items, the bill of quantities to demonstrate the internal consistency of these prices with the construction method and schedule proposed.
- ii. The Tender Committee shall make suitable recommendations duly considering all options including cancellation of Tender, increasing the amount of Performance guarantee etc.
- iii. After analysis, the SCCL may require that the amount of the Performance security is increased to a level as mentioned at Clause No.7.4 (v) to protect the SCCL against financial losses in the event of default of the successful bidder under the contract.
- iv. If the pricing of the bidder is such that he is likely to garner a major portion of the value of the contract at the initial stages of the project itself, negotiations shall be conducted appropriately so that resultant fund flow from SCCL is proportionate to the work carried out.

7.9 FINALISING AND AWARDING:

- i. After opening of the price bids, Reverse Auction shall be carried out as per the procedure mentioned at Annexure– V (A). If the prices are not reasonable after Reverse Auction, negotiations shall be conducted with L1 Firm. The Final proposal shall be submitted to the Tender Committee along with checklist. Checklist format is enclosed at Annexure– XXI. The tender committee shall submit the recommendations for the approval of competent authority / Board depending on the total value of the works proposed, as per delegation of powers.

- ii. Within 30 days of issue of LOA, the mutually agreed month wise schedules firmed up by the Area GM / Project Officer shall be forwarded to GM (CM) to form part of the order.
- iii. Removal of Overburden shall be planned in such a way that all the OB benches move simultaneously.
- iv. The bench wise excavation quantities shall remain, as far as possible, as per the terms of NIT/Order.

7.10 ENGINEER-IN-CHARGE:

7.10.1 The Project Officer shall be designated as ENGINEER-IN-CHARGE in respect of OB excavation works to deal with the following aspects.

- i. Supervising and administering the contract.
- ii. Certifying the quantum of work executed by the contractor.

7.10.2 However, the following events shall be submitted to corporate office through Area GM for approval of competent authority.

- i. Valuing variations to the contract.
- ii. Valuing compensation events.
- iii. Awarding extension of time.

7.11 CANCELLATION OF TENDER:

- i. During the course of finalizing the Tender, in case the parameters like Lead, Lift, Bench-wise quantities vary largely due to change in geological conditions and / or other reasons, the tender floated shall be cancelled after obtaining the approval of competent authority as mentioned at clause 4.11.
- ii. In case of excavation agencies cartelizing and quoting higher rates than reasonable rates against the advertised tender for Excavation works, negotiations shall be conducted as per procedure mentioned in the purchase manual with L-1 bidder. Even after negotiations, if the prices of L-1 bidder are found to be unreasonable, then the tender shall be cancelled with the approval of competent authority as mentioned at clause 4.11.

7.12 TERMINATION OF WORK AWARDED:

- i. If SCCL is of the opinion that the works are not being carried out to its satisfaction like schedule of commencement, quality of work, rate of progress, safety, etc., the work shall be terminated with the approval of competent authority who approved the original proposal. However, C&MD is the highest authority to approve such termination.

- ii. Due to imposition of any law / change in law by Government / Court decision or Industrial relations problem arising out of excavation works, if the work is stopped, the work shall be terminated with the approval of competent authority who approved the original proposal. However, C&MD is the highest authority to approve such termination.
- iii. In the above cases payment shall be made only for the portion of the works executed.

7.13 QUANTITY ENHANCEMENT:

If the agency executing the works, agrees to do additional quantity at the same rates of existing order with same scope of work and favorable to the SCCL in the same project, awarded quantity may be enhanced by suitably extending the validity of the contract. However the enhanced quantity shall be limited to 10% of the originally awarded quantity and shall be incorporated in the NIT.

7.14 REPEAT ORDER:

Repeat order is avoided as far as possible. Repeat orders can be placed under the following conditions.

- i. Proposals can be made for open cast excavation works on the contractor, who is already executing the works in that particular project for additional quantities (taken from subsequent financial year requirements) to have continuity of work, or to utilize favorable working season. In such cases conditional award of work ahead of schedule can be resorted to, at the same rates of the order being executed by them with a condition that for such additional work, the rates shall be either as per original order OR as per the rates discovered against new tender, whichever would be less on weighted average basis calculation for the above referred additional quantity of work. The proposals for such enhancement shall generally contain the justification details for the respective projects. However, the quantity shall be limited to 20% of the originally awarded quantity on the same contractor.
- ii. In case the agency executing the work does not accept further work, order can be placed on other technically acceptable bidder(s) of same tender who are agreeable to take up the work as per the ordered rates of successful bidder. This comes under alternate source on nomination at the same rates and terms and conditions and in such case advantage of lower rate can be availed. Such additional work can however be limited to 20% of the originally awarded quantity.

7.15 WORKS PROGRESS REGISTER:

- i. In order to determine the reasons of delay solely attributable to the SCCL, "WORKS PROGRESS REGISTER" shall be maintained which shall be jointly signed by both the parties at the time of periodical review meetings to be held once in a fortnight. Shift-wise production, Lead and machinery deployed shall be entered in the register signed by both the Site In-charges and once in a fortnight by Project Officer and Contractor.
- ii. Site Register: For the purpose of deciding the time lost under force majeure conditions "site register" shall be maintained at the project. Every entry in the site register shall be signed by the contractor and Project Officer or their authorized representative. A duplicate copy of the entries made in the site register is to be sent to the Area GM, every week.

7.16 EXTENSION OF TIME:

Whenever time extension is to be given to the contractor for reasons of delay, attributable to the SCCL, the same shall be decided by recording of event in the works progress register being maintained. The same is to be approved by Director (P&P).

7.17 SUB-CONTRACTING:

The OBR works awarded shall be executed by the successful bidder only and sub-contracting of work is not permitted.

7.18 PERFORMANCE RECORD OF OBR CONTRACTORS:

The performance record of various OBR contractors comprising of the following parameters shall be maintained in the computer and same shall be furnished to evaluation committee while forwarding the new proposals of excavation works.

- i. Fleet of HEMM, tippers, etc., owned by the contractor.
- ii. Successful execution of the contracts awarded as per schedule.
- iii. Whether any time extensions are sought and penalties levied, if any
- iv. Adherence to contractual terms and conditions, safety norms, fulfilling statutory obligations etc.
- v. Track records of accidents.
- vi. Involving SCCL in unwarranted litigation etc.

7.19 FINALIZATION OF CONTRACT:

The final bill of the completed works shall be cleared within 180 days from the date of completion of contract. In case such final bill cannot be paid within 120 days from the date of completion of the contracted work, interest @ 6% per annum shall be paid from the 181st day onwards.

7.20 SETTLEMENT OF DISPUTES:

Issue and Dispute Resolution Protocol:

- i. Any dispute or disagreement between SCCL and the contractor hereto arising out of or in connection with the contract or the performance of any of the obligations of the SCCL and the contractor hereunder or referred to herein, including an issue or dispute as to breach or termination of this contract or as to any claim in toto, in equity or pursuant to any statute (“Dispute”);
 - a) Shall be referred first to the Mine Management Committee which shall attempt to reach a consensus on the matter.
 - b) After referring the issue, if the Mine Management Committee fails to resolve issue within 7 (seven) days, it shall be referred to Area Management Committee.
 - c) After referring the issue, if the Area Management Committee fails to resolve the issue within 7 (seven) days, it shall be referred to Corporate Management Committee.
 - d) Corporate Management Committee shall resolve the Dispute within 21 calendar days of referral to them.
 - e) Any dispute or disagreement not resolved as stated above shall be decided by ‘CIVIL COURT’ of competent jurisdiction at Bhadradi-Kothagudem district and not by Arbitration.
- ii. “Management Committee” means the committee formed for smooth execution of the contract which shall comprise the representatives of the SCCL and the contractor. The members of the committees may be changed by the parties with intimation to the other party. The parties may co-opt the other members as per the requirement and inform the other party. (Both the contractor and SCCL shall be individually referred to as a “Party” and collectively referred to as the “Parties”).
- iii. The Management Committee shall be formed within one month of issue of the contract. The Management Committee shall function at three levels viz., Mine level, Area level and Corporate level.
- iv. Issues pertaining to site plans, specifications, measurements, manner of execution or anything connected with the work, not specially provided for herein under or in respect of meaning of any clause of the terms and conditions of order or any disputes arising during the execution of the contract shall be referred to the Management Committee at appropriate level.

CHAPTER- 8

PURCHASE OF MEDICINES

8.0 REQUISITION:

- i. ACO/Dy.CMO (HOD's) of Area hospitals including Main Hospital shall assess the requirement of medicines based on the previous consumption, present stock on hand, balance on order etc., after conducting drug review meetings with all the doctors of concerned Area. Further they have to identify the items to be added or deleted to the previous year's list of Medicines and prepare a list and send to CMO for further action. CMO shall constitute a Drug Committee with the Specialists to review hospital formulary, existing Firms and minutes of drug review meetings of all the Areas. The Drug Committee has to recommend changes in the list of items and Firms, if required. Based on the recommendations of Drug Committee, CMO shall send requisition for procurement medicines to GM (MP) along with the list of items and Firms to release value rate contract for a period of 2 years.
- ii. Some drugs are categorized as PROPRIETARY though the other brands with the same composition are available in the market basing on the efficacy, acceptability and previous experience and research product. CMO is the appropriate authority to categorize medicines as PROPRIETARY.

8.1 TENDERING PROCEDURE:

- i. The procurement of drugs is done by floating limited enquiries only unless items are of proprietary nature. For the proprietary items, the concerned Firm only shall be contacted. No open Tender is made for procurement of medicines.
- ii. Based on the requirement forwarded by CMO, the MP Department shall float Limited Tenders to the manufacturers only.
- iii. Limited tender shall be sent for all medicines preferably on rate contract basis for two years. After finalisation of the tender, for the items which are not quoted by the manufacturers against above tender, a separate limited tender will be floated on authorised dealers of the above manufacturers only.
- iv. I.V. Fluids, Anti Cancer Drugs, Test kits, etc., are processed in the same manner separately.
- v. Sealed quotations (hard copies in case of conventional/electronically through e-Portal) shall be obtained and sent to Medical Department for technical scrutiny and evaluation.

- vi. Technical Evaluation Committee (Annexure – XIV) consisting of CMO and Addl.CMO shall scrutinize the offers, in consultation with the Specialists and the requirements are finalized and recommendation is forwarded to MP Department. The tenders shall be opened with the approval of competent authority.
- vii. Offers of the Firms which are technically acceptable lowest shall only be considered. Any offer which is as per the specifications shall not be ordinarily rejected except due to the following reasons.
 - a) Firm has quoted for a different drug.
 - b) Firm has quoted for different composition.
 - c) Non acceptability of the drug by the patients.
 - d) Different packing offered.
 - e) Poor vendor performance.
- viii. **Delivery:** Generally, the delivery schedules are in half yearly instalments. If the shelf-life of the drug is less than one year and/or the quantities are limited, the delivery schedules shall be as per the recommendations of CMO.
- ix. **Shelf-Life:** For most of the items, the shelf-life shall be minimum 18 months from the date of supply. If the actual shelf-life from the date of manufacturing is less than 18 months, the minimum shelf-life from the date of manufacturing shall be “actual shelf-life” minus “3 months”. 80% SHELF-LIFE AS ON THE DATE OF THE SUPPLY IS TO BE INSISTED. In some cases 80% shelf life also is not possible. For such type of drugs, CMO may give special clearance for accepting these drugs.
- x. Medical items not covered above are procured in normal tendering process.

8.2 SELECTION OF VENDORS:

The Firms shall have Operations Research Group (ORG) Rankings in Pharmaceutical Companies. However, ORG ranking is exempted for Govt. Companies and specific brand companies or any other company recommended by CMO.

8.3 DRUG ANALYSIS REPORTS:

Supply orders may contain instructions that batch wise drug analysis reports shall be enclosed along with supply, if felt necessary. However such certificates may be superfluous from certain reputed national / multinational Firms and they may not be insisted to provide such analysis report along with supplies. CMO has the power to waive such conditions.

8.4 PRODUCTS OF HUMAN ORIGIN:

Drugs of human origin shall also have a certification stating “Free from HIV”, ‘Hepatitis ‘B’ and “Hepatitis ‘C’ e.g., anti-hemolytic factors immunoglobulin and Human Albumin etc.

8.5 PERFORMANCE REGISTER:

The experiences, good and bad, with regard to purchase of items or dealing with Firms may be recorded and the information is to be exchanged with all medical departments and also with the purchase headquarter in a yearly meeting that would take place either exclusively for such purpose or otherwise. Information about rates/terms and conditions obtained for comparable /acceptable quality of drugs may also be exchanged.

8.6 IMPORT OF DRUGS IN EXCEPTIONAL SITUATIONS:

Drugs, which are not available in the country and are required to be imported for individual patients, in principle approval shall be obtained from C&MD.

8.7 QUALITY CONTROL:

- i. It is advised that about 5% of items/medicines/drugs/formulations may be sent for analysis to analytical laboratories as a routine. For each item selected to be sent for analysis, two representative sample packs (packets) are to be collected by committee constituted for the purpose. One sample pack (packet) shall be kept in the custody of the committee and the other pack (packet) shall be sent to the drug analytical laboratory.
- ii. In case, the medicine/drug is found to be not conforming to the standards, appropriate action is to be decided upon by Director (Operations). However, if the Firm challenges the report, then the second allocated sample pack which was retained by committee shall serve as a check sample for comparison. It shall be noted that the pack/bottle so retained by committee is not disturbed/tampered with or opened at any stage till a final decision is taken. The sample retained is to be kept in a sealed packet duly super scribing details such as date of collection, serial number, the name of the item, batch number, name of the manufacturer, etc. Particulars are to be entered in register kept with custodian officer. On receipt of the report the sample can be disposed off as warranted by the report. A rate contract may be entered into with a Government Laboratory or NABL accredited laboratory for testing the quality of the drugs.
- iii. There shall be a separate clause in the NIT conditions that “For all drugs purchased by the SCCL, the analysis cost of medicine shall be borne by the respective supplier, if the items on analysis are found to be non-conforming to the standards. However, if the same is found satisfactory on analysis, then the cost shall be borne by the SCCL.

8.8 MONITORING OF INVENTORIES:

- i. Each medical store shall have a proper monitoring system concerning the consumption of drugs.
- ii. **Expiry Date drug register:** All medical stores shall maintain expiry date drug register. All items of drugs /medicines are entered on their receipt in the register in the page allotted month-wise as per date of expiry of the items. It shall also contain details like name of item, name of manufacturers etc.
- iii. Suitable action shall be taken well before date of expiry and the balance can be utilized or exchanged with similar stock of longer date of expiry.

CHAPTER 9

TENDERS FOR TRANSPORT

9.0 COAL, SAND, PROCESSED OB AND BOTTOM ASH:

Tenders for Coal transportation from the mines to the coal Handling Plants/other unloading points, transportation of sand from the river beds, transportation of bottom ash/processed OB and other materials to the sand stowing plants, shall be processed by Contract Management Cell with the in principle approval of Director(P&P). However, in case of urgency, the above Tenders shall be processed by Area Purchase Cell with the in principle approval of Director (P&P) through concerned Director.

9.1 MATERIALS:

Tenders for transport for various items like Iron & Steel from stockyards to various Stores of SCCL, stores materials from Main stores to Divisional stores or vice versa, and for transport of imported consignments from Chennai Port etc., to various destinations of the SCCL are being dealt with by the MP Department.

9.2 PROCEDURE:

- i. The procedure to be followed in case of transport contracts shall be identical to the one described in Chapter 4 (Tendering) in respect of limited tenders, open tenders and advertised Tenders. In special case, one can resort to limited tendering after taking the approval of GM(MP)/GM(CM).
- ii. After submission of tenders, if any bidder submits an authentic letter opting to withdraw from the Tender before due date and time of closing, their offer shall be opened but shall not be considered and EMD amount shall be refunded. Telegrams, Messages by either telephone or e-mail etc., cannot be considered for this purpose. The withdrawal letter shall be signed by the same person who has signed the original quotation.
- iii. While selecting the contractor for award of transport contracts, invariably care is to be taken to see that only such contractor's tenders are considered who have paid EMD in full as per NIT and who is having in possession enough number of vehicles for carrying out the contract. Alternatively, the contractor produces hire or lease agreements from other owners of the vehicles.
- iv. The mode of tendering, opening date and closing date of tenders, preparation of comparative statements, negotiations, if any, preparation of tender committee recommendations, tender committees and approving authorities are the same as described for purchase proposals in the various chapters supra.

9.3 UNIT RATE SYSTEM:

Transportation of Coal/Sand including PoB in Emergency Situations:

- i. The Area GM may award coal and sand transport contracts on adhoc basis (unit rate) subject to a maximum period of 6 months and not exceeding value of ₹1.00 Crore on each occasion under the following circumstances.
 - a) In case the existing coal and sand transport contractor fails to transport the additional coal and sand due to increase of production, in spite of giving reasonable opportunity to enhance his capacity.
 - b) In case the existing coal and sand transport contractor fails to transport the awarded coal and sand in spite of giving reasonable opportunity to improve his performance.
 - c) In case the relay contract is not finalized in time and the existing contractor expressed his inability to continue contract.
- ii. Award of coal and sand transport contract on adhoc basis under unit rate system at Area level may be used as last resort duly recording the reasons. After award of the contract, intimation shall be sent to Contract Management Department furnishing original order reference and reasons for awarding the contract under this system.
- iii. Coal and sand transport contractors registered with the SCCL having their own trucks are eligible to participate in the Tender under the above system. The Bidders are required to submit an undertaking along with their offer that they own/shall hire and deploy required number of trucks of not less than the capacity mentioned in NIT, if the work is awarded to them. This may be submitted along with offer.
- iv. A notice inviting application for participation in the Tender under the above system with date of closing & opening, date of draw of lottery, along with existing order terms & conditions and quantity to be transported, shall be displayed on the notice boards at offices of all Area GMs and in the SCCL website i.e., www.scclmines.com at least 7days in advance of date of closing. Wide publicity shall be given and advance intimation shall be sent to all registered/operating coal and sand transport contractors in the Company.
- v. The prospective bidders shall submit their applications to concerned Area GMs on or before the scheduled due date duly indicating their capacity.
- vi. Processing fee of 0.03% on value of the tender may be collected by way of DD.
- vii. Bidders shall deposit 1% of offer value, towards EMD, by way of demand draft drawn in favour of the "THE SINGARENI COLLIERIES COMPANY LIMITED", payable at respective Areas. The DD shall be submitted along with the offer.

- viii. The performance of the bidders in the ongoing and previous contract shall be considered for evaluation of their offer. The trucks which are already deployed for the transport of coal and sand under various contracts at other mines of the SCCL shall not be allowed to be deployed under the present proposal.
- ix. Bidders shall be asked to reduce the price to the possible extent than the existing price by submitting their revised offer. If more than one bidder bids for the same rate, lottery shall be drawn in presence of the bidders for deciding the successful bidder. The result of the draw shall be recorded and signature of the members of the tender committee and bidders present at the time of lottery shall be obtained.
- x. Quantity enhancement & time extension of the contracts awarded under this procedure is strictly prohibited.
- xi. This arrangement is not a substitute, to take care of the improper planning, while projecting the requirement.
- xii. The period of operating such contracts shall be within 6 months period of the expiry of original contracts.
- xiii. Monthly report on contracts awarded under this system along with the reasons for awarding coal and sand transport on adhoc basis and progress of the work under this system shall be submitted to C&MD through GM (CM), Director (P&P), Director (Operations), Director (Finance).

9.4 EARNEST MONEY DEPOSIT AND SECURITY DEPOSIT:

- i. EMD shall be payable by all the bidders whether private, Co-operative or public sector undertaking by way of Demand Draft / Fixed deposit / BG in case of conventional Tender. In case of e-procurement, EMD shall be paid only through payment gateway or challans.
- ii. **Submission of EMD:** EMD @ 1% of the estimated value / annualized value of the contract estimated value, whichever is less, rounded off to nearest hundred rupees subject to maximum of ₹1.00 Crore.
- iii. **Forfeiture of EMD:** As per the clause mentioned in 4.15.
- iv. **Security Deposit :** Security deposit shall consist of two parts:
 - a) Performance security to be submitted on award of work; and
 - b) Retention money to be recovered from running bills.

a) Performance Security:

 - i. The successful bidder shall submit performance security deposit @ 2.5% of contract value or as specified in the NIT excluding GST in the form of Bank Guarantee (BG)/FDR/Demand Draft drawn in favour of the SCCL, within 30 days from the date of signing of agreement.

- ii. In case of non submission of performance security deposit by the contractor within stipulated period as mentioned above, the same shall be recovered from their running bills. Further, a penal interest at the rate of 12% per annum shall be levied for the period from the last date for submission of performance security deposit to the actual date of submission/date of recovery from the bills. EMD of the successful bidder shall be converted as a part of Performance Security Deposit. If the Firm submits total Performance Security Deposit in the form of BG, then EMD shall be refunded.
- iii. In case, the successful bidder intends to submit the performance security in the form of BG, the same shall be as per the prescribed proforma from any of the public sector banks with a validity of 6 months beyond the scheduled contract period.

b) Retention money (Further Security Deposit – FSD): Further security deposit of 2.5% of the running bill amount shall be deducted.

- v. However, total of Performance Bank Guarantee (PBG) and Retention money shall not exceed 5% of contract value excluding tax under GST. The Performance Bank Guarantee and Retention money amount shall be refunded only on satisfactory completion of the work, duly certified by the Mine authorities.
- vi. **Additional Performance Security:**
 - a) If the quoted price of the successful bidder is less than 30% of the SCCL estimated value then the successful bidder shall submit Additional performance Security Deposit to the extent of the difference between the quoted value and 70% of the SCCL estimated value, within 30 days from the date of signing of agreement.
 - b) In case of non submission of additional performance security deposit by the contractor within stipulated period as mentioned above, the same shall be recovered from their running bills. Further, a penal interest at the rate of 12% per annum shall be levied for the period from the last date for submission of additional performance security deposit to the actual date of submission/date of recovery from the bills.
- vii. **Forfeiture of Security deposit & Retention Deposit:** In case the successful bidder leaves before the completion of scheduled period without successful completion of work or contract is terminated on account of bidder's fault, the Performance Security Deposit, Retention money and Additional Security Deposit if any, available with the SCCL shall be adjusted against the penalties to be levied as per the terms & conditions of the contract.
- viii. **Refund of Security deposit:** The performance security deposit and Retention money shall be refunded only on satisfactory completion of the work, duly certified by the mine authorities.

- ix. In case the contract period is extended with / without applicable penalties, as per the terms and conditions of the contract, the BG submitted against SD, Retention Money & Additional Security Deposit if any, shall be suitably extended so as to cover 6 months beyond the extended period.

9.5 QUANTITY ENHANCEMENT :

- i. Enhancement of quantity / Extension of contract period shall not be more than 40% of original ordered quantity/period, with the same rate, terms and conditions of the order and shall be incorporated in the NIT.
- ii. Enhancement of quantity may be placed under special circumstances not foreseen, subject to no downward trend in the market and the detailed justification shall be specifically brought out in the note for the approval of the competent authority as per delegation of powers considering the cumulative value of the proposal (original proposal + Enhanced quantity proposal value) and this shall be processed in continuation of original note.

9.6 SUSPENSION / BANNING OF BUSINESS:

- i. If any contractor unilaterally / abruptly discontinues the contracted work affecting Company's operations, business of such contractor shall be suspended / banned for a specified period duly following due procedures laid down under Chapter – 12.
- ii. If any business with the contractor is suspended / banned for a specified period his equipment / vehicles shall not be allowed to be used in Company either directly or indirectly.

CHAPTER 10

DISPOSAL/SELLING

- 10.0** Where inspection of materials and evaluation of the present market value is necessary for items like old vehicles, Battery scrap, Tyres and Tubes, Disposal Committees (Annexure – VI) shall be formed in various Areas to indicate the materials to be disposed.
- 10.1** For other items like Iron Scrap, Copper Scrap, Old Barrels and other items, the in charge stores officers shall intimate GM (E&M) Stores the availability of such materials for disposals at regular intervals. GM (E&M) Stores shall submit the consolidated requisition to GM (MP) for awarding the contract.
- 10.2** A preliminary approval note is put up for approval of the GM (MP). The tenders are advertised along with other purchase tenders and the procedures regarding closing date, opening date, preparation of comparative statement, preparation of proposal to the tender committee, recommendations of the tender committee, concurrence by finance and approval of the designated authorities follow the same course as described in other chapters.
- 10.3** A calendar program is drawn for the disposal of regular items like old tyres, batteries, oil barrels etc.
- 10.4** Unlike in the Purchase proposal, in case of disposals, bidder who quotes his tender at the highest rate i.e., H1 is selected for the award of the contract. While preparing comparative statement, care is taken to see that the offers are brought on the same datum taking into consideration whether the quotation of the bidder is exclusive of GST.
- 10.5** In disposal contracts also, the Bidders who have paid full EMD as per NIT will be allowed for participating in the tender for all lots / quantity as specified in NIT. If the NIT specifies that Bidders can pay partial EMD and bidders submit partial EMD, they will be allowed for participating in the tender for partial lots / quantity for which the EMD is paid.
- 10.6** Disposal / Selling of goods / service shall be carried out through e-forward auction in e-Portal as per Annexure- V (B).
- 10.7** Hazardous waste may be disposed through agencies certified by Pollution control Board/ Government.

CHAPTER 11

MAJOR CONTRACTS

11.0 SCOPE:

Any contract, other than OB removal and transport, costing ₹5.00 Crores and above awarded to an outside agency for execution shall be treated as a major contract such as Engineering Procurement and Construction (EPC) contracts, Mine Developer and Operator (MDO) etc. While executing such major contracts, the following additional provisions are applicable besides other terms and conditions narrated in the earlier chapters.

11.1 COMMITTEE TO ASSESS QUALIFICATION REQUIREMENTS:

- i. A committee(Annexure XIV) may lay down qualification requirements for major contracts which,
 - a) May follow the basic approach of having as many competitors as possible, without compromising quality on the basis of their financial status and performance reports for which the concerned may maintain a suitable databank.
 - b) May give cogent reasons for laying down specific and unambiguous qualification requirements which are not open to interpretations later.
 - c) In addition, may give a list of probable bidders if the recommended Qualification Requirements are accepted.
- ii. The recommendations given by the committee may be approved by the authority competent to award the contracts, however highest authority is C&MD.

11.2 COST ESTIMATION:

The Cost Engineering Department, or the Consultant or the Organization /Dept. entrusted with the task of preparing cost estimations shall prepare them based on accepted scientific principles and they shall do a meticulous, detailed exercise, to arrive at reasonable estimations. The estimations shall not be based solely on previously awarded contracts, though they would certainly be one of the factors for arriving at fairly accurate estimations. It shall be the responsibility of the Cost Engineering Department or the consultant or the Organization Department entrusted with this task to explain the basis of their estimations, if bids are received at abnormally higher or lower prices. They shall also estimate the cost that a project might incur at different distinct stages of its progress. For instance, a transmission line project has three distinct stages namely, casting of foundation, tower erection and stringing of conductors. The estimated percentage of cost for every one of these stages shall be given by the estimators. The same may be incorporated in the NIT.

11.3 BANK GUARANTEE:

- i. The successful bidder shall submit a Bank guarantees issued by Public Sector Bank/Private Bank incorporated in India having networth of ₹ 5,000.00 Crores and above for the previous Financial Year.
- ii. All Foreign banks' guarantees shall be confirmed by a Public Sector Banks located in India. It shall stipulate that the bank guarantee shall be unconditional without demur and shall be en-cashable on presentation to the issuing bank.
- iii. A provision shall be incorporated in bank guarantee for exclusive jurisdiction of a court located at Kothagudem in Telangana for contesting legal cases arising out of encashment of the guarantee.
- iv. In supply contracts, while claiming payment against the dispatch documents, the bidder shall furnish a bank guarantee for 10% value of CIF/FOB/CIP/ Ex-works price of the stores shipped to cover warranty obligations. The validity period of the bank guarantee would depend on the warranty period and would vary from case to case. The bank guarantee shall be returned to the contractor, on its expiry provided that before the expiry of the validity of the said bank guarantee, the contractor, on being called upon by the SCCL from time to time obtain from the Guarantor Bank extension of its validity for a period of say, six months, on each occasion.
- v. The bank guarantee shall be in addition to the normal contract performance guarantee and the guarantee for advance payment.

11.4 BANNED OR DELISTED CONTRACTORS:

The bidders would give a declaration that they have not been banned or de listed by any Government or quasi Government agencies or PSUs. If a bidder has been banned by any Government or quasi Government agencies or PSU, this fact must be clearly stated and it may not necessarily be a cause for disqualifying him. Even after tender from the bidder, if this declaration is not given the bid shall be rejected as non responsive. If it is known that the declaration given by the bidder is false at a later stage, the same shall be recorded in the vendor rating and other PSUs who are dealing with similar items shall be duly informed.

11.5 EVALUATION REPORT:

- i. The Evaluation report shall be prepared by a committee comprising representatives from the Contracts, Engineering and Finance Departments or such departments handling this task. It shall evaluate bids only on the basis of set criteria which shall be clearly stated in the bid documents. It shall not, nor shall it be compelled to change the criteria, after the price bids are opened. No document presented by the bidder after the closing date and time of the bid shall be taken into account by the Evaluation Committee unless it is of a purely technical nature which has no bearing financially on the contract and which does not seek major changes in technical specifications given in the

bid documents. If a bidder offers a rebate unilaterally after the closing date and time of the bid, it shall not be taken into account for evaluating purposes by the Tender Committee, but, if that bidder emerges as the lowest evaluated, the rebate offered shall be taken into account by the Head of the department coordinating the contract, while forwarding the Tender Committee's recommendations to the approving authority and while awarding the contract. The Tender Committee's report shall be self-contained, clear and unambiguous. If any cost compensation is carried out on account of technical deviations or on other factors, it shall be mentioned in the evaluation report, in terms which can easily be understood by non-technical officials.

- ii. If the prices quoted are above or below the cost estimation by a percentage considered abnormal, say 20%, the Tender Committee shall record the reasons for such variation, by consulting the Cost Engineering Department. Cogent reasons shall be given for rejecting bids as non-responsive. The evaluation of major contracts can be entrusted to a consulting agency, if required.

11.6 ENGINEER-IN-CHARGE:

The Engineer-in-charge/ Designated Officer-in-charge shall be clearly defined in the contract document. Engineer- in-charge / Designated Officer-in-charge shall be responsible for supervising and administering the contract, certifying payment due to the contractor. Valuing variations to the contract, awarding extension of time and valuing compensation events shall be done with the approval of competent authority. The Engineer-in-charge / Designated Officer-in-charge may further appoint his representative(s) i.e., another person, Project Manager (or any other competent person appointed and notified to the contractor) who is directly responsible for supervising the work being executed at the site on his behalf under the Delegation of Powers. However, overall responsibility, as far as the contract is concerned, shall be that of the Engineer-in-charge/ Designated Officer-in-charge.

11.7 CHECK LIST TO FACILITATE DECISION MAKING:

The tender Evaluation Committee shall prepare a check list to facilitate decision making. This checklist shall be submitted to the competent authority by the coordinating officer with the comments along with the relevant documents. A model check list ANNEXURE - XIX is enclosed.

11.8 EXTENSION OF TIME:

Whenever time extension is given to the contractor for reasons of delay solely attributable to the SCCL, the basis shall be the events recorded in "Work Progress Register". The register shall be maintained and jointly signed by both the parties at the time of periodical review meetings to be held at least once in a fortnight by the Engineer-in-charge/ designated officer-in-charge, whose decision in these cases shall be final. The bid documents shall clearly stipulate that delays shall be determined solely on the basis of this register, and that any refusal on the part of the Contractor to sign the register would mean that the delay, if it occurs shall be solely attributable to him.

11.9 JOINT AND SEVERAL RESPONSIBILITY:

Where suppliers equipment are to be used jointly with equipment supplied by another manufacturer (name of manufacturer shall be given), the SCCL shall hold both of them jointly responsible for completion of work.

11.10 EVALUATION:

- i. If the bid of the successful bidder is seriously unbalanced in relation to the SCCL's estimation of the cost of the work to be performed under contract, SCCL may ask the bidder to produce detailed price analysis for any or all items of the bill of quantities, to demonstrate the internal consistency of these prices with the construction method, and schedule proposed. After evaluation of the price analysis, SCCL may require that the amount of the performance security is increased at the expense of the successful bidder to a level sufficient to protect SCCL against financial loss in the event of default of the successful bidder under the contract.
- ii. It is essential that before bids are called for, the Cost Engineering Department must fix the price above or below which the pricing of an item would be termed as seriously unbalanced. If the pricing of the bidder is such that he is likely to garner a major portion of the value of the contract at the initial stage of the project itself, the bid shall be evaluated appropriately after carefully assessing the resultant fund flow from the SCCL.

11.11 LETTER OF ACCEPTANCE:

International rules are required to be followed and the same shall be incorporated in the documents.

11.12 CONSULTANTS:

A Firm which has been engaged by the SCCL to provide goods or works for a project and any of its affiliates shall be disqualified from providing consulting services for the same project. Conversely, a Firm hired to provide consulting services for the preparation of implementation of a project and any of its affiliates, shall be disqualified from subsequently providing goods or works or services related to the initial assignment for the same project. Consultants or any of their affiliates shall not be hired for any assignment, which by its nature, may be in conflict with another assignment of the consultants.

11.13 SUB-CONTRACTOR/SUB-VENDOR:

The contract agreement shall specify supply of major items or services for which the Contractor proposes to engage sub-contractor/ sub-vendor. The contractor may from time to time propose any addition or deletion from any such list and shall submit the proposals in this regard to the Engineer-in-charge/Designated officer-in-charge for approval well in advance so as not to impede the progress of work. Such approval of the Engineer-in-charge/ Designated officer-in-charge shall not relieve the contractor from any of his obligations, duties and responsibilities under the contract.

11.14 BID EVALUATION CRITERIA:

SCCL shall have its own bid evaluation criteria in detail for all its major contracts, if required, by employing consultants. The evaluation criteria shall be spelt out clearly in the bid documents.

11.15 DEVIATIONS:

Deviations sought by the bidders, whether they are commercial or technical deviations must only be given in the schedules prescribed for them. Any wilful attempt by the bidders to camouflage the deviations by giving them in the covering letter or in any other documents than the prescribed schedules may render the bid itself non-responsive.

11.16 SUB-CONTRACTING:

If a contractor submits his bid, qualifies and does not get the contract because of his being not the lowest, he shall be prohibited from working as a sub-contractor for the contractor who is executing the contract.

11.17 QUANTITY VARIATION:

If, in the opinion of the Tender Committee, the prices quoted for certain items by the lowest evaluated bidder are abnormally high in comparison with the cost estimations and the quotations of other bidders, these items shall be specifically identified and mentioned in the Letter of Award. The Letter of Award shall also clearly state that in the event of increase in quantity of such items, a market rate analysis shall be done and the Contractor shall be paid at either the market rate or the rate quoted by the Contractor whichever is less, for the increased quantity.

11.18 GOODS & SERVICES:

- i. The bidder shall submit a list giving full particulars of the goods supplied and used by him including available sources, current prices of spare parts and special tools etc., which shall remain valid for total contract period.
- ii. The bidder shall submit a clause by clause commentary on the SCCL's technical specifications, demonstrating the goods and services responsiveness to these specifications.
- iii. The exceptions, if any shall be given clearly & separately in a statement.

CHAPTER 12

DELISTING, SUSPENSION & BANNING OF BUSINESS DEALINGS

12.0 SCOPE:

- i. The General conditions of Contracts of the SCCL generally provide that SCCL reserves its rights to remove from List of Approved Suppliers or to ban Business Dealings if a company is found to have committed misconduct as also to suspend business dealings pending investigation. Blacklisting is now termed as “Banning of Business Dealings” in view of court judgements.
- ii. The procedure of (a) Removal of Companies / parties from the List of Approved Suppliers, (b) Suspension, and (c) Banning of Business Dealings is laid down in these Guidelines.
- iii. These guidelines apply to the Corporate Office and all Areas of the SCCL.
- iv. It is clarified that these guidelines do not deal with the decision of the Management not to buy any particular product due to its poor / inadequate performance or for any other reason and also do not apply to sale of Coal.

12.1 DEFINITIONS:

In these guidelines, unless the context otherwise requires:

- i. ‘Company/Party’ shall mean and include a Public Limited Company or a Private Limited Company, a Firm whether registered or not, an individual, a cooperative society or an association or a group of persons engaged in any commerce, trade, industry, etc.
- ii. **‘Inter-connected Companies’ shall mean two or more companies having any of the following features:**
 - a) If one owns or controls the other in any manner;
 - b) If the Directors, Partners, Managers or Representatives are common;
 - c) If Management is common;
 - d) If one is a subsidiary of the other.
- iii. **‘Competent Authority’ for this purpose shall mean:**
 - a) Functional Director / GM(MP)/GM(CM)
 - b) Tender committees constituted at corporate office for procurement of materials, award of contracts etc.
- iv. ‘Appellate Authority’ shall mean C&MD of SCCL or any other authority nominated by C&MD. The appellate authority shall be higher than the competent authority.

- v. 'Investigating Department' shall mean any department of SCCL or Unit investigating into the conduct of the Company / party and shall include the Vigilance Department, the State Police or any other agency set up by the Central or State Government having powers to investigate.
- vi. 'List of approved Suppliers' shall mean and include list of Approved/Registered suppliers, Contractors, builders, etc.

12.2 SUSPENSION OF BUSINESS:

- i. If the conduct of any Company / Party dealing with the SCCL is under investigation by any Department, the Competent Authority may consider whether the allegations under investigation are of a serious nature and whether pending investigation, it would be advisable to continue business dealing with the Department/ Company/Party. If the Competent Authority, after consideration of the matter, including the recommendation of the Investigating Department, if any, decides that it would not be in the interest of the SCCL to continue business dealing pending investigation, it may suspend business dealings with the Company/Party. The order to this effect may give gist of the charge under investigation. If it is decided that inter-connected Companies would also come within the ambit of the order of suspension, the order shall specifically say so. The order of suspension would operate for a period not more than six months and may be communicated to the Company/Party as also to the Investigating Department. The Investigating Department may ensure that their investigation is completed well before the period of six months.
- ii. The order of suspension shall be communicated to all Departmental Heads within the particular Area and during the period of suspension, no further business dealing may be held with the Company / Party.
- iii. As far as possible, the existing Contracts with the Company / Party may continue unless the Competent Authority, having regard to the circumstances of the case, decides otherwise.
- iv. If the gravity of the misconduct under investigation is very serious and it would not be in the interest of the SCCL as a whole, to deal with such a Company/Party pending investigation, the Competent Authority may send his recommendation to the corporate office along with the material available. If the Corporate Office considers that depending upon the gravity of the misconduct, it would not be desirable for Corporate Office and all Areas of the SCCL to have any dealings with the Company/Party concerned, an order suspending business dealings may be issued to all the Areas by the Competent Authority of the Corporate Office, copy of which may be endorsed to the Company/Party concerned. Such an order would operate for a period of 6 months from the date of issue.

- v. The Corporate office would communicate the order to the General Managers of all Areas and Heads of Departments of the SCCL and also to the Company/Party.
- vi. During the 6 months when the order of suspension is in operation, the competent Authority, which issued the order, may review the order of suspension either on receipt of a representation from the Company/Party or suo motto. If the Competent Authority considers, in the light of its review, that the order may be revoked, it may do so by issuing an order and communicating the same to all concerned.
- vii. If the Company/Party concerned asks for reasons of suspension, the Company/Party may be informed that its conduct is under investigation but it is not necessary to enter into correspondence or argument with the Company/Party at this stage.
- viii. It is not necessary to give any show-cause notice or personal hearing to the Company/Party before issuing the order of suspension. However, if investigations are not completed in 6 months' time and the Competent Authority considers that suspension may continue beyond 6 months, Show Cause Notice may be given to the Company/Party concerned.

12.3 BANNING OF BUSINESS DEALINGS:

If the investigations, prima facie, establish the misconduct of the Company/Party concerned, the Competent Authority may consider whether the misconduct prima facie established warrants removal from the list of Approved Suppliers or it is serious to ban business dealings. Such banning shall be done at corporate level only.

12.4 GROUNDS FOR BANNING:

Some of the grounds on which business dealings may be banned are enumerated below:

- i. If the security consideration, including questions of loyalty of the Company/Party to the State, so warrants;
- ii. If the Director of the Company, Proprietor or partner of the Firm, manager/representative of the Company/Party is convicted by a Court of Law for offences involving moral turpitude in relation to its business dealing with the Government or any other public sector undertaking or SCCL.
- iii. If there is strong justification for believing that the Directors, proprietors, partners, managers or representatives of the Company/Party are guilty of malpractice such as bribery, corruption, fraud, substitution of tenders, interpolations etc.

- iv. If the Company/Party continuously refuses to return the dues of the SCCL without showing adequate cause and this is not due to reasonable dispute which would attract proceedings in arbitration or Court of Law;
- v. If the Company/Party employs a public servant dismissed/ removed or employs a person convicted for an offence involving corruption or abutment of such offence.
- vi. If business dealings with the Company/Party be banned by the Govt. or any other Public Sector Enterprise/ undertaking or CBI, Courts etc.

Note: The examples given above are only illustrative and not exhaustive and the Competent Authority may decide to ban business dealing for any good and sufficient reason.

12.5 ISSUE OF SHOW CAUSE NOTICE:

If the Competent Authority decides that business dealings with the Company/Party shall be banned, a Show Cause Notice may be issued to the Company/Party as per paragraph 12.8(i) and an enquiry held accordingly.

12.6 BANNING OF BUSINESS DEALINGS BY CORPORATE OFFICE:

- i. If in the opinion of the Competent Authority, guilty or misconduct of the Company/Party is so serious that the SCCL shall ban business dealings with the Company/Party, the proposal shall be put up by Material Procurement / Contract management department to the competent authority setting out all the facts of the case and the justification for the action proposed along with all the relevant papers and documents.
- ii. The Competent Authority of the corporate office would examine the entire case and where it concurs that prima facie the ban shall cover corporate office and all Areas of the SCCL, a Show Cause Notice in the manner prescribed in the 12.8 (i) may be issued to the Company/Party concerned.

12.7 REMOVAL FROM LIST OF APPROVED SUPPLIERS:

- i. If the Competent Authority decides that the charge against the Company/Party is of a minor nature, it may issue a Show Cause Notice as to why the name of the Company/Party shall not be removed from the list of Approved Suppliers, etc.
- ii. The effect of such an order would be that the Company/Party would be disqualified from competing in Open / Limited Tenders for a period as approved by Competent Authority.

12.8 PROCEDURE FOR ISSUING SHOW CAUSE NOTICE:

- i. In cases where the Competent Authority decides that action against a Company/Party is called for, it may issue a Show Cause Notice to the Company/Party. Statement containing the imputation of misconduct or misbehavior may be appended to the Show Cause Notice and the Company/Party shall be asked to submit within 15 days a written statement in its defense.
- ii. If the Company/Party requests for inspection of any relevant document in possession of SCCL, necessary facility for inspection of documents may be provided.
- iii. The Competent Authority on receipt of reply to the Show Cause Notice and recommendation of Standing Committee or where no reply is received, may consider the same and pass an appropriate speaking order:
 - a) Exonerating the Company/Party if the charges are not established.
 - b) Removing the Company/Party from the list of Approved Suppliers etc.
 - c) Banning business dealing.
- iv. If it decides to ban business dealings, the period for which the ban would be operative may be mentioned. The order may also mention that the ban would extend to the inter-connected Companies of the Company/Party.

12.9 APPEAL AGAINST THE DECISION OF THE COMPETENT AUTHORITY:

- i. The Company/Party may file an appeal against the order of the Competent Authority banning business dealing, etc. The appeal shall lie to C&MD of SCCL. Such an appeal shall be preferred within one month from the date of receipt of the order banning business dealing etc.
- ii. C&MD would consider the appeal and pass appropriate order which shall be communicated to the Company/Party as well as the Competent Authority.

12.10 CIRCULATION OF THE NAMES OF THE COMPANIES / PARTIES WITH WHOM BUSINESS DEALINGS HAVE BEEN BANNED:

Depending upon the gravity of misconduct established, the Competent Authority of the Corporate Office may circulate the names of Companies with whom Business Dealings have been banned to the Government Departments, other Public Sector Enterprises/undertakings etc., for such action as they deem appropriate and inform the same to all Areas of the SCCL.

- i. If Government Department or a Public Sector Enterprise /undertaking requests for more information about the Company / Party with whom Business Dealings are banned, a copy of the Report of Inquiring Authority / Appellate Authority may be supplied.

- ii. If business dealing with any Company/Party has been banned by the Central or State Government or any other Public Sector Enterprises/ Undertaking, SCCL may, without any further enquiry or investigation, issue an order banning business dealing with the Company / Party and its inter-connected Companies.

12.11 MAINTENANCE OF RECORDS:

A register recording all the details of the Firms / companies suspended, removed from the approved list of suppliers and banned from business dealings is to be maintained at Corporate Purchase Department as well as Area Purchase Cells.

12.12 FRAUD INDICATORS:

As stated earlier, the presence of factors which indicate a potential for fraud does not establish that fraud has been committed. These factors shall be taken in the context of a particular procurement action to alert the management to the possibility of fraud. The following indicators, which are illustrative and by no means exhaustive, focus on the tendering process.

Submission of tenders:

- i. Improper acceptance of late bids.
- ii. Information contained in bids concerning contractor's qualifications, financial capability, facilities etc., which does not agree with third party information or knowledge gained from previous contracts.
- iii. Collusion or Tender rigging among bidders (complementary tendering, Tender rotation, sharing of market) for example:
 - a) Contractors who are qualified and capable of submitting their tenders do not do so for no apparent reason.
 - b) The successful bidder sub-contracts works to companies that had submitted higher tenders.
 - c) A pattern in rotation of lowest tenders between companies who have tendered.
 - d) Joint venture bids when the partners of that venture could have bid individually.

Award of Contract:

- a) Disqualification of the lowest bidder on flimsy grounds, especially the one who has already been executing contracts, with the PSU concerned.
- b) Unexplained changes in contract shortly after award.
- c) Contracts awarded to those with poor performance record.
- d) Poor documentation of contract award process.

CHAPTER 13

CHANGES AND MODIFICATIONS

- 13.1** Any procedural changes in the Manual in future so as to maintain effectiveness could be made wherever deemed necessary with the approval of Board and such changes shall be intimated to all concerned by way of serially numbered circulars which would form part of the Manual.
- 13.2** However in case of emergency /exigency, the C&MD can approve waiver of EMD, performance bank guarantee and penalties on the recommendations of Tender Committee duly recording the reasons.
- 13.3** Notwithstanding anything contained in the Purchase Manual, the C&MD can take any decision and approve procedural changes in Purchase Manual in the interest of the Company. The same shall be submitted to the Board as information item at the earliest.
- 13.4** Suggestions / modifications / changes approved by Board from time to time shall be incorporated in the manual.

ANNEXURES TO PURCHASE MANUAL

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GUIDE LINES FOR GOVERNMENT e – MARKETING PLACE

At present the version of GeM is GeM 3.0 (Version 1.11) and the same may be modified from time to time by GeM authorities.

I. Standard Operating Procedure (SOP) to procure material/service through GeM: The following Standard Operating Procedure (SOP) which is in line with the guidelines provided in the GeM Portal is proposed for procurement through GeM in SCCL.

1. Registering into GeM, the Administrator member of the Company has to approve and authorize the Primary User who has to be registered along with Company registration in GeM Portal. For this purpose Director (Operations) shall be the administrative member and GM (MP) shall be the Primary User. The primary user shall create Secondary Users as buyers, consignees, DDOs / Paying Officers.
2. The roles of the Primary User and Secondary User (as Buyers / Consignees / DDOs cum Paying officers) shall be as follows :
 - i. Primary User - At Company level who shall be the administrator of GeM procurement and monitors the entire process. However, he shall not take part in online procurement process conducted in the portal.
 - ii. Buyer - Who shall be the executives from MP department and conducts the actual procurement process and releases the order with the approval of the competent authority.
 - iii. Consignee - Who shall be the executive from stores and receives, inspects and confirms the quality, quantity and suitability of goods and services ordered and recommends for payment.
 - iv. Paying authority / DDO (Drawing and Disbursing Officer)/ PAO (Pay and Accounts Officer) - Who shall be executive from Finance and to release the payment.
3. The Buyers shall decide the possibility and necessity of procurement through GeM after receipt of purchase requisitions in ERP.
4. After deciding / convincing that an item/service can be procured through GeM, the dealing officers/Buyers have to take sanction / approval from the competent authority as per the prevailing Delegation of Powers for the same.
5. While seeking approval of competent authority as above a suitable committee as follows shall be constituted for conducting online bidding process through GeM Portal and scrutiny of technical bids and opening of price bids online. The structure of the committees shall be as follows:

- i. For corporate MP Dept Tenders:
 - (a) One Secondary user other than the buyer from MP Dept.
 - (b) One officer from Internal Finance of MP Dept.
 - (c) One officer from concerned technical HOD/ user dept.
 - ii. For Hyd Purchase Cell Tenders:
 - (a) One purchase officer other than buyer from Hyd.Pur. Cell.
 - (b) One officer from Finance Dept., Hyd. Office
 - (c) One officer on behalf of user dept from Hyd. Office.
 - iii. For Area Purchase Cell Tenders:
 - (a) Convener of Area Technical Evaluation Cell
 - (b) One officer from Area Finance
 - (c) One officer from User Department.
6. The method of ordering in the GeM shall be as follows:
- i. Buyer may search the GeM Portal for the items/services meeting the requisite quality, specifications and delivery period and select the product from any of the available suppliers, subject to buyer convinced about the reasonability of rates. The reasonableness of prices can be checked using Business analytics tools available on GeM including Last Purchase price in GeM or Department's own last purchase price etc.
 - ii. There shall be proper budget provisions available for the purchases.
 - iii. The indent for the items to be purchased shall be sanctioned by competent authority for procurement as per the prevailing Delegation of Powers.
 - iv. Orders shall be directly released on selection basis up to the requisition value of ₹ 25,000.00 subject to establishing the reasonableness of price. This comes under the delegation for procurement of items /service on Nomination/Proprietary basis.
 - v. Order shall be released on GeM Seller having lowest price amongst the available sellers of at least 3 different manufacturers on GeM meeting the requisite quality, specification & delivery period for the requisition value from ₹ 25,000.00 up to ₹ 5,00,000.00. This comes under the delegation for procurement of items /service on limited tender basis. No Financial concurrence (FC) is envisaged before placing of order for less than ₹ 5.00 Lakhs. This warrants that financial concurrence at the indent sanction stage itself shall consider all aspects such as requirement of the item, stock position, budget provisions etc. No FC is envisaged with respect to price reasonability. Hence, onus lies on the dealing officers of MP department/Hyd Purchase cell to

ascertain the reasonability of the price and place orders up to ₹ 5.00 Lakhs.

- vi. The tools for online bidding & online reverse auction, available on GeM, can be used by the Buyer with the approval of GM(MP)/GM(CM)/Area GM.
- vii. EMD:
 - a) **Payment of Earnest Money Deposit (EMD):** There shall be no EMD for Bids / RA having estimated value less than ₹ 25.00 Lakhs. For bids / RA having estimated value more than ₹ 25.00 Lakhs, while finalizing e-Bid / RA, Buyer shall indicate the exact amount of EMD required to be submitted by bidders in the form of Bank Guarantee on GeM portal in the prescribed format. Scanned copy of the same shall be uploaded by Seller in the online bid and hard copy of the same will have to be submitted directly to the Buyer within 5 days of bid opening. GeM recommends quantum of EMD @ 1% of estimated value of procurement. The Buyer also has the option to select EMD between 1% to 5%. The same should be valid for 45 days beyond the bid validity. Sellers can claim exemption as per their eligibility.
 - b) **EMD submitted forfeited, if the bidder:**
 - 1. Withdraws or modifies or impairs or derogates from the bid in any respect within the period of validity of its bid; or
 - 2. If it comes to notice that the information / documents furnished in its bid is false, mislead or forged; or
 - 3. Fails to furnish requisite performance security / PBG within stipulated time required as per e-bid / RA conditions.
 - c) Earnest money of unsuccessful bidders shall be returned within 15 days after the award of contract or expiry of bid validity whichever is earlier. Earnest money of successful bidder(s) shall be returned within 15 days after receipt of Performance Security / e-PBG.
- viii. If the requisition value more than ₹ 5.00 Lakhs, online bidding or reverse auction tool provided on GeM shall be used among the supplier having lowest price meeting the requisite quality, specifications & delivery period for procurement of items/service. However, online bidding/reverse auction may be carried out for the requisition value below ₹ 5.00 Lakhs also. This comes under the delegation for procurement of items /service on open tender basis.
- ix. After the bidding process is conducted, the committee appointed for the purpose shall evaluate the bids and confirm their

acceptability in compliance with the tender specifications, quality and delivery period for above ₹ 5.00 Lakhs.

- x. The committee shall recommend, for opening the price bids of the technically and commercially qualified bidders by way of submitting a report to the buyer duly signed by all the members.
 - xi. The buyer shall obtain approval of the competent authority based on the committee recommendations and open the price bids of the qualified bidders.
 - xii. After opening of the price bids, proposal for placement of order on lowest offer shall be submitted seeking approval of the competent authority.
 - xiii. No financial concurrence is required at this stage for the value of orders up to ₹ 5.00 Lakhs. However, financial concurrence for the proposal of value above ₹ 5.00 Lakhs is to be obtained.
 - xiv. Competent authority approval shall be taken for placing order indicating Firm name, product specifications and total value and stating the reasonability of price.
 - xv. On obtaining approval the order on line shall be released by the buyer within 10 days of opening of the price bids and before expiry of the offers validity. However, this time period shall be extended with mutual acceptance of buyer and the seller as per the general terms and conditions of GeM.
 - xvi. The Buyers must ensure that they have the requisite authorization to enter into contract with Seller(s) on GeM for and on behalf of the organization, failing which such individual(s) shall be individually liable for its actions and also for any liability arising out of such actions.
 - xvii. The order shall be placed as per the instructions in the GeM Portal.
 - a) Upload sanction/approval order from competent authority and
 - b) Generate order - Copies of order may be sent to User, Stores Officer, DDO and Payment Officer via mail. Since the validity of an item is only 10 days, Buyer has to make sure that the order has to generate within 10 days of selection of an item.
7. Default delivery period as per GeM is 15 days. If seller/vendor fails to deliver the goods with in delivery time LDP shall be charged @ 0.5% per week but not exceeding 10% of the contract value.
8. After receipt of the material, Consignee (Stores officer) inspects and confirms the quality, quantity and suitability of goods and services ordered. On Acceptance / Part Acceptance or Rejection of Goods /

Services, Consignee shall issue an on line 'Consignee's Receipt cum Acceptance Certificate' (CRAC), which shall form the basis of Payments to the Seller and recommends for payment.

9. No payment shall be made for rejected goods or services. After intimation of the rejection / part rejection by the Consignee, the Seller shall be liable to remove / lift back such rejected Goods within 10 days without any extra charge/cost to SCCL failing which suitable ground rent / warehousing charges would be payable by the Seller to the Consignee. If the Seller fails to remove / lift back such rejected Goods within reasonable time period, the Consignee (SCCL) shall have the right to dispose-off such rejected goods at the risk and cost of the seller.
10. Rejection is allowed only within a period of 10 days of receipt. Hence, stores receipt and inspection mechanism needs to be expeditious.
11. **Payment Authority and Payment Terms:** Payments shall be made to the Seller in the manner below:
 - i. For Goods : In case of goods, 100% payment shall be released within ten (10) days of issue of consignee receipt-cum-acceptance certificate (CRAC) and on-line submission of bills unless otherwise specified in Special Terms & Conditions / Additional Terms & Conditions.
 - ii. For Services: In case of services, 100% payments on the basis of monthly (unless otherwise specified) bills shall be paid within ten (10) days of issue of consignee receipt-cum-acceptance certificate (CRAC) and on-line submission of bills.
12. As per the terms & conditions of GeM, details of paying officers need to be registered with GeM for arranging the payment to sellers within 10 days from the date of receipt and acceptance of items purchased through GeM. Hence, Finance HOD Kothagudem / Hyderabad shall be paying officers for Corporate/Hyderabad tenders processed through GeM.
13. **Terms of Delivery:** All the Goods or Services in the GeM shall be offered on Free Delivery at Site basis including loading/unloading. In respect of items requiring installation, commissioning and other services in the scope of supply, the cost of the same shall also be included in the offer price.
14. **Delivery Period:** Seller shall indicate the quantity which can be supplied over the specified time period(s). The Seller would offer these details, which would constitute the part of the awarded Contract(s) in the GeM and would make a binding Contract between the Seller & the Buyer. Any modification thereto shall be mutually agreed and incorporated in the

Contract. This Delivery Period/Time shall be deemed to be essence of the Contract and delivery must be completed not later than such date(s).

15. Once material is accepted by the user, DDO / Paying Officer has to process against online bill and payment has to be made by payment officer directly to the vendor against online bills submitted by the vendor within 10 days of receipt of material through offline/online (NEFT/RTGS/SBI MOPS).
 16. Buyer has to monitor the time frame and the complete process till payment to the vendor.
 17. It shall be ensured that all registered vendors have GSTIN to enable availing of ITC by SCCL.
- II.** Initially the value of each order placed through GeM shall be limited to ₹ 50.00 Lakhs and the same shall be as per DoP's.
- III.** Any changes / modifications to the General Terms & Conditions on GeM 3.0 (Version 1.11) made by the concerned government authorities from time to time shall be adopted by the SCCL also duly amending the SOP accordingly with the approval of Director (Operations).

UNIT RATE SYSTEM

1. Hiring of certain equipment, vehicles, man power etc., is found to be economical than owning the same, such items/ services can be hired on unit rate system.
2. In principle approval shall be obtained from Director (Operations) for hiring such items on unit rate system duly indicating the eligibility criteria for the bidders.
3. On obtaining in principle approval, the unit rates shall be assessed and finalized by the estimations committee. These rates shall be put up for approval of C&MD for implementation. On approval, the unit rates shall be circulated to all Areas including corporate MP department, for floating enquiries accordingly.
4. Enquiries shall be floated for hiring of equipment / vehicles / services etc., on unit rate system duly incorporating the rates for hiring the proposed item / service in the NIT.
5. A lottery shall be drawn among the technically and commercially qualified bidders to decide the successful bidder/s for award of contract/s.
6. GM (MP) shall arrange for revision of such unit rates once in every five years However, GM(MP) may recommend for such revision even before, as and when required with due justification commensurate with the market trend.
7. In case if there is no response from the bidder/s to the tender floated under unit rate system, normal tendering process other than under unit rate system shall be initiated for the items approved for procurement with unit rates, with the approval of Director(Operations).
8. Guidelines:
 - i. Except for unit rates and lottery system, the procedure adopted shall remain same as normal tendering.
 - ii. Open tender shall be floated with NIT duly indicating unit rates with price variation provisions if any, eligibility and suitable terms and conditions.
 - iii. All the offers received shall be evaluated for technical acceptance as per NIT parameters and the date and time of draw shall be notified to the technically acceptable bidders in advance.
 - iv. The Lottery shall be drawn in presence of the negotiation committee as per the delegation of powers based on the tender value and the technically qualified bidders present at the time of the draw.

- v. On completion of the draw for selection of successful bidder(s), a lottery among the unsuccessful bidder(s) shall also be drawn for selection of standby bidder(s) wherever required for empanelment if any, as per the NIT terms and conditions.

Annexure-III

FORMAT FOR UPLOADING LIST OF ORDERS PLACED AGAINST SINGLE & LIMITED TENDERS IN THE SCCL WEBSITE

S. No.	Area	Tender Number	Order No	Date	Subject	Order Value

GUIDELINES FOR OPERATING RATE CONTRACTS

Rate contract orders are being finalized fixing the financial limits to enable the Areas to release orders as and when required to minimize the stock holding and to reduce the downtime.

Some instances have come to notice that the items procured through rate contract orders are also adding to the inventories.

The following guidelines are to be followed while releasing orders under rate contract.

1. Fast moving spare parts and consumables are to be procured as per the prices furnished in the rate contract order.
2. For item whose Rate per unit is more than ₹2.00 Lakhs approval shall be obtained from Technical HOD and for more than ₹5.00 Lakhs approval of Director (E&M) shall be obtained.
3. The item wise quantity ordered under rate contract against a single requisition quantity shall not exceed 3 months consumption.
4. Slow moving items shall be ordered under rate contract only when their actual requirement arises. Such slow moving items procured shall be put into use within a month after receipt of the same.
5. The financial limits fixed for the Area under the Rate contract may not be exceeded. In case such limits are getting exhausted before the expiry of rate contract, prior approval shall be obtained for enhancement of financial limits to the desired extent from the competent authority.
6. The following simplified procedure shall be adopted for procurement of spares under rate contract subject to the above points:
 - i. First, the user sends requirement to the Area/Project Stores/Main Stores, KGM for the required items covered under rate contract.
 - ii. Stores shall verify the assets position and arrive at the net required quantities.
 - iii. The stores officer shall obtain approval from Area GM as per the enclosed format (Annexure-IV A), duly mentioning the same terms and conditions as that of the rate contract.
 - iv. The stores officer shall obtain approval from concerned Technical HOD/Director (E&M).
 - v. On approval Sub – Orders shall be released in ERP.

FORMAT FOR PURCHASE OF ITEMS UNDER RATE CONTRACT

1. Area :
2. Indenting Mine/Department :
3. Name of the Requisitioning Stores :
4. Details of Rate Contract :
 - a. Name of the Firm :
 - b. Order No. & Date :
5. Total value fixed for the Area under rate contract :
6. Value already utilized under the rate contract :
7. Value of the present proposal :
8. No. of items requisitioned :

STORES OFFICER

Area (E&M) Engineer.

Area GM

Technical HOD, Corp (Based on financial limits)

Director (E&M) (Based on financial limits)

GUIDELINES FOR e-PROCUREMENT

1. **e-Procurement Transaction Fee:** As per e-Portal guidelines from time to time.
2. **e-Procurement Corpus Fund:** As per e-Portal guidelines from time to time.
3. **Submission of Bid:**

- i. The bidder(s) shall submit his response through Bid submission to the tender on e-Procurement platform by following the procedure given below. The bidder(s) would be required to register on the e-Procurement market place i.e., <https://tender.telangana.gov.in> and submit their bids online. Offline bids shall not be entertained by the Tender Inviting Authority for the tenders published in e-Procurement platform.
- ii. The bidders shall submit their offers online in e-Procurement web site. The bidders shall upload signed and scanned copies of all the relevant certificates, documents as mentioned in the NIT in the e-Procurement web site owning responsibility for their correctness/authenticity in support of their eligibility and qualification.
- iii. The system would only authenticate the Encryption certificate uploaded into the e-Procurement system at the time of User Registration or updated through User profile. The bidder has to ensure that the uploaded certificate in the e-Procurement system is used for the Bid submission and no other certificate though valid shall be recognized by the e-Procurement system.

4. Tender Document:

- i. The bidder is requested to download the tender document and read all the terms and conditions mentioned in the tender Document and seek clarification, if any, from the Tender Inviting Authority. Any offline bid submission clause in the tender document could be ignored.
- ii. The bidder has to keep track of any changes by viewing the Addendum/Corrigenda issued by the Tender Inviting Authority from time-to-time in the e-Procurement platform. SCCL shall not be responsible for any claims/problems arising out of this.

5. Bid Submission Acknowledgement:

The bidder shall complete all the processes and steps required for Bid submission. The system shall generate an acknowledgement with a unique bid submission number after completing all the prescribed steps and processes by the bidder. Users may also note that the bids for which an acknowledgement is not generated by the e-Procurement system are treated as invalid or not saved in the system. Such invalid bids will not be visible to the Tender Inviting Authority for processing the bids. SCCL or The

Government of TS shall not be responsible for incomplete bid submission by bidders.

6. Letter of Bid:

- i. The format of Letter of Bid (as given in the NIT) shall be downloaded by the bidder and may be printed on Bidder's letter head and the scanned copy of the same shall be uploaded during bid submission in PQ Stage(cover-I). This shall be the covering letter of the bidder for his submitted bid. The content of the "Letter of Bid" uploaded by the bidder must be the same as per the format downloaded from website and it shall not contain any other information.
- ii. The physical signature on the Letter of Bid (LOB) shall be accepted without questioning the identity of person signing the Letter of Bid as it contains digital signature of DSC holder.
- iii. If there is any change in the contents of Letter of Bid uploaded by bidder as compared to the format of Letter of Bid uploaded in NIT document, then the bid may be rejected.

7. Modification / Withdrawal of Bid :

- i. The bidder may modify and resubmit the bid on-line as many times as he may wish before the bid submission closing date. However, any increase in quoted rate shall attract additional transaction fee for the increased value.
- ii. Bidders may withdraw their bids online before the bid submission closing date. There shall be no refund of transaction fee for withdrawal of bids.

8. Technical Evaluation of Bid (PQ Stage):

- i. The bidder shall have to upload scanned copies of various documents as specified in NIT for the evaluation process.
- ii. PQ stage (Technical Bid) shall be decrypted and opened on-line, on the pre-scheduled date and time by the Bid Openers with their Digital Signature Certificate (DSC). The submitted bids shall be evaluated for General, Technical, and Commercial terms & conditions.
- iii. The system generates a technical scrutiny report and commercial scrutiny report. The technical and commercial scrutiny generated by the system shall be further scrutinised/ verified by the concerned departments in light of documents uploaded by the bidders. If the documents submitted by the bidder(s) are insufficient for Techno-Commercial evaluation (PQ Stage), SCCL may seek clarification / documents through shortfall in e-Portal.
- iv. **Shortfall Document:**

- a) SCCL may seek shortfall documents during the evaluation of the bids through e-Portal only. Any form of communication with SCCL regarding submission of any additional documents shall not be entertained.
- b) These documents may be allowed to be uploaded within the specified time period indicating the “**start date & time and end date & time**” for online submission by the bidder. The above documents shall be specified on-line under the link upload shortfall document. The bidders shall get this information on their personalized dashboard under “upload shortfall document/information” link.
- c) Additionally, information shall also be sent by system generated email/ SMS, but it shall be the bidders responsibility to check the updated status/ information on their personalized dashboard at least once in a day after opening of bid. No separate communication shall be provided in this regard. Non receipt of email/ SMS shall not be accepted as a reason of non-submission of documents within prescribed time. Firstly, the firm will be given 7 days time to upload the required documents under shortfall. If the uploaded documents are not sufficient to qualify a firm in the tender, the firm will be given 2nd chance by giving 3 days time for uploading the required documents under shortfall. Due dates can't be altered. The bidders shall upload the requested documents within the specified period and no additional time shall be allowed for on-line submission of documents under shortfall.
- d) The bidders are requested to upload all the required documents as per NIT in support of their bids along with the bid itself, as seeking of short fall documents by the SCCL is not mandatory.
- v. The final technical and commercial evaluation of the bids shall be done by the concerned Technical & Commercial departments. After the techno-commercial evaluation, as above, proposal may be put up to the tender committee for deliberations and recommendations in respect of listing of techno-commercially acceptable bidders.
- vi. The system shall generate an auto-response sheet based on the bidder(s) offers. However, it shall be scrutinized by Tender committee member of the SCCL based on the uploaded documents. The summary of Tender committee recommendation on the Techno-Commercial Evaluation shall be uploaded in the e-Portal.
- vii. After the short listing of techno-commercially acceptable bidders as above, the date and time of opening of Price bids shall be scheduled in the e-Portal and shortlisted Firms shall also be informed through system generated email/ SMS alert.
- viii. After evaluation of Techno-commercial bids, all the bidders shall get the information regarding status of their eligibility along with the date of Price-bid opening on their personalized dash board and also by system

generated e-mail /SMS. It shall be the bidder's responsibility to check the status of their Bid online at least once in a day, after the opening of Techno-commercial bid till opening of the Price-bid. No separate communication shall be made to the bidder in this regard.

- ix. SCCL reserves the right to verify any of the documents uploaded by the bidders at any stage. All communication shall be on auto generated e-mail/SMS basis through e-Portal. No separate communication shall be required in this regard.

9. Financial Evaluation of Bid (Commercial Stage):

- i. The Commercial Stage (Price-bid) of the successful bidders (qualified in PQ Stage) shall be decrypted and opened on-line, on the pre-scheduled date and time by the Bid Openers with their Digital Signature Certificate (DSC). The bidders shall get the information regarding the status of their financial bid and ranking on the website.
- ii. A system generated comparative statement of landed cost shall be duly vetted, for further processing of the proposal. The system generated Comparative Statement of Prices indicating the rates quoted by all the bidders and item wise L-1 rank shall be visible to all the participating bidders on-line. It shall be scrutinized by Tender committee members of the SCCL for placement of order. The summary of Tender committee recommendation on the Financial Evaluation shall be uploaded in the e-Portal.
- iii. All the details of Techno Commercial bid and Price bid shall 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 have participated in the bid along with date & time is preserved in the system.

10. The guidelines specified in the e-Portal from time to time shall be followed.

GUIDELINES FOR e-TENDER CUM REVERSE AUCTION

1. Tender shall be published in <https://tender.telangana.gov.in> to submit bids online by the Vendors/Contractors in normal procedure up to opening of the bids.

While publishing the tender, mode of tender shall be clearly mentioned that the tender is with Reverse Auction (RA).

2. Tenders with Reverse auction shall be two types.

- a) Critical tenders
- b) Non critical tenders.

- a) **Critical tenders:** Where the technical evaluation is complicated which involves many technical features to be considered during evaluation.

Procurement of the following items/Services shall be under critical tender:

- i. All HEMM and high value Mining equipment shall be published under critical tender.
- ii. **HEMM:** i) Dumpers ii) Dozers iii) Shovels iv) Drills v) Cranes vi) Motor graders vii) Water sprinklers viii) Loaders
- iii. **UG equipment:** i) LW equipment ii) Continuous miner iii) SDLs iv) LHDs
- iv. **Excavation works:** OB excavation contracts/coal
- v. **Major contracts:** Turnkey Contracts, EPC contracts, O&M Contracts & Marc ,MDO
- vi. **Others:** Any other procurements with the approval of Director (Operations), which are felt reasonable to publish under critical tender.

b) Non- Critical tenders:

All other tenders which are not covered under critical tenders

3. Tender shall be published in <https://tender.telangana.gov.in> to submit bids online by the Vendors/Contractors and the tender process up to opening of bids shall be as normal procedure.

4. Notifying the e-Reverse Auction:

a) Critical tenders:

- i. After opening the techno-commercial bids, the system will generate a auto-response sheet based on the bidder(s) value. However, techno-commercial evaluation of the tenders will be carried off line and it will be scrutinized by Tender committee members of the SCCL based on the uploaded documents. The Techno-Commercial Evaluation will be made available in the portal and a date & time will be notified to open the price bids and to conduct the reverse auction.

- ii. After evaluation of Techno-commercial bid, all the bidders will get the information regarding status of their eligibility along with the date of Price-bid opening on their personalized dash board. It will be the bidder's responsibility to check the status of their bid online at least once daily, after the opening of Techno-commercial bid till opening of the Price-bid. No separate communication will be made to the bidder in this regard.
- iii. All the Firms will receive, auto generated e-mails and SMS regarding their eligibility for opening of price bids and date of opening of price bids to their registered e-mail IDs and cell phone numbers.
- iv. On the scheduled day, price bids will be opened and reverse auction will be notified as detailed at Para No.8.

b) Non-Critical tenders:

- i. Upon opening of the price bids, a reverse auction platform will be created, displaying only the L1 price received. No indication will be available in the portal to anybody regarding number of bids and names of the bidders. With this lowest price as base price, Reverse auction will be initiated for the bidders who are qualified based on the bidders response given in e-Portal and eligible for reverse auction as detailed at Para No. 7.
- ii. L-1 Firm will be evolved in reverse auction.
- iii. The techno-commercial documents up loaded by the L-1 Firm will be evaluated and in case found techno-commercially qualified, LOA /Order shall be placed.
- iv. In case L-1 Firm is found techno-commercially not qualified with the submitted documents along with the bid, L-1 Firm will be requested to upload the required documents under shortfall.
- v. If the L-1 Firm is techno-commercially qualified, further process of tender will continue and order shall be placed under normal procedure.
- vi. In case the L-1 Firm is techno-commercially not qualified even after giving chance to up load the documents under shortfall for 2 times, the offer of the Firm will be rejected, and suitable action will be initiated against the Firm as detailed at Para No.23, and offer documents of L-2 Firm will be taken up for evaluation.

- vii. The evaluation of L-2 Firm shall be as same process explained above. In case L-2 Firm also found to be techno-commercially not qualified, offer documents of L-3 Firm shall be taken up. This process continues so on and so forth.
- viii. The Firms will receive, auto generated e-mails and SMS regarding their eligibility for reverse auction and submission of documents under shortfall.
- ix. It will be the bidder's responsibility to check the status of their Bid online at least once in a day after opening of bids. No separate communication will be made to the bidder in this regard. SCCL is not responsible for non-receipt of SMS / e-mail sent by the system. It is the responsibility of the bidders to be updated from time to time from their dashboard of e-Portals
(<https://auction.telangana.gov.in>. / <https://tender.telangana.gov.in>)

5. **Selection of bidders for e-Reverse auction:**

- a) **Critical tenders:** All the techno-commercially qualified bidders, excluding H1 bidder, subject to a minimum of 3 bidders are left after excluding H1 bidder.
- b) **Non-Critical tenders:** All the system evaluated qualified bidders, excluding H1 bidder, subject to a minimum of 3 bidders are left after excluding H1 bidder.

In both cases, if there is a tie-up price in H1, the bidder who submitted the bid later will be rejected.

6. **Reverse auction shall be notified after opening of price bids with the following inputs:**

- i. **Reverse auction start price (base price):** Lowest landed cost of the price bids uploaded in e-Portal among the eligible bidders for reverse auction. This price shall automatically flows from bids opening window (Landed cost after ITC).

Base price deciding for reverse auction of CMC tenders:

- a) If L-1 price is less than total of estimated price plus 10% of estimated price, then L-1 price will be the base price for reverse auction.
- b) If L-1 price is more than total of estimated price plus 10% of estimated price, then sum of estimated price plus 10% of estimated price will be the base price for reverse auction.
- c) Estimated value will be furnished by Office of CP&P to CMC department.

- ii. **Minimum decrement value:** 0.5% of reverse bid start price or as given by the Tender Inviting Authority.
 - iii. **Maximum decrement value:** 2% of reverse bid start price at a time
 - iv. **Initial reverse auction period:** 2 hours.
 - v. **Auto extension** : 10 minutes
 - vi. **Auction start date & Time** : Date & time
 - vii. **Auction end date & time** : Date & time
7. Efforts will be made to start the Reverse Auction (RA) as early as possible after opening of price bid and same will be intimated through SMS & e-mail by the e-Portal system. However, bidders are also advised to check the details in dash board daily.
 8. Server time shall be the basis of Start time & Closing time for reverse bidding and shall be binding for all. This would be visible to all concerned bidders.
 9. After notifying the e-reverse auction, shortlisted bidders for e-Auctioning will be able to view the auction details in the TS e-auctioning portal with registered login.
 10. The initial auctioning period will be two (02) hours. Further there is a provision of auto extension by 10 minutes. That is, the auction closing time will be extended by another 10 minutes if any fresh bid is received in last 10 minutes. If no valid bid is received during last 10 minutes of initial auctioning period or extended auctioning period, then the e-auctioning process will get closed.
 11. During reverse auction, system displays only the reverse bidding prices till completion of reverse bidding. Either purchaser or the participant will not know the names of participants and their price and status (L1,L2,L3...). Only lowest price will be visible to all bidders.
 12. Bidders have to mandatorily apply their decrements suitably to beat the latest base price; else, e-auction system will not accept their Bids. However, at no stage, increase in price is permissible.
 13. If a bidder does not submit his bid in the Reverse Auction, the price quoted by him in the price bid shall be considered as the valid price of that bidder. The status of the bidder (L1, L2 etc.) shall be evaluated considering either the bid price submitted in Reverse auction or the Price quoted in the price bid, whichever is lower.
 14. After completion of reverse auction, system generates bidder wise comparative statement with L-1, L-2, L-3... status for all the bidders invited for reverse auction.

System will also generate log details of entire reverse auction process.

15. In case of disruption of service at the service provider's end, while the Reverse Auction Process (RAP) is online, due to any technical snag or otherwise attributable to the system failure at the Server end; the Reverse Auction Process will start again. In such a situation, the last recorded lowest price of prematurely ended RAP, will be the "Start Bid Price" for the restarted RAP. The prices quoted in the prematurely ended RAP will be binding on all the bidders for consideration, if the restarted RAP does not trigger within the stipulated time. Disruption and restarting of RAP shall be intimated to all the bidders through system generated SMS/e-mail through e-auction portal. All the time stipulations of normal RAP will be applicable to the restarted RAP.

However, in case of any such disruption at bidders end during the bidding process, the same is to the account of bidder and SCCL is not responsible for the same. Further the bidding process shall continue as it is with the participation of remaining bidders.

16. In all cases, SCCL's decision regarding selection of bidder through e-Auctioning or other-wise based on first stage quotation submitted in e-Portal or to have negotiations or annulment of tender process shall be final and binding on all participating bidders.
17. Tender inviting authority reserves the right to re-conduct the e-reverse auction, if it is felt that there is abnormality in the e-reverse auction conducted.
18. Upon the finalization of L-1 value in reverse auction, the successful bidder will be allowed to give price break up of different items quoted by them limiting to final landed cost arrived in reverse auctioning after deducting offered discount. However, the rates given in such price break up should not be more than the prices quoted for individual items in their price bid. Otherwise, the division of L-1 value arrived in reverse auction among line items will be in the same proportion as quoted in price bid submitted by that bidder for awarding the contract.
19. After e-reverse auction and arriving the lowest sum, the tender will be further processed and Letter of Award (LOA) / Firm order/ Service order will be issued to the successful bidder off line.
20. Penalty on the defaulting bidders (in case of applicability) who are techno-commercially not qualified in Non-critical tenders.

Sl.	Situation	Penal Provisions
(i)	L-1 bidder is a defaulter for part of items for which he is L-1.	50% of EMD amount or ₹ 1.00 Lakh whichever is lower, is forfeited. In case the defaulter is an EMD exempted bidder, he will be asked to deposit the equivalent amount within 7 days of notice otherwise he will be disqualified in the subsequent tender for the item he participates.
(ii)	L-1 bidder is a defaulter for all items for which he is L-1.	100% of EMD amount or ₹1.00 Lakh whichever is lower, is forfeited. In case the defaulter is an EMD exempted bidder, he will be asked to deposit the equivalent amount within 7 days of notice otherwise he will be disqualified in the subsequent tender for the items he participates.

Sl.	Situation	Penal Provisions
iii)	L-1 bidder happens to be a defaulter in 2 tenders issued by the SCCL within a span of 1 (one) year	100% of EMD amount of 2nd tender is forfeited. In case the defaulter is an EMD exempted bidder, he will be asked to deposit the equivalent amount within 7 days of notice otherwise he will be disqualified in any of the tenders he participates for a period of 1 year in SCCL.

- i. A Bidder will be treated as defaulter and liable for penal action, if the information / declaration / scanned documents furnished / uploaded by them, in support of qualification / eligibility criteria / provenness / or any other criteria as per the NIT is found to be wrong / misleading / not furnished / could not be verified by documentary evidence at any stage they will be liable for punitive action.
 - ii. The bidders will have to give undertaking online that, if the information / declaration / scanned documents furnished by them, in support of the same in respect of eligibility criteria is found to be wrong or misleading at any stage they will be liable for punitive action.
21. Reverse bidding currency: The reverse bidding shall be conducted in Indian Rupees (INR) per unit only. In case of foreign currency bids, the exchange rate prevailing on the price bid opening date (TT selling rate of State Bank of India) shall be considered for conversion in to Indian Rupees. If the relevant day happens to be a Bank holiday, then the conversion rate as on previous bank (SBI) working day shall be taken.
22. Reverse Auction Process (RAP) shall be conducted to evolve L-1 price and L-1 bidder. Further processing shall be as per purchase manual only.
23. Enquiries proposed to exempt from reverse auction:
- i. Enquiries with an estimated value less than ₹1.0 Crore.
 - ii. All Rate contract Enquiries with multiple items including High Speed Diesel.
 - iii. Proprietary & Nomination enquiries
 - iv. Committee purchases
 - v. All conventional enquiries
24. The guidelines specified in the e-Portal from time to time shall be followed.

e- FORWARD AUCTION

1. Tenders for disposal of Scrap & used material and Selling of Goods/Service, shall be floated through e-Forward Auction.
2. Preparation of Draft NIT with "Forward Auction":
 - Specify the auction start Date & time and closing Date & time
 - Specify the Inspection Start Date & End Date
 - Specify the eligibility of the bidders
 - Specify the EMD details
 - Specify the details of the Items to be auctioned(Like quantity, Lot size, Location etc.)
 - Specify the procedure for bid submission and process.
 - Specify the auction process.
 - Specify the SD details
 - Specify the penalties in case bidder is unable to lift the awarded lot/item.
 - Specify the General terms & Legal terms and conditions.
3. Publication of notice, in newspaper(s) and Uploading of tender document in e-Portal by fixing of Auction date.
4. Conducting pre-bid inspection of the Lots for Auction by the prospective bidders / clarification of bidders' queries.
5. On line submission of EMD specified in the NIT for participating in the Auction at least 1 day prior to the date of auction.
6. Techno-Commercial evaluation of the prospective bidders, who paid the relevant EMD, may be carried out, if required.
7. Conduction of e-Forward Auction
 - a) The auction will be carried out on the date and time mentioned in the NIT.
 - b) The estimated price is the base price for start of the auction / or as specified in the NIT.
 - c) The auction floor will open up with relevant details. Bidding is to be done as per Unit of Measure (UOM). If any valid bid is received in less than 10 minutes before closing time, then closing time will automatically extend up to last bid time plus 10 minutes, thus giving enough opportunity to others to revise their bids on that e-auction. The process will continue. The e-auction will close at a time when there will be no bid for consecutive 10 minutes. During normal and extended period of e-auction, bidders can increase bid defined by Auction Inviting Authority for each Lot.
 - d) The successful bidder is the one who quotes the highest price for the auctioned lot/ item.
 - e) If the capacity of the successful bidder is less than the lot size the next highest bidder may be awarded the leftover quantity and so on as specified in the NIT.
8. Awarding of contract to the successful bidder.
9. Submission of SD amount within seven days from the date of award of contract.
10. The guidelines specified in the e-Portal from time to time shall be followed.

VARIOUS COMMITTEES PERTAINING TO AREAS

- I. **NIT Approving committees:**
 - a) Tender Value up to ₹ 5.00 Crores for Material/Service:
 1. Area (E&M) Engineer
 2. Area Finance Head
 - GM (Area)
 - b) Tender Value more than ₹ 5.00 Crores for Material/Service:
 1. Area (E&M) Engineer
 2. Area Finance Head
 3. GM (Area)
 4. Law Dept. Corp
 5. GM(E&M) UGM
 6. GM (E&M) OCPs
 7. GM (F&A)
 8. GM (MP)

- II. **Area Technical Evaluation Committees:**
 1. HOD of Area Workshop as convener and
 2. User as a member.
 - Users:
 - Project Engineer for Open Cast requisitions.
 - Concerned Group Engineer for Underground mine requisitions.
 - ASO for Safety Items.
 - Concerned Department HOD for department requisitions.

- III. **Tender Committee:**

1.	Store officer	– Member
2.	Area Engineer	– Member
3.	Area Finance Head (AFH)	– Member
4.	SO to GM	– Chairman Tender Committee.

- IV. **Negotiation Committee:**

1.	Area Engineer	– Member
2.	Area Finance Head (AFH)	– Member
3.	SO to GM	– Chairman Tender Committee.

- V. **Committee Constituted for Disposal of Scrap & Used Items**

1.	Store officer	– Member
2.	Area Engineer	– Member
3.	Area Finance Head (AFH)	– Member
4.	SO to GM	Chairman of the Committee

REPAIR REQUISITION FORM

G.M.

..... (Assembly/Sub-Assembly) of.....is proposed for repairs/overhaul and details are as follows:

- 1) Name of Mine/Dept.
- 2) Details of failed assembly/sub-assembly.
 - i) Description.
 - ii) Part Number.
 - iii) Code number.
 - iv) New/Overhauled.
 - v) Date of Commissioning.
 - vi) Date of failure.
 - vii) Hours worked.
 - viii) Normal expected life in hours
 - ix) Whether failure is under Warranty/premature covered expected life.
 - x) Nature of failure.
 - xi) Analysis/Cause of failure.
- 3) Details of equipment on which this sub-assembly worked.
- 4) Failure analysis report.
- 5) Number of sub-assemblies available in the Mine/Dept. and their status.
- 6) Number of main equipment available and working in the Mine / Department.
- 7) Reasons for not able to take up the repair at Mine/Dept.
- 8) Whether the sub-assembly is proposed to be repaired by OEM/ or their authorised dealer/any other repair agency.

ENGINEER INCHARGE

AGENT/PO

**REQUISITION FORMAT FOR LOCAL PURCHASE THROUGH HYDERABAD
PURCHASE CELL**

THE SINGARENI COLLIERIES COMPANY LIMITED
(A GOVERNMENT COMPANY)
KOTHAGUDEM COLLIERIES - 507 101

Ref. No:

Date:

AGM (E&M)/DGM (E&M). (PURCHASE CELL)
HYDERABAD.

Sub: Local Purchase - Regarding.

The following materials are urgently required at ----- which are not available at stores.

Sl.No.	Description	Code No.	Quantity	Present Stock	Order Position	Previous purchase details if any	Approx. Cost.
1	2	3	4	5	6	7	8

You are requested to purchase the above material in Hyderabad market and send them to stores,under intimation to this office.

(USER DEPT.)

STORE OFFICER

AREA ENGINEER

FINANCE OFFICER

GENERAL MANAGER

IN PRINCIPLE APPROVAL FORMAT FOR REQUIREMENT OF CAPITAL ITEMS

- A. Name of the Mine and Area.
- B. Details of P&M / HEMM required.
- C. Annual Plan provision details.
- D. Is it as per approved FR.
- E. Present equipment on roll.
- F. Is it replacement or additional requirement.
- G. In case of replacement whether Survey off report is enclosed.
- H. In case of addition, approval of Director concerned is enclosed.
- I. Time schedule when the equipment is required.

GM (Area) GM (I&PM) DIRECTOR (E&M) DIRECTOR (Operations)

NOTE: Possibility of transfer from other Areas is to be examined by GM (I&PM) and Director (E&M) and specific mention of the same is to be made.

FORMAT FOR PUBLISHING UPCOMING TENDERS IN THE SCCL WEBSITE

S. No.	Area	Description of items to be Procured	Approximate value of the tender

GENERAL TERMS & CONDITIONS (MODEL NIT)

THE SINGARENI COLLIERIES COMPANY LIMITED
(A GOVERNMENT COMPANY)

CORPORATE MATERIAL PROCUREMENT DEPARTMENT
KOTHAGUEM COLLIERIES P.O – 507101
DIST: BHADRADRI KOTHAGUEM– TELANGANA (STATE)
CIN: U10102TG1920SGC000571 GSTIN: 36AAACT8873F1Z1
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GST NO: 36AAACT8873F1Z1

NOTICE INVITING TENDERS (NIT)

Sub: Procurement of

- Reg.

Tender Ref. No.	xxx dt: xx.	Mode of tender	Open
Number of Sources	XXX	Mode of Tendering	XXXX
Input Tax Credit	Applicable		

1. Tenders are invited from domestic bidders for supply of
2. The Approximate value of the tender is XXXXX. Bidder shall submit 1% of offer value for the items / quantity quoted through online utilizing the "Payment Gateway Service on e-Procurement platform". (For other details Pl. refer EMD clause at para No. 21). If the EMD amount paid is lower than 1% of the offer value, the offer is liable for rejection.

NIT DOCUMENT

A. GENERAL INSTRUCTIONS:

1. Bidders are advised to carefully read this NIT Document
2. SCCL may solicit the bidders consent for extension of the period of validity of the bid and EMD. The request and the responses there to shall be made by letter, fax or e-mail. Bidders accepting the request are not permitted to modify the bid.
3. SCCL reserves the right to seek clarifications in respect of the bids / supporting documents etc., from the bidders by letter / e-mail / fax.
4. **NUMBER OF SOURCES & PURCHASE PREFERENCES :**

Number of sources: Single

Normally, SCCL floats enquiries for placing orders on single source only. However, depending up on the urgency / criticality, SCCL may float enquiries to place order on more than one source (maximum 4) as notified in the NIT subject to matching with L1 price on Landed Cost basis by qualified L2, L3, L4 Firms and so on. In case, enquiries are floated to place orders on more than one source, the distribution will be as follows:

- i) For 2 sources in the ratio of 70:30.
- ii) For 3 sources in the ratio of 50:30:20.
- iii) For 4 sources in the ratio of 50:25:15:10

In case lead time and delivery schedule indicated in the offer or confirmed by the Firm during techno commercial negotiations before opening the price bid is not meeting the SCCL's desired lead time and delivery schedule as notified in the NIT, SCCL will have right to increase the number of sources till the notified lead and delivery schedule are met, subject to matching with L1 Firm's firm'd up price (on landed cost basis) by qualified L2, L3, L4 Firms and so on.

Irrespective of the number of sources, 50% of the quantity is reserved for SCCL Ancillary units for the Ancillarized items. The 50% reserved quantity will be distributed among the SCCL Ancillary Units participated in the tender by submitting valid bids, subject to matching with L1 Firm's firm'd up price. In case the Ancillary Unit / Units submitted bid / bids stood L1 or within the number of sources notified in the NIT, the reserved quota share will be over and above the share for which they are eligible as per NIT notification.

5. RIGHT TO REJECT THE OFFERS / CANCEL THE TENDER:

SCCL reserves the right to reject any or all the offers without assigning any reason and to cancel the tender at any stage before release of order / award of contract. The decision taken by the SCCL in this regard shall be final.

6. CORRESPONDENCE / DISPUTES DURING ENQUIRY STAGE:

No correspondence / disputes will be entertained before placing order and the decision of the SCCL shall be final. In case of any dispute, after placement of order / contract, the matter will be referred to Arbitration in accordance with the Indian Arbitration Act.

7. COMMENCEMENT OF ORDER:

The Purchase order shall come into operation on the day of earliest receipt of communication about the release of Purchase Order or a day specifically mentioned for that purpose.

B. INSTRUCTIONS TO FILL TECHNICAL BID AND TECHNICAL TERMS & CONDITIONS:

8. New entrants for the enquired items shall clearly indicate their manufacturing facilities and technical capabilities to supply the enquired items or to carry out the work. SCCL may inspect the manufacturing facilities of Bidder's for ascertaining the capabilities of the Firm to manufacture and supply the quoted items.
9. Bidders are required to quote as per the technical specifications or as per drawings or as per part numbers mentioned in the NIT document. In case of change in part Nos. both old and new part Nos. should be mentioned. Otherwise the offer is liable for rejection.
10. In case, the tender is for procurement of Equipment / Plant & Machinery, technical leaflets, General Arrangement drawings, detailed specifications, detailed technical data, illustrated literature etc., shall accompany the bid. Otherwise the offer is liable for rejection.
11. In case, the tender is for bulk procurement of Goods / Materials, SCCL may ask the bidders to supply samples to Central Stores, Kothagudem at free of cost on FOR destination basis, well before schedule date of closing of the tender. All samples submitted must be clearly labeled with the supplier's Name, Address and Tender Number. The Firm shall give an undertaking that the bulk supplies will conform to the approved samples, otherwise the offer is liable for rejection.
12. If the bidder is a manufacturer, he shall submit a copy of valid manufacturing license along with the bid, where ever applicable. Otherwise the offer is liable for rejection.

If the bidder is an authorized dealer, the bidder shall submit copy of valid dealership certificate issued by manufacturer along with the bid. Otherwise, the offer is liable for rejection.
13. In case, the enquired items are to conform to BIS / IS specification(s) as per NIT document, the bidder shall submit a copy of valid BIS / IS license and Test Certificates stating that the quoted item(s) are manufactured in accordance with the said specifications.
14. Bidder shall accept the quantity tolerance limit, if any, as per NIT.
15. The approximate weight & Packing dimension of goods offered, wherever required should be mentioned.
16. In case, the Equipment / items enquired require approval of DGMS for use in coal mines, Bidder must submit copy of valid DGMS approval along with offer. Otherwise, the offer is liable for rejection. In case, the validity of DGMS approval is expired, the bidder shall submit documentary proof to the satisfaction of the SCCL that the bidder has initiated action for renewal of approval and give an undertaking that copy of valid DGMS approval would be submitted before dispatch of the Equipment / Items to consider the offer.

However, in case of imported equipment/material, the bidder shall give an undertaking that copy of valid DGMS approval or field trial approval would be submitted before dispatch of equipment/material to consider the offer.

17. ELIGIBILITY FOR SUBMISSION OF BIDS:

- a. Proven Manufacturers / Authorized dealers are eligible for submission of tenders
- b. In case of Limited / Nomination Tender, offers from the Firms to whom the tender was sent or their authorized dealers only will be accepted.
- c. In case of Open tender for procurement of sub assemblies / spares from Original Equipment Manufacturer or Original Equipment Supplier or Original Part Manufacturer or Proven Part Manufacturers, offers from them or their authorized dealers only will be accepted.

18. INSPECTION CRITERIA:

SCCL at its option may carryout inspection of the items enquired at manufacturer's site or at SCCL's site. SCCL may engage third party like RITES etc., to carry out such inspections.

19. QUALITY, WORKMANSHIP AND GUARANTEE / WARRANTY:

- a. All Plant & Machinery, Equipment, Spares, Goods and Material offered shall be of best quality and workmanship and shall conform to the specifications stipulated in Technical parameters) / sample supplied and accepted, if any.
- b. All Plant & Machinery and Equipment shall have supplier's Guarantee for material, design, workmanship and performance for a period of 12 months from the date of commissioning or 18 months from the date of dispatch, whichever is earlier.
- c. All sub-assemblies shall have supplier's Guarantee for material, design, workmanship and performance for a period of 6 months from the date of commissioning or 12 months from the date of dispatch, whichever is earlier.
- d. All spares shall have supplier's warranty for rectification or replacement for any defects in material, design and workmanship noticed within a period of 6 months from the date of fitment or 12 months from the date of dispatch, whichever is earlier.
- e. However, if other Guarantee / Warranty period is stipulated in Annexure I (of NIT Document) or Technical parameters, the same shall prevail over.
- f. The offer submitted with a Guarantee / Warranty less than the period stipulated in NIT document is liable for rejection.
- g. Authorized dealers, shall enclose a copy of valid authorization and guarantee / warranty letter regarding quality of material and service & spares support from manufacturer. Otherwise the offer is liable for rejection.

20. ELIGIBILITY CRITERIA FOR COMMERCIAL ORDER:

ELIGIBILITY CRITERIA:

Manufacturers based in India and foreign based manufacturers or their authorized dealers / agents are eligible to submit their bids. Where bids are submitted by authorized dealers, it is essential that specific authorization from the manufacturer against each tender indicating Tender Reference Number has to be enclosed, failing which the offer is liable for summary rejection.

PROVENNESS CRITERIA:

- a) The equipment / item to be offered by the bidders' shall be considered proven provided the equipment / item offered or similar equipment / item of higher specification must have been supplied not prior to 7 years from the date of opening of tender to the Mining Industry and / or to the other industries (Private or Government/ Public Sector Undertaking) and performed satisfactorily for a period of not less than one year from the date of commissioning.
- b) If the equipment / Item offered is supplied and has been commissioned at SCCL, at least one year prior to the date of publishing of this enquiry, its performance will be considered for evaluation. However, bidders are invariably required to upload the previous order copies of the SCCL, if any.
- c) The bidders should essentially submit authenticated copies (ink signed and stamped by the original manufacturer) of supply orders received by them for the same /similar equipment / item offered with details.
- d) Bidders are required to submit Satisfactory Performance reports for the supplies made against the order copies submitted.
- e) In case of supply to Govt. Sector/Public Sector, satisfactory performance report along with commission report and purchase orders issued by authorized representative of the Company, duly signed and stamped, confirming that the quoted item or similar item of higher specification have performed satisfactorily for a minimum period of 1 year from the date of commissioning of the equipment shall be considered valid. If the bidder submits two consecutive orders from the same Govt. Firm/Public Sector Firm/same subsidiary with a gap of 12 months, performance reports will not be insisted.
- f) In case of Private Sector, detailed Satisfactory Performance Report issued by Chief Executive Officer / Director (Head of Operations) / Head of the Project or Mining Unit indicating Purchase order number, machine serial number, machine model, commissioning date and annual working hours shall be considered valid. In such cases, the name and designation of the signing authority should be clearly indicated in the Performance report and the reports should be authenticated and stamped by the bidder.
- g) In case the bidder is unable to submit performance reports, a self certification duly signed and stamped by the bidder, indicating Purchase order number, machine serial number, commissioning date and annual working hours and confirming that the equipment / item offered or similar equipment / item of higher specification, supplied to any Govt. sector / public sector, have performed satisfactorily for a minimum period of 1 year from the date of commissioning of the equipment and there are no warranty / guarantee claims pending, shall be considered. Self certification is not acceptable for the supplies made to private Firms.

FAILURE TO SUBMIT THE ABOVE DOCUMENTS MAY RENDER A TENDER UNACCEPTABLE.

- h) In case, if at any point of time during procurement process or subsequently, it is detected that the above information given by the bidder regarding performance of the item supplied by them is false, SCCL reserves the full right to take action as deemed fit including rejection of the offer and / or debarring the bidder in the SCCL for all future tenders.

- i) In case the offered equipment / item or similar equipment / item of higher specification have been supplied by the bidder or their authorized dealers to SCCL and if such equipment / item has completed required period of performance as stipulated above, for the purpose of ascertaining the provenness, the performance established in SCCL, as per internal performance reports obtained from user Areas/departments, will be preferred. However, other performance reports submitted by the bidder will be considered and the decision of SCCL will be final.

C. INSTRUCTIONS TO FILL COMMERCIAL BID AND COMMERCIAL TERMS & CONDITIONS:

21. EARNEST MONEY DEPOSIT (EMD):

a. Submission of EMD:

It is mandatory for all participant bidders to electronically pay EMD Online by utilizing the "Payment Gateway Service on E-Procurement platform". The Electronic Payment Gateway accepts all Master and Visa Credit Cards issued by any bank and Direct Debit facility/Net Banking/NEFT payment modes through ICICI Bank and/or Axis Bank Payment Gateways to facilitate the transaction. The bidder shall pay the Bank charges on the transaction amount, if any. In addition to this, Bidders can also pay the EMD through Download of PDF format of RTGS Challan for respective Payment gateway and pay the EMD through their Parent Bank account. Once the EMD is received by the e-Procurement application, Bidders can automatically continue with their Bid Submission online.

- i) For the benefit of participating suppliers/contractors/bidders, to facilitate them for payment of EMD/refund facility, the Government decided to make transactions more transparent, the following should be followed for the payments:
 - ii) All the payments towards the EMD should be paid through Net Banking/RTGS/NEFT/Credit Card/Debit Card only.
 - iii) When the payment of EMD is made through Net Banking/RTGS/NEFT from their registered bank accounts, the refunds will be reverted to those accounts only.
 - iv) When the payments of EMDs are made using the Credit Card/Debit Card, as per the VISA/Master Card guidelines, the refunds will be reverted to the Originating Card from which payment was made.

b. Note Regarding EMD Payment:

- i) Bidders are encouraged to use only Net banking facility for payment of EMDs as far as possible for faster refunds in case of unsuccessful Bids for the Tender.
- ii) Bidders are advised not to use RTGS Challan downloads at the penultimate hour of Bid submission closing as any delay by their banker would not enable Bid submission on the platform. Please allow a minimum of 60 minutes for enabling "Continuation of Bid Submission" from the time the Pool Account receives credit of the EMD from the Bidder's Bank for both NEFT and RTGS Transfers. For RTGS Transfers, the Pool Account can get immediate credit whereas NEFT transfers would follow RBI Payment Cycle time.
- iii) Bidders are advised to pay EMD Online at least T-1 or T-2 days before Bid submission closing date (T= Bid submission closing date) to avoid last minute delays and denials of successful Bid submission and to take care of any delays in Banking procedures.

**c. EMD Refund process:
For Un-Successful Bidder**

- i) The bid is declared unsuccessful, under the following circumstances.
- ii) Bid submitted by the bidder is not the lowest bid.
- iii) Upon Finalization of the L1 Bid.
- iv) Technical / Commercial Disqualification of the Bid.
- v) EMD paid but bid not submit.
- vi) EMD refund will be initiated by the Tender Inviting Authority directly and through Online only and through the same payment channels as EMD received by the Department. (RTGS / NEFT /Credit Card /Debit Card refund), within 30 days from the date of publishing the Decision / Result.
- vii) EMD of unsuccessful bidders will be refunded immediately by TSTS after the bidder is declared unsuccessful.

For Successful Bidder:

- i) EMD of successful bidders will be transferred from TSTS to SCCL and SCCL shall refund the same on submission of Performance Bank Guarantee (PBG).
- ii) Wherever PBG clause is not applicable, EMD of successful bidder will be refunded after faithful execution of the order.

d. Note Regarding EMD Refunds:

Bidders are requested to use discretion in their choice of payment channel for remittance of EMD. Time taken for Refunds under Ideal conditions:

- i) Net Banking / NEFT / RTGS Challan: One (1) Banking Business Day from time of initiation of refund by Tender Inviting Authority subject to RTGS/NEFT timings of RBI.
- ii) Credit card/ Debit card: 7-10 working days from time of initiation of refund by the Tender Inviting Authority. However, this may be longer in case of certain bank cards. In case of delays, bidders are requested to contact the Card issuing Bank for faster resolution.
- iii) In case the offer is for all NIT items and for entire tendered quantity, EMD amount shall be as specified in the NIT.
- iv) In case the offer is for part of the NIT items and / or quantity, EMD amount shall be 1% of offer value for the items / quantity quoted. If the EMD amount paid is lower than 1% of the offer value, the offer is liable for rejection.
- v) No interest will be paid on the EMD.
- vi) EMD paid against earlier tender will not be adjusted for the current tender.

e. Exemption for submission of EMD:

The following are exempted from submission of EMD:

- i) All Government Undertakings.
- ii) OEM, OESs, OPMs, Foreign manufacturers and their authorised dealers for supply of spares.
- iii) Foreign manufacturers for capital items, if they are Proven Suppliers to SCCL for the enquired items.
- iv) Firms registered under Micro, Small and Medium Enterprises Development (MSMED) Act for enquired items. This is applicable for procurement of only items produced and services rendered by MSEs, but not for trading activities.
- v) Ancillary Units / Subsidiaries of the SCCL.

The Bidder exempted from submission of EMD shall upload the scanned copy of documents online in support of exemption, during bid submission; otherwise the offer is liable for rejection.

f. Forfeiture of EMD:

EMD of the Bidder will be forfeited with inclusive of GST in the following circumstances:

- a. Withdraws the offer during validity / extended validity period.
- b. Changes the terms and conditions of the offer during validity / extended validity period.
- c. Does not accept the LOA / order placed within the offer validity period / extended validity period, in accordance with terms & conditions of NIT, offer & negotiations.
- d. Breach of contract during execution, wherever PBG clause is not applicable.
- e. The information/documents submitted by the bidder proved to be false/ incorrect.

22. OFFER VALIDITY:

Bidder shall keep the offer valid for a period of 6 months from the date of opening of the tenders. The offer with less validity period than stipulated is liable for rejection.

23. BIDDER'S DETAILS:

Bidder shall furnish the following information:

- a. Name and address, Phone number, Fax number, e-mail ID and Name of the contact person.
- b. Indicate clearly, the constitution of the bidder i.e., Sole Proprietorship, Partnership, limited liability company etc., together with names of proprietor, partners and directors respectively.
- c. Indicate clearly, if it is a Government company, MSME or SCCL ancillary unit or registered Firm. A copy of valid documentary proof shall be enclosed.
- d. Indicate clearly, whether the bidder is a Manufacturer, Dealer or Trader.
- e. In case of overseas supplies, the country of origin of the materials offered shall be clearly specified.
- f. Banker's Name and address together with Branch Code and IFSC / RTGS Code.
- g. Tax registration and other details to the extent applicable along with documentary evidence. :
 - i) TIN Registration No.
 - ii) TOT Registration No.
 - iii) CST Registration. No.
 - iv) Central Excise Registration No.
 - v) GST Registration No.
 - vi) IT PAN Registration No

24. DELIVERY TERMS

I. For Domestic Bidders:

[The Indian Bidder must quote their unit rates in Indian Rupees only]

Bidders shall quote price on FOR Destination basis in Indian Rupees only.

The safe arrival of stores at destination shall be the responsibility of the supplier. Prices quoted must be FIRM till delivery; otherwise the offer will be rejected. The bidder should quote their unit rate on FOR (Free on Road / Rail) destination basis as per the requirement of Price Bid (Sheet for Domestic Bidder) with break-up e.g. (i) Basic Price. (ii) Packing & Forwarding charges, if any. (iii) Freight, Insurance, Installation Charge applicable, if any.

II. Overseas Supplies

Bidders shall quote price on FOB / CIF basis only. Loading will be done as mentioned below for evaluation on landed cost basis (i.e. FOR destination basis).

Sl. No.	Particulars	Basic Customs duty @7.5%			Basic Customs duty @ 10.0%		
		FOB		CIF	FOB		CIF
		Other than USA, Canada, Japan	For USA, Canada, Japan		Other than USA, Canada, Japan	For USA, Canada, Japan	
1	FOB Price (Cost)	100.000	100.000		100.000	100.000	
2	Marine Freight on FOB @ 10% other than USA/12% USA	10.000	12.000		10.000	12.000	
3	Cost + Freight (1+2)	110.000	112.000		110.000	112.000	
4	Marine Insurance @ 0.035% of (3)	0.039	0.039		0.039	0.039	
5	CIF value (3+4)	110.039	112.039	100.000	110.039	112.039	100.000
6	Assessable Value (5)	110.039	112.039	100.000	110.039	112.039	100.000
6a	Basic Customs duty @7.5% on 6	8.253	8.403	7.500	11.004	11.204	10.000
6b	Social welfare surcharge @ 10% on 6a	0.825	0.840	0.750	1.100	1.120	1.000
6c	IGST @ 18% on (6+6a+6b)	21.441	21.831	19.485	21.986	22.385	19.980
7	Taxes on Assessable value (6a+6b+6c)	30.519	31.074	27.735	34.090	34.709	30.980
8	GST on Marine Freight [(2)*5%]	0.500	0.600		0.500	0.600	
8a	GST on Marine Insurance premium [(4)*18%]	0.007	0.007		0.007	0.007	
9	Subtotal (6+7+8+8a)	141.065	143.720	127.735	144.636	147.355	130.980
9a	Port Handling & other charges @5% on FOB/CIF	5.000	5.000	5.000	5.000	5.000	5.000
9b	GST on Port Handling and other charges [(9a)*18%]	0.900	0.900	0.900	0.900	0.900	0.900
10	Total Cost (9+9a+9b)	146.965	149.620	133.635	150.536	153.255	136.880
11	Less: Input Tax Credit (6c+8+8a+9b) if yes	22.848	23.338	20.385	23.393	23.892	20.880
12	Landed cost Total after ITC (10-11)	124.117	126.282	113.250	127.143	129.363	116.000

Conversion factor for loading	1.24117	1.26282	1.1325	1.27143	1.29363	1.16
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Bidder may quote in Euro / USD / AUD/ GBP / Yen. In case the bidder quotes in the said foreign currency, the exchange rate in Indian Rupees as on the date of price bid opening will be considered to arrive at the Landed Cost for evaluation.

25. STATUTORY TAXES, DUTIES AND LEVIES :

a. Goods and Service Tax (GST):

- i) When the offered goods or services or both are subject to GST, the bidder shall clearly mention "GST" Extra, i.e., CGST+SGST+ Compensation Cess (if any) or CGST+UTGST+ Compensation Cess (if any) or IGST+ Compensation Cess (if any) in their bid along with the rate applicable unless exempted. Bids quoted on taxes inclusive basis will be summarily rejected.
- ii) In case of bidders registered under GST, the bidder shall submit a copy of the "Certificate of provisional Registration" i.e., FORM GST REG-25 under GST. The bidder shall however submit a copy of the final "Certificate of Registration" i.e., FORM GST REG-06 after receipt of the same. The bidder shall invariably mention their GST Registration Number (GSTIN) and 4 Digit HSN Code along with description of goods or services or both as per the Goods and Service Tax Act for the enquired items in the PRICE BID Format of their offer.
- iii) In case of unregistered bidders, the bidder shall submit their turnover certificate duly certified by Chartered Accountant for the immediate preceding financial year.
- iv) In order to enable SCCL to avail Input Tax Credit (ITC), the bidder registered under GST should submit Tax Invoice as per the provisions of GST Act.
- v) In case of bidders who opted for composition levy under GST, the bidder shall submit a copy of the "Certificate of provisional Registration" i.e., FORM GST REG-25 under GST and a copy of the intimation filed in FORM GST CMP-01. The bidder shall however submit a copy of the final "Certificate of Registration" i.e., FORM GST REG-06 after receipt of the same.
- vi) The Composition bidder shall not quote any taxes under GST and his bid is invariably evaluated without taxes under GST.
- vii) The Composition bidder shall submit "Bill of Supply" with the words "Composition taxable person, not eligible to collect tax on Supplies" for the supplies made by him
- viii) In case, any credit, refund or other benefit is denied or delayed to SCCL due to any non-compliance by the Supplier (such as failure to upload the details of the sale on the GSTN Portal, failure to pay GST to the Government) or due to non-furnishing or furnishing of incorrect or incomplete documents by the Supplier, the Supplier would reimburse SCCL the loss to SCCL including, but not limited to, the tax loss, interest and penalty.

b. Customs Duty (CD), Integrated Goods and Service Tax(IGST), Compensation Cess, if applicable:

CD, IGST, Compensation Cess, if leviable, are applicable for overseas supplies. However, the bidder has to quote on FOB/CIF price basis only. For like to like comparison, loading will be done by the SCCL as per the applicable rates.

c. Royalty:

Bidders shall mention Royalty details and shall also enclose valid Mining Lease granted to them or to their principal suppliers, wherever required.

d. Any other Taxes / Duties applicable:

- i) If any Taxes / Duties / Cess / Levies other than those mentioned above are applicable as per the law of the land prevailing as on the date of submission of bid, the bidder shall clearly mention them along with applicable rates. Otherwise the same will be to the bidder's account.
- ii) In case new Taxes / Duties / Cess / Levies are introduced after submission of the bids, but before opening of the price bids, the bidder shall bring to the notice of the SCCL in writing about such changes for loading and evaluating the status, otherwise, the same will be to the bidder's account.
- iii) In case, the bidder mentions that any / all, Taxes / Duties / Cess / Levies are not applicable and if applicable during the order validity period, the same shall be absorbed by the bidder.
- iv) During the contractual delivery period / extended delivery period, any upward / downward revision of applicable Taxes / Duties / Cess / Levies or imposition of new taxes / Duties / Cess / Levies as per order is to the SCCL's account to the extent of revision. However, during the extended delivery period with penalty, any upward revision or imposition of new taxes / Duties / Cess / Levies etc., shall be absorbed by bidder.

26. INPUT TAX CREDIT (ITC):

- i) SCCL is having centralized registration under Goods and Services Act, in the state of Telangana and the details of the same are furnished hereunder:

GSTIN: 36AAACT8873F1Z1

PAN (Under Income TAX ACT, 1961): AAAC8873F

- ii) At the time of evaluation of offers of the registered bidders, SCCL will consider Input Tax Credit (ITC), if eligible, in respect of eligible goods or services or both indicated in the Commercial Bid Format and their commercial status will be arrived at accordingly.
- iii) At the time of evaluation of offers of the unregistered bidders, SCCL will, in addition to the price quoted in the bids, consider the taxes under GST that it shall pay under reverse charge mechanism in respect of goods or services or both indicated in the Commercial Bid. However, SCCL will consider the Input Tax Credit (ITC), if eligible, in respect of goods or services or both while evaluating the bids.
- iv) Successful bidder shall quote the above GSTIN No. / PAN in all his invoices and documents against supplies, wherever required as per the provisions of the statutes, to enable SCCL to avail Input Tax credit.

27. ERECTION & COMMISSIONING / REPAIR / MAINTENANCE CHARGES:

- a) When the tender / offer require erection & commissioning of equipment at site, the bidder may quote charges for the same along with GST separately.
- b) When the tender / offer are for repairs / maintenance with or without supply of spares (i.e. AMC / CMC), the bidder shall quote charges for the same by along with tax separately.

28. SUBMISSION OF BIDS ON FIRM PRICE BASIS:

The price to be quoted shall be “FIRM” price and in case of order, shall remain “FIRM” till complete execution of the order. In case, against “FIRM” price, any variable price is offered such offers shall be rejected without notice.

However, if Price Variation Formula is stipulated in **Annexure I** of NIT document, the same shall prevail over.

29. SCCL PAYMENT TERMS:

I. For Domestic Supplies:

Payment will be made by way of RTGS. RTGS charges if any will be to firm's account. If the Firms opt for payment through cheque / DD, payment will be made accordingly. DD charges if any will be to Firm's account. For RTGS payment, bidders are advised to indicate their Bank details in their offer. a) Name of the Bank. b) Branch Name. c) Branch Code. d) Account No. e) MICR Code. f) IFSC/RTGS Code.

a. For Capital Items :

For regular commercial orders placed on domestic equipment manufacturers or their authorized dealers, 80% value of the equipment supplied along with 100% Taxes / Duties / Cess / Levies applicable as per terms and conditions of the order will be paid within 30 days from the date of receipt and acceptance of material at the SCCL stores and balance 20% value of the equipment supplied along with 100% installation & commissioning charges, if any, will be paid within 30 days of installation & successful commissioning of the equipment.

b. For Revenue items:

For regular commercial orders placed on domestic suppliers, 100 % value of the items supplied along with 100 % Taxes / Duties / Cess / Levies applicable as per terms and conditions of the order will be made within 30 days from the date of receipt and acceptance of material at the SCCL stores.

c. Tax retention clause:

The supplier shall upload his Tax Invoice in the GSTN as per the provisions of the GST Act i.e., by 10th of the month subsequent to the month in which “Time of Supply” arises.

In respect of orders where the entire order quantity is executed through a single Tax Invoice and if the “Tax Invoice” is not uploaded within the time limits prescribed under GST Act, the amount of tax contained in the Invoice will be withheld by SCCL till such time the invoice is uploaded in the GSTN Portal.

In respect of orders where the entire order quantity is executed in phased manner through multiple invoices or where staggered payment is made, if the “Tax Invoice” is not uploaded within the time limits prescribed under GST Act, the tax amount will be withheld from the payment made against subsequent Invoice till such time the invoice is uploaded. The final payment is subject to compliance of all formalities under GST by the supplier.

II. For Overseas Supplies:

100% FOB value shall be payable by way of an irrevocable divisible and unconfirmed Letter of Credit as mentioned below. Letter of Credit for 100 % FOB of consignment value* will be opened subject to acceptance of the order and submission of bank guarantee for 10% of respective consignment value. In case the Firm wants confirmed Letter of Credit, the charges shall be borne by the Firm.

- i) 80% of FOB value of equipment & spares will be released at sight of shipping documents along with DGMS approval if required.
- ii) Balance 20% of FOB value of the equipment along with 100% charges for erection & commissioning of the equipment, if any, will be released after successful erection, commissioning and testing as specified in the order.
- iii) In case of spares, balance 20% payment will be released after receipt and acceptance of the material.

*(Consignment value is arrived based on the quantities to be delivered as per the delivery schedule specified in the purchase order)

30. DELIVERY SCHEDULE:

- i) Bidders must clearly mention lead time required and delivery schedule in the bids for the enquired items. Successful bidder shall supply the enquired items in accordance with lead time and delivery schedule as indicated in Annexure-I. the Commercial Bid Format or confirmed during techno commercial negotiations
- ii) In case of overseas suppliers: Bidders must clearly mention lead time required and delivery schedule in the bids for the enquired items. Successful bidder shall supply the enquired items in accordance with lead time and delivery schedule as indicated in the Commercial Bid Format or confirmed during techno commercial negotiations or in accordance with the specified delivery schedule notified in the NIT as consignment wise letter of credit will be opened based on the delivery schedule.

31. LIQUIDATED DAMAGES (LD):

In the event of supply not being effected within the contractual delivery schedule, liquidated damages @ 0.5 % of basic price, not by way of penalty, of the value of the material per week of delay or part thereof subject to a maximum of 10% is recoverable from the supplier without prejudice to the rights of purchaser to procure the balance material at the risk and cost of the supplier. The payment or deduction of such damages shall not relieve the supplier from the contractual obligation to complete the supply or balance portion thereof in time as stipulated in the contract.

Recovery of any claim towards LD charges, penalty, fee, fine or any other charges from the supplier / vendor will be made along with applicable GST and the amount shall be adjusted with the payment to be made to the supplier / vendor against their bill/invoice or any other dues.

32. FORCE MAJEURE CONDITIONS:

Force Majeure conditions means the interruptions caused to supplies or works due to:

- a) Any riots or civil commotion.
- b) Any war or hostilities.
- c) Any natural calamities such as earthquake, Flood, Tempest and other natural and physical disasters.
- d) Any accident by the fire or explosion.
- e) Any law and order proclamation, regulation/ordinance affecting the production / dispatch of the goods.

- f) Power failures.
- g) International sanctions / embargo.

Any claim under force majeure should be submitted within 15 days of happening of force majeure conditions. The force majeure event shall be supported by a certificate from the appropriate authority. If force majeure conditions continue to exist for more than 60 days, SCCL at its discretion can cancel the order without any penal consequences for SCCL.

33. PERFORMANCE BANK GUARANTEE (PBG):

- a. The successful bidder, within one month from the date of receipt of letter of Award / Firm order should submit a Consolidated Bank Guarantee issued by any Public Sector Bank/Private Bank incorporated in India having networth of ₹ 5,000.00 Crores and above for the previous Financial Year as per Proforma enclosed (Annexure – VI): However, where value of BG is ₹ 5.00 Lakhs and above, the BG should be obtained from the bank branches situated at Hyderabad / Kothagudem or operative and payable at bank branches situated at Hyderabad/ Kothagudem.
 - i. 10% of the order value for supply of equipment.
 - ii. 5% of the order value for supply of sub-Assemblies / spares.
 - iii. 2.5% of the order value per year for supply of sub-assemblies/ spares on rate contract basis.
 - iv. 10% of consignment wise value in case of overseas supplies where payment is by way of Letter of Credit.
- b. The above PBG shall be valid up to 3 months over and above the Guaranty / Warranty period. In case there is a delay in supply of material for whatsoever reason, the Bank Guarantee shall be extended suitably three months before its expiry.
- c. In case the Firm fails to submit consolidated Performance Bank Guarantee as stipulated in NIT document, consignment wise amount at the rates mentioned as per clause No. 33(a) will be deducted from bills payable to the Firm against supplies made.
- d. In case the Firm fails to fulfill Guarantee / Warranty terms of the order:
 - i) The PBG submitted as mentioned at clause No. 33(a) will be invoked inclusive of GST.
 - ii) The amount deducted as mentioned at clause No. 33(c) will be forfeited inclusive of GST.
- e. In case of items being procured with staggered delivery, Firms registered as MSME/NSIC/SSI units may submit performance bank guarantee along with each supply to respective paying authorities instead of consolidated bank guarantee for total value of the order.

As the system of permanent BGs is dispensed with, the successful bidder though submitted Permanent Bank Guarantee have to submit Performance BGs as per clause 33.(a).

34. PRICE FALL CLAUSE:

Supplier shall pass on the benefit to the SCCL on its own, in case the supplier sells same item to any Public or Private sectors within a period of 6 months from the date of receipt of order at price less than the price offered to SCCL with same terms and conditions, otherwise, SCCL reserve its right to recover 1½ times the difference amount from the running bills anywhere in the company for the items delivered and to be delivered. In case the running bills amount is not sufficient, SCCL may give notice to pay the amount, the bidders shall pay the amount within 15 days of receipt of the notice, otherwise the amount will be recovered by invoking the Performance Bank Guarantee.

35. RISK PURCHASE CLAUSE:

In case the supplier fails to deliver the goods / items within the delivery schedule prescribed in the order and SCCL is forced to purchase such goods / items from any other source at a higher price, the supplier shall pay the difference amount to the SCCL. The defaulted supplier shall have no claim over the quantity, which they failed to supply.

Additional expenditure if any will be recovered from running bills of defaulted supplier anywhere in the Company. In case the running bills amount is not sufficient, the defaulting supplier shall pay the amount within 15 days of receipt of the notice from the SCCL. Otherwise the amount will be recovered by invoking the Performance Bank Guarantee.

36. QUANTITY VARIATION:

The bidder shall agree to accept part order at unit prices without limitation and accept to enhancement of ordered quantity up to 25% during the order validity period at the same price, terms and conditions of original order.

37. UNSOLICITED DISCOUNT:

Suo-moto reduction shall not be considered for evaluation whether given before or after opening of price bids. If any bidder other than lowest offers suo-moto reduction in the prices after opening of the price bid, the offer shall be rejected outright. However, if there is a suo-moto reduction from the lowest bidder adjudged on the basis of comparative statement as per price bids before such reduction, the benefit of suo-moto reduction shall be availed of at the time of placement of order on the lowest bidder.

SCCL reserves the right not to accept the lowest bid.

38. If goods are supplied in standard packing, tins, bundles, sets, kits, pairs, clear details as to the contents of each standard packing with particulars like Numbers / weight / capacity and the rate per standard packing should be quoted.

In case of pairs, the rate per pair should be quoted. Weights quoted should be in Metric system only.

39. OEM or Manufacturers of sub-assemblies / spares or their authorized dealers while submitting offers shall submit current price list along with the offer.

D. INSTRUCTION TO FILL PRICE BID & EVALUATION CRITERIA:

40. BIDDING CURRENCY:

Bidders shall submit price bid format as per E-procurement format only. Bidders quoting for domestic supplies shall quote in Indian Rupees only. However, bidders quoting for overseas supplies may quote in Euro / USD / AUD / GBP / Yen.

41. PRICE BID EVALUATION CRITERIA:

Domestic bids will be evaluated on Landed Cost Basis duly considering Tax Credits, if any, provided the same is notified in the NIT.

If the first two digits of GSTIN of the bidder is other than 36 and if the bidder quotes SGST considering it an intra state supply, then the SGST quoted by the bidder shall be added in the cost for arriving at L1 Status (though the supply is eligible for ITC).

Foreign bids will be evaluated on Landed Cost Basis in Indian Rupees duly considering exchange rate as on the date of price bid opening and loading as mentioned at clause No. 24 (II) and Tax Credits, if any, provided the same is notified in the NIT.

E. GENERAL TERMS & CONDITIONS:

42. SUPPLY OF PLANT & MACHINERY, EQUIPMENT, SPARES, GOODS AND MATERIAL OF GOOD QUALITY, GOOD WORKMANSHIP, AS PER SPECIFICATIONS / SAMPLES:

- a. In case the order is for supply of Plant & Machinery, Equipment, Spares, Goods and Material, all the Plant & Machinery, Equipment, Spares, Goods and Material supplied against the Purchase Order shall be of best quality and workmanship and shall conform to the specifications stated in the Purchase Order.

Where any Plant & Machinery, Equipment, Spares, Goods and Material supplied is rejected on account of its not conforming to the specifications / samples or being of bad quality or workmanship or due to non-compliance to any other clause of the contract, the supplier shall promptly replace / rectify the rejected material or Plant & Machinery, Equipment, Spares, Goods and Material at the discretion and satisfaction of Singareni Collieries Company Limited. All expenditure incurred on account of such replacement / rectification shall be entirely borne by the Supplier.

The Singareni Collieries Co. Ltd. also reserves the right not to seek any such rectification / replacement, but may desire the defective Plant & Machinery, Equipment, Spares, Goods and Material to be removed from the Company's premises and terminate the contract. In such a case the Supplier shall remove the material as aforesaid at their cost and pay to the Singareni Collieries Co. Ltd., any money paid for the cost of Goods in part or full together with interest within a period of 30 days on being informed to do so and in case of non-compliance by the Suppliers, Company may proceed to recover the same by encashment of performance bank guarantee, recovery from the amounts payable to the Firm for supplies made against any other contract/order or recover the same by process of Law. SCCL can also invoke risk purchase clause in such cases.

The supplies, which are rejected due to non-compliance to the specifications, 30 days notice will be given to the supplier for removal of such goods. Ground rent @ 1% per week will be charged and if the supplier fails to remove such goods within 90 days, the same will be confiscated and disposed of by SCCL by way of Public Auction or other mode of disposal and proceeds will be appropriated towards ground rent and other charges.

- b. In case the order is for Supply, Erection and Commissioning of Plant & Machinery, requiring inspection and test after erection at site, if the completed plant or any portion thereof is found defective or failure is noticed in any of the part, requiring fulfillment of contract, before the plant is taken over, the Singareni Collieries Co. Ltd., shall give the supplier Notice setting forth details of such defects or failures and the Supplier shall forthwith make the defective plant good, or alter the same to make it comply with the requirement of the contract. Should he fail to do so, within a reasonable time, Singareni Collieries Co. Ltd. may reject and replace at the cost of the Contractor the whole or any portion of the plant as the case may be, which is defective or fails to fulfill the requirements of the contract.

43. IN CASE THE ORDER IS FOR SUPPLY OF EQUIPMENT / SPARES AND TO CARRYOUT ERECTION / REPAIR / MAINTENANCE AT SCCL SITE:

- a. The contractor shall pay not less than minimum wages to his employees deployed at SCCL site, as revised from time to time under the Minimum Wages Act, wherever applicable.
- b. The contractor shall contribute towards Provident Fund for his employees deployed at SCCL site, at the rate as revised from time to time under The Employees Provident Fund and Misc. Provisions Act-1952, wherever applicable.
- c. The contractor shall pay bonus as prescribed under payment of Bonus Act, wherever applicable, subject to a minimum as per law in the absence of adequate profits.
- d. Without prejudice to the Contractor's liabilities under the General conditions of Contract (GCC), the contractor shall at his own cost and initiative at all times up to the successful completion of the contract take out and maintain Insurance cover from any Nationalized insurance Company in India under the Employees Compensation Act and any other Industrial legislation applicable from time to time in the State of TELANGANA providing for payment of compensation to employees in the event of death, injury or accident to employees in the course of or in connection with employment, such policy(ies) in-respect of Employees Compensation, Insurance to be of value of not less than that of amount as per employees compensation act.

Should the contractor fail to take out and / or keep in force insurance as provided for in the foregoing sub-clauses, the owner shall be entitled (but without obligation to do so) to take out and keep in force such insurance(s) at the cost and expenses of the contractor in all respects, and without prejudice to any other rights and remedy of the owner in this behalf to deduct the costs and premium incurred therefore from amount becoming due to contractor from time to time.

- e. The contractor shall obtain Labour Licence from Assistant Labour Commissioner (Central) of the Area as required and a copy of the same to be submitted to the SCCL.
- f. The contractor shall not Sub-Contract the work in whole or part without obtaining the prior written consent of the SCCL.

The contractor shall, notwithstanding the consent, remain solely liable and responsible to SCCL, for and in-respect of the due performance of the contract and the Vendor's obligations there under.

44. PACKING:

Where contrary to the terms incorporated in the general terms and conditions of the Purchase Order regarding packing etc., if it is noticed that Suppliers have failed to take adequate precautions as to Packing, the Purchaser shall bring to the notice of the Supplier the damage noticed, if any, to the goods in such packages and request free replacement / rectification of the damages within a period of 20 days. On the failure of the supplier to do so, the Singareni Collieries Co. Ltd., reserves the right to get such rectification / replacement carried out from other sources and the amount spent on such rectification/replacement shall be deducted from the original Supplier's Bills.

Where the payment in full or major portion thereof, is already effected, it will be the responsibility of the Supplier, to rectify/replace the damages, failing which the Purchaser reserves the right to claim such an amount by the process of Law.

45. Material should be booked to the consignee and not to self.

46. DISPATCH DOCUMENTS:

a. Domestic Supplies:

The supplier is responsible for obtaining clear receipt from the Transport Authorities specifying the goods dispatched. He shall not book any consignment on a 'Said to contain ' basis. If he does so, he does it on his own responsibility. The Singareni Collieries Co. Ltd. will take no responsibility for short deliveries or wrong supply of goods when the same are booked on 'Said to contain' basis.

The Singareni Collieries Co. Ltd shall pay for only such stores as are actually received by them in accordance with the contract.

The following documents are to be submitted to the consignee i.e. Area Stores, along with each consignment.

- i. Duplicate copy of Commercial Invoice / Taxable Invoice
- ii. Packing list / delivery challan
- iii. Original LR / RR
- iv. Excise invoice – “Duplicate for transporter”
- v. Copies of Test certificates
- vi. Relevant valid IS Certificates
- vii. Drawings, Operating & Maintenance manuals, wherever applicable.

The following documents are to be submitted along with each consignment to AGM (F&A) / DGM (F&A) of respective Areas.

- i) Original Commercial Invoice / Taxable Invoice in duplicate
- ii) Excise Invoice – “Original for buyer”

b. Overseas Supplies:

The following documents are to be submitted in triplicate along with each consignment.

- i) Certificate of origin.
- ii) Commercial invoice.
- iii) Packing list.
- iv) Bill of Lading / Air Way Bill.
- v) Warrantee certificate.
- vi) Test Certificate.
- vii) Certificate of conformity to order specifications.
- viii) Certificate of shipment.
- ix) Sea worthiness certificate.
- x) Copy of the valid DGMS approval wherever applicable.
- xi) Any other documents as requested by the SCCL.

C. In case, the imported consignments are supplied by the Indian dealer in addition to the documents mentioned above, the dealer shall submit:

- a. Valid authorisation letter from their principal's
- b. Valid import license
- c. Importer's invoice.
- d. Bill of entry, evidencing import.

47. Wagon / Lorry loads will be weighed at the Wagon / Lorry weigh bridge of the Collieries and payment made on weights so recorded.

48. Goods must be booked at Railway's / Transporters Risk wherever possible so that open delivery may be taken and claims, if any, put up to the Railway for shortage or breakages which will also be intimated to the Suppliers. If Railway Receipt contains defective endorsement, the buyer retains the right to hold the supplier responsible for any shortage or damages. Against materials booked at owner's risk, if shortages or breakages are noted, the matter will be intimated to the supplier immediately for making goods shortage and breakage.

49. DISPATCH TO WRONG DESTINATION:

Goods dispatched to wrong destinations and names of destinations / Rly. Stations mentioned wrongly, will not be accepted, and any expenses connected thereto, have to be borne by the Supplier. The Company reserves the right to reject the consignments in such cases.

50. BANK CHARGES:

a. Wherever under this order full/part payment is accepted against documents sent through Bank, it is made clear that no Bank charges or Bank Interest would be paid. In case such interest is still charged, the Singareni Collieries Co. Ltd., reserves the right to refuse to retire the documents, altogether and resultant demurrages, rebooking charges, etc., would be entirely to suppliers account.

b. The Singareni Collieries Co. Ltd., do not accept any conditions/stipulations for release of documents in certain number of days. However, the suppliers should ensure presentation of documents in time to see that no demurrage is incurred.

51. DEMURRAGE / WHARFAGE:

In case where documents are negotiated through Bank, any consequential charges e.g., demurrage / wharfage charges, due to late retirement of documents on account of:

- i) Violation of the inspection clause.
- ii) Material despatched after expiry of delivery period without obtaining approval in advance for extension of delivery period.
- iii) Despatch of materials not as per schedule / mode of dispatch / approved transporter as per P.O.
- iv) Late receipt of invoice or
- v) Due to violation of any other clause / clauses of the purchase order,

Will be to the vendor's account. Supplier would also be responsible for all such payments due to late receipt of RR/LR and other documents. Supplier shall advise the banker to accept payment as made by the SCCL after deducting such charges for releasing the documents.

52. LIQUIDATED DAMAGES FOR DELAYED SUPPLIES:

While preparing invoice, penalty amount payable due to late delivery should be deducted from the invoice amount payable. Otherwise, documents will not be cleared and no payment will be made and any demurrages/ wharfage arising out of such non-compliance have to be borne by the Supplier.

53. EXTENSION OF TIME:

Extension of delivery period will be granted in case of force majeure conditions. However, without prejudice to the foregoing rights, failure to deliver the goods / material as per schedule have arisen due to any reasonable cause, Singareni Collieries Co. Ltd., may grant extension of the time, provided the Supplier has applied in advance, for extension of Delivery Schedule, stating the reasons thereof on production of documentary proof and in such case levying liquidated damages for delayed deliveries may be waived fully or partly but decision of the Singareni Collieries Co. Ltd., in this matter shall be final. No material should be dispatched unless permission for extension of delivery period is obtained from the Singareni Collieries Co. Ltd., in writing and in such cases, the amount arising out of Liquidated damages for delayed supplies, should be deducted from the amount of invoice invariably or else the document will not be released and any loss due to demurrage / wharf age etc., will be to suppliers account only. The decision of the Singareni Collieries Co. Ltd. will be final and binding on the supplier.

54. CANCELLATION OF CONTRACT IN PART OR IN FULL:

If the Supplier, in the opinion of the Singareni Collieries Co. Ltd., fails or neglects to comply with any of the terms and conditions of the contract or with any order issued there under then in such a case the Singareni Collieries Co. Ltd., shall without prejudice to any other right of remedies under this contract have the right and be entitled to cancel the contract by giving fourteen days, notice in writing to the supplier, without being liable to pay any compensation for such cancellation. The Supplier, however will be entitled to be paid at contract rates after deduction of any amount due to the Government, for the works already completed, which in the opinion of the Singareni Collieries Co. Ltd., is in accordance with the terms of the contract. In the circumstances aforesaid, the Supplier, shall, on demand by the Singareni Collieries Co. Ltd., or the authorized representative thereof, handover immediately to the Singareni Collieries Co. Ltd., or the authorized representative of the Singareni Collieries Co. Ltd., Stores components in possession or custody of the supplier without waiting for the payment of even settlement of any claim already made or intended to be made.

55. CONSEQUENCES OF BREACH:

a. Deliveries:

The delivery schedules are either furnished in the Purchase Order or given by the respective Areas. The time and the date of delivery of the Stores, stipulated in the Purchase Order, shall be deemed to be the essence of the contract and delivery must be completed no later than the dates specified therein. Should the supplier fail to deliver these Stores or any consignment thereof within the period prescribed for such delivery, the Singareni Collieries Co. Ltd., at their option, and shall be entitled to take following action against the Suppliers.

- i. S.C.C.L. at their option may recover from the contractor towards liquidated damages a sum as indicated in the order subject to force majeure conditions which are to be substantiated with documentary evidence.

Or

- ii. Cancel the order and to purchase elsewhere without notice to the Suppliers on account and at the risk of the Supplier, the Stores not delivered or otherwise of a similar description (Whether or not the Stores ordered on others or exactly Complying with order pending, the decision of The Chief of Purchase in this regard will be final) without cancelling the contract in respect of consignments not yet due for delivery.

In the event of action being taken under (ii) The Supplier shall be liable for any loss which The Singareni Collieries Co. Ltd., may sustain on that account, but the Supplier shall not be entitled to any gain on Purchases made against default and to forfeit Security Deposit fully or in part.

- b. Whenever under this contract, any such money is recoverable from and payable by Supplier, the Singareni Collieries Co. Ltd., shall be entitled to recover such sum by appropriating in part or in whole by deducting any sum due to which at any time thereafter, may become due from the Supplier in this or any other contract. Should this sum be not sufficient to cover the full amount recoverable, the Supplier shall pay to the Singareni Collieries Co. Ltd., on demand the remaining balance. The supplier shall not be entitled to any gain on any such Purchase.
- c. Performance Bank Guarantee will also be forfeited for any breach of contract.

56. LAWS APPLICABLE:

The contract shall be governed by the Laws of Indian Union for the time being in force. The marking of all Stores supplied must comply with the requirements of Indian Laws relating to the merchandise marks and all the Acts and rules made under such Laws.

57. INDEMNITY:

The supplier shall at all times indemnify the Singareni Collieries Co. Ltd., against all claims which may be made in respect of the Stores for infringement of any right reflected by the patent registration of design or trade mark shall take all risk of accidents of damage which causes failure of the supply.

58. ARBITRATION:

Normally all disputes should be settled by negotiations between the Company and the concerned parties.

In case any dispute / difference is not settled through negotiations, the respective parties can seek remedy by Arbitration by invoking the same within 120 days of dispute.

- (a) In case of any dispute Sole Arbitrator shall be appointed from the list of 3 judicial officers maintained by the SCCL duly following the provisions of Arbitration and conciliation act 1996 as amended from time to time. The list of such names shall be forwarded to the party as and when the party requests for resolving the dispute. Such Judicial Officer as chosen by the party will be appointed by the C &MD to adjudicate the dispute as a Sole Arbitrator. The Arbitrator so appointed shall conduct the proceedings in accordance with the Arbitration & Conciliation Act, 1996 as amended from time to time and pass a reasoned award. Both the parties should bear the cost of the arbitration equally.
- (b) If the Sole Arbitrator appointed by the C &MD of the Singareni Collieries Company Limited is unable to continue as an Arbitrator for any reasons to be recorded in writing and the C &MD of Singareni Collieries Company Limited thinks fit for appointment of a new Arbitrator in the place of existing Arbitrator, he is having a power to do so. Such new Arbitrator shall be appointed following the same procedure as contemplated in (a) above.

- (c) As and when such new Arbitrator is appointed, he can either continue the arbitration proceedings from the stage where the earlier Arbitrator discontinued his proceedings or alternatively the new Arbitrator may start proceedings de novo if the circumstances warrant him to do so.
- (d) Failing to invoke Arbitration Clause within 120 days of dispute (from the date of raising of the dispute), it is deemed that there is no dispute between the parties. No disputes shall be entertained in any form and on any matter pertaining to contract after expiry of 120 days of the period.
- (e) Fee and expenses payable to the Sole Arbitrator shall be governed by the Arbitration & Conciliation Act, 1996 as amended from time to time and shall be borne equally by both parties to the dispute.

59. WORK AND PAYMENT DURING ARBITRATION:

Work under the contract, shall if reasonable, continue by mutual agreement during the arbitration proceedings, and no payment due to or payable by the Singareni collieries Co. Ltd., will be withheld without reasonable cause and merely on account of the pendency of such proceedings.

60. CORRESPONDENCE AFTER PLACING ORDER:

After placing the order, correspondence related to issues regarding supplies, payments & penalties shall be made with the consignee only. In case the issues are not settled at consignee level, correspondence shall be made with the Area GM concerned. In case the issues are not settled at Area GM level, correspondence shall be made with GM(MP)/GM(CM). In case the issues are not settled at GM(MP)/GM(CM) level, correspondence shall be made with Director (Operations). In case the issues are not settled at Director (Operations) level also, correspondence shall be made with C&MD. Bidder is advised to visit SCCL's web site www.scclmines.com for name and address phone number, and e-mail ID of consignee, GM(MP)/GM(CM)/Area GM, Director (Operations) and C&MD.

61. BRIBES & GIFTS:

Any Bribe, Commission, gift or advantage given, promised or offered by or on behalf of the Supplier or his partner, agent or servant or any one on his or their behalf to any Officer, Servant, representative or agent of the Singareni Collieries Company Limited, or any person on his or their behalf for obtaining or executing of this or any other contract with Singareni Collieries Co. Ltd., shall in addition to any criminal liability which the Supplier may incur, subject the Supplier in the cancellation of this and all other contracts with and also to payment of any loss of damage resulting from any such cancellation to the like extent as is provided in case cancellation under clauses thereof. Any question or dispute to the commission of any offence under present clause shall be settled by the Singareni Collieries Co. Ltd., in such manner and on such evidence of information as they think it sufficient & their decision, shall be final and conclusive.

(Annexure – I)

SPECIAL TERMS & CONDITIONS

1. Eligibility & Proveness Criteria:

2. Payment terms:

3. Performance Bank Guarantee:

4. Guarantee/ Warranty:

5. Lead time & Delivery schedule:

6. Evaluation Criteria:

(Annexure – II)

Technical Specifications:

(Annexure – III)

Letter of Bid (LOB)

(Annexure – IV)

Acceptance of Commercial Terms

(Annexure – V)

Other Commercial Information

(Annexure – VI)

Information to the bidders for submission of bids through e-Procurement

As per the e-Procurement guidelines mentioned at Annexure-V.

PBG format

PERFORMANCE BANK GUARANTEE

In consideration of the Singareni Collieries Company Limited, Kothagudem Collieries P.O. PIN Code-507101, Bhadradi Kothagudem District (Telangana State) having agreed as per their order No. _____ to accept ____% Bank guarantee before making payment to make up the value of the equipment for the due fulfillment of the contract as per the terms and conditions contained in the order on production of performance bond in the shape of Bank Guarantee for ₹. _____ (Rupees _____).

We, the Bankers, (_____) through our Regional Office at _____ for and on behalf of our constituents M/s. _____ hereby execute this Bank Guarantee undertake to indemnify The Singareni Collieries Company Limited, Kothagudem Collieries P.O. PIN Code. 507101, Bhadradi Kothagudem District (Telangana State) to the extent of ₹. _____ against satisfactory performance of the equipment to the Singareni Collieries Company Limited, Kothagudem Collieries P.O. PIN Code – 507 101, Bhadradi Kothagudem District (Telangana State) or their assignee by reason of any breach of terms by the supplier or as contained vide the terms of the accepted supply order, during the period of ____months from the date of dispatch or ____ months from the date of commissioning whichever is earlier, are fulfilled for the good unto order.

We, the Bankers _____ further agree that this performance guarantee therein contained shall remain in full force and effect during the period that would be taken for the performance of the contract and that it will continue to be enforceable till the dues of the Singareni Collieries Company Limited, Kothagudem Collieries P.O. PIN Code –507101, Bhadradi Kothagudem District (Telangana State) under or by virtue of the contract have been fully paid up and their claims fully satisfied or discharged, till the Singareni Collieries Company Limited, Kothagudem Collieries Post Office PIN Code 507 101, Bhadradi Kothagudem District (Telangana State) or their assignee certifies that the terms and conditions of the tender have been fully and properly carried out by the contractor and accordingly discharged this guarantee subject however, that the Singareni Collieries Company Limited, Kothagudem Collieries Post Office, PIN Code – 507101, Bhadradi Kothagudem District (Telangana State) or their assignee shall have no rights under this performance Bank guarantee after expiry of ____ months from the date of its execution i.e., up to _____.

And we (The Bank) hereby undertake to pay any claim under the Bank Guarantee on mere demand without any demur to the Company without any reference to the supplier a sum not exceeding ₹. _____ for non-fulfilment of any of the terms and conditions of the contract by the supplier.

We, _____ (The Bank) further agree that if the demand is made by the Company for honouring the bank guarantee constituted by these presents we _____ (Bank) have no right to decline the same for any reason whatsoever and shall pay the amount without any demur within immediately from the date of such demand.

The very fact that we _____ (The Bank) decline or fail or neglect to honour the bank guarantee in any manner whatsoever is a sufficient reason for the Company to enforce the bank guarantee unconditionally without any reference to the said supplier.

We _____ (The Bank) further agree that a mere demand by the Company is sufficient for us to pay the amount covered by the bank guarantee in the manner and within the time aforesaid without reference to the supplier and no protest by the said supplier can be a valid ground for us to decline or fail or neglect to make payment to the Company in the manner within the time aforesaid.

We _____ (The Bank) undertake not to revoke this guarantee during its currency except with the previous consent of the SCCL in writing.

The guarantee shall remain in force for a period of ____ months from the date of dispatch or ____ months from the date of commissioning whichever is earlier, in period of time subject to further that the Company shall have no right under this bond after the expiry of the above period from the date of execution and we _____ (The Bank) shall be relieved and discharged from all liabilities under this guarantee thereafter.

The above Bank Guarantee is operational for all purpose at our _____ Branch, Hyderabad / Kothagudem and We are liable to pay the Guaranteed amount or any part thereof under this guarantee at our _____ Branch, Hyderabad / Kothagudem.

Contact details of the Banker:

Postal Address:

Phone & Fax Number:

Mail-Id :

LIST OF ITEMS IDENTIFIED FOR ANCILLARISATION

1.	M.S. Bolts & nuts
2.	Rivets, washers & screws
3.	Dog nails
4.	Fish plates, Nuts & bolts for fish plates
5.	Belt jointing pins
6.	Cable hooks and signal hooks
7.	Belt conveyor rollers
8.	Belt sections
9.	Resin Capsules
10.	Cement Capsules
11.	GI canisters
12.	Blasting Gallery – Spacers
13.	Radiator repairs
14.	Repairs and rewinding of motors of AC & DC
15.	Repairs / rewinding of Transformers (Welding / lighting/ power)
16.	GI wire
17.	Wire Mesh for longwall salvage
18.	Manufacturing of supply of Electrical coils for i) AC motors up to 6.6 KV grade ii) Transformer coils up to 33 KV grade
19.	Repairs of rotors for electric motor
20.	Lighting cable
21.	Steel chock manufacturing
22.	House wiring
23.	All types of fan repairs
24.	Shovel bucket welding
25.	Repairs of pumps
26.	Couplings manufacturing
27.	Special steel and alloy castings (Tooth points, track pads, Mn steel casting)
28.	Manufacturing of fly ash bricks. (Not to be manufactured at stores site. It shall be at their own site).
29.	Manufacturing of pump components (spares).
30.	Transformer oil filtration
31.	Reconditioning of drill bits and drill rods
32.	Vulcanizing the old Trailing cables of drill machines, SDLs, LHDs, etc., (work should be carried out at the respective mine premises).
33.	Manufacturing of earth clams, G.I flats, G.I bolts and nuts.
34.	Manufacturing of earth pit components and erection.
35.	Crimping of hydraulic hoses.
36.	Repairs to hydraulic pumps, motors, control valves and other related components
37.	Refurbishing of LT & HT switches with OEM spares including testing.
38.	Manufacturing / repairs of slip rings & D-contacts.
39.	Furniture repairs i.e., cane chairs, table, almirahs, etc.
40.	Repairs to wet grinders, water purifiers, and water coolers
41.	Manufacturing of coupling bolts of all sizes
42.	Fabrication of OHT line components like cross arms, clamps, stay wires, cross brassings, base plates, etc.
43.	Manufacturing of haulage rope drum rollers.
44.	All sizes of Ventilation doors.

MODEL TECHNICAL SPECIFICATIONS FORMAT**SPECIMEN FOR AN ELECTRIC MOTOR**

(TO BE FILLED IN AND SUBMITTED BY THE BIDDER IN DUPLICATE)

1. **SITE & OPERATING CONDITIONS:**
For tropical and humid atmosphere
for operation in coal mine with
dust, moisture and humidity.

2. **REF. TO IS SPECIFICATION:**
The motor shall conform to the
latest issue of the following IS
specifications except where
expressly stated otherwise.
 - a. IS.325 & 4722:
For performance.

 - b. IS.8223:
For dimensions.

 - c. IS.1271:
For classifications of insulating
materials

 - d. IS.2253:
For type of construction &
mounting.

 - e. IS.3043:
For earthing

 - f. IS.4029:
For testing.

 - g. IS.4691:
For degree of protection.

 - h. IS.4728:
For terminal markings.

 - i. IS.4821:
For cable glands and cable
sealing box.

 - j. IS.4889:
For efficiency.

3. TYPE OF ENCLOSURE:
TEFC with hose proof protection
IP.55 to IS.4691 and rust inhibitive
In addition, anti-corrosive paint shall be provided.
4. TYPE OF DUTY:
 - a) Continuously rated suitable for driving pump through flexible coupling, class of duty S1 as per IS.4722.
 - b) Thermal with stand characteristic should be suitable for long starting time.
5. FREQUENCY IN HZ.
50 HZ
6. NO. OF PHASES
Phases.
7. MECHANICAL OUTPUT IN HP
240 HP
8. FRAME SIZE :
9. RATED VOLTAGE
3300 v
10. CLASS OF INSULATION
The winding of the motor shall be suitable for tropical and humid coal mine atmosphere with class 'F' insulation.
11. SPEED IN REVOLUTION PER MIN:
1475 RPM (1500 RPM syn Speed)
12. DIRECTION OF ROTATION:
(while viewing at the driving end)
Bi-directional.
13. THE MAX.COOLING AIR TEMPERATURE IN WHICH THE MOTOR IS INTENDED TO WORK:
45 Degree C

14. MAX. PERMISSIBLE TEMP. RISE OF MOTOR REQUIRED, IF DIFFERENT FROM THIS STANDARD:

shall not exceed 50 Degree C by thermometer over an ambient temperature of 50 Degree C.15.

15. THE ALTITUDE OF THE PLACE IN WHICH MOTOR IS INTENDED TO WORK IN ORDINARY SERVICE.

Does not exceed 1000 mtrs.
(in underground coal mines)

16. IF A MOTOR IS REQUIRED TO OPERATE BETWEEN VARIOUS LIMITS OF VOLTAGE AND FREQUENCY THE CORRESPONDING VALUES OF VOLTAGE AND FREQUENCY RESPECTIVELY.

Voltage +5% to -10%

Frequency +/- 3%

17. SYSTEM OF EARTHING IF ANY TO BE ADOPTED:

Neutral of supply system solidly/
effectively earthed equipment to
be earthed as per I.E. rules.

18. PARTICULARS OF TESTS REQUIRED AND WHEN THEY ARE TO BE CARRIED OUT:

Routine tests as per IE before
dispatch.

19. ROTOR WHETHER SQUIRREL CAGE OR SLIPRING.

Squirrel cage (SASH bar
construction)

20. STATOR CONNECTION

For DOL starting.

21. a) MOUNTING DETAILS

Horizontal foot mounting

- b) DETAILS OF DRIVE

For driving a centrifugal pump

22. METHOD OF STARTING TO BE EMPLOYED.
DOL starter.

23. STARTING TORQUE AS PERCENTAGE OF
FULL LOAD TORQUE.
200%

24. PULLOUT TORQUE AS PERCENTAGE OF
FLT
300%

25. CABLE BOXES AND CABLE GLANDS:

Cable terminal box rotatable in any of the four directions at right angle to each other preferably with elbow type detachable cable sealing boxes suitable for compound filling and fitted with 2 nos. double conical cable glands generally conforming to IS.4821 / 1968 with two inner brass cones (one cone having a provision for earthing) and one outer CI cone gland for armor clamping and suitable for connecting PVC insulated, PVC sheathed double steel wire/strip armored cable of 3.3 KV grade, 3 core 35 sq.mm. PVC mining type cable.

26. DETAILS OF SHAFT EXTENSION REQUIRED.
Standard shaft extension as per
IS.1231.

27. METHOD OF DRIVE
Directly coupled to centrifugal
pump through a flexible coupling.

28. SPECIAL FEATURES

Winding temperature detectors.

Bearing temperature detectors.

29. BEARINGS
Heavy duty roller and ball
bearings should be mounted
preferably in cartridge type
 housings
(sizes of the bearings should be
marked on bearing cover)

30. COOLING
The motor with both internal and
external fans mounted on rotor
shaft preferred.

BIDDERS MAY QUOTE WITH ANY BETTER SPECIFICATIONS,
IF THEY DESIRE

BIDDERS MAY FURNISH ANY
ADDITIONAL INFORMATION IF
THEY SO DESIRE.

THE FOLLOWING DETAILS SHOULD ALSO BE FURNISHED.

- a. No load current.
- b. Full load current.
- c. Power factor at no load.
- d. Power factor at half load.
- e. Power factor at 3/4 load.
- f. Power factor at full load.
- g. Starting torque as percentage of full load torque.
- h. Pullout torque as percentage of FLT.
- i. Efficiency at full load, 3/4load and 1/2 load.
- j. Sizes of bearings(D.E and N.D.E)
- k. Locked rotor current.
- l. Locked rotor withstand time in sec.(cold)
- m. Locked rotor withstand time in sec.(hot)
- n. Time required to come to full speed with 80% of designed voltage.

THE BIDDERS SHOULD ENCLOSE THE FOLLOWING ALONG WITH
THEIR QUOTATION.

- a. General arrangement drawing.
- b. Detailed specifications with illustrated descriptive literature.
- c. Previous supplies list and the performance reports.

SIGNATURE OF THE BIDDER
(with Office Seal)
Name & Address

QUOTATION FORMATS

Format of Letter of Bid (LOB)

LETTER HEAD OF BIDDER

To,
The General Manager (MP)
The Singareni Collieries Company Limited.,
Kothagudem Post.
Bhadradi Kothagudem District.
PIN - 507101

Sub:
Enquiry No:

Dear Sirs,

I/We offer to Supply the Material / Provide Service as per our offered rate/price in accordance with the conditions of the NIT document as available in the website.

This Bid and your subsequent Supply/Purchase Order shall constitute a binding contract between us.

I/We hereby confirm our acceptance of all the terms and conditions of the NIT document unconditionally.

If any information furnished by **me/us** online towards eligibility in this tender is found to be incorrect at any time, penal action as deemed fit may be taken against **me/us** for which **I/we** shall have no claim against the SCCL.

DSC Holder

If the DSC holder is bidding online on behalf of the bidder, then the scanned copy of Power of Attorney duly notarized on a non-judicial stamp paper of ₹ 10.00 as per format mentioned on next page shall be uploaded along with this Letter of Bid on second page. However, if the bidder himself is the DSC holder, bidding on-line, then no specific document is required.

Yours faithfully,

(Signature of Bidder **OR** Authorised person of bidder)

1. Name of Authorised Signatory :
2. Type of Authorisation :
3. Name of the Bidder :
4. Address :
5. e-Mail Address :
6. Mobile/Telephone Number :
7. FAX Number :
8. Place :
9. Date :

Acceptance of Commercial Terms

Sub:

Enquiry No:

Acceptance of Commercial Terms and Conditions by the Bidder.

Sl. No.	Commercial Terms of NIT	Acceptance of Bidder
1	Instructions to Bidder (Submission/Evaluation of Bid, etc)	Accepted
2	Bid Validity	Accepted
3	Prices clause including Firm price on FOR Destination	Accepted
4	Submission of Cenvat Invoice /tax invoice	Accepted
5	Taxes & Duties.	Accepted
6	Consignee/Destination Point	Accepted
7	Delivery	Accepted
8	Payment Terms	Accepted
9	Packing	Accepted
10	Liquidated Damages	Accepted
11	Risk Purchase	Accepted
12	Force Majeure	Accepted
13	Guarantee / Warranty as per Technical Bid	Accepted
14	Performance Bank Guarantee	Accepted
15	Currency of Bid	Accepted
16	Price Fall clause	Accepted
17	General Terms and Conditions	Accepted
18	Arbitration clause	Accepted
19	'Jurisdiction of Court'	Accepted

Signature of the Bidder

Seal of the Firm

OTHER COMMERCIAL INFORMATION

Subject of the Tender:			
Tender No. and date :			
SI No	Particulars	Details	Remarks, if any
1	Details of EMD (if applicable)		
2	Proof of being Manufacturer (for tendered item)		
3	Type of Registration (SSI/NSIC etc.)		
	(a) Document reference no. & date		
	(b) Issued by		
	(c) Registration Number		
	(d) Name of the Registering Authority.		
4	Validity of offer (180 Days From date of Opening of Techno-Commercial Bid)		
5	GST		
	(a) GST Registration Number		
	(b) Rate of GST	As quoted in Price Bid	
6	Packing & Forwarding Charges (Inclusive/Extra- Rate in % to be indicated)	As quoted in Price Bid	
7	Freight & Insurance charges (Inclusive/Extra -Rate in % to be indicated)	As quoted in Price Bid	
8	PAN NO		
9	Payment details (for Electronic Fund Transfer)		
	Account Name		
	Banker's Name		
	Branch		
	Address, City/Town, District, State		
	Account type		
	A/c No		
	IFSC Code		
10	MSME (Applicable/Not Applicable)		
	If applicable, indicate Registration No. & Registering Authority		
11	Vendor Code of the bidder (if registered in SCCL)		
12	Firm prices: (The prices quoted are FIRM On FOR Destination basis)		
13	Lead time required to commence the supplies (in weeks)		
14	Supply Capacity (per month)		

Note: All Taxes and duties mentioned in Price Bid are only considered for evaluation

Signature of the Bidder

Seal of the Firm

LIST OF DOCUMENTS

SI No	Document name
1	In case of claiming exemption for EMD, copy of SSI/NSIC/MSME
2	Letter of bid (LOB)
3	Acceptance to commercial terms
4	Commercial information
5	GST Registration Certificate
6	Declaration and No-banning certificate
7	Licences/Previous order copies/Performance certificates, etc.
8	Any other documents as per NIT

Price Bid

Sub:
Enquiry No and date No:

S. No.	Item code	Item Description	HSN code	Basic Price	Packing & Forwarding	Fright	Taxes	Other Charges if any

Signature of the Bidder

Seal of the Firm

VARIOUS COMMITTEES PERTAINING TO CORPORATE**I. NIT approving committees:**

- a) Tender Value up to ₹ 5.00 Crores for Material/service(MP/CM Department)
 1. E-Procurement in charge
 2. Internal Finance
 3. Group Officer
 GM(MP)/GM(CM)
- b) Tender Value above ₹ 5.00 Crores (MP Department)
 1. Internal Finance
 2. Group officer
 3. Law Dept. Corp
 4. GM (E&M) UGM
 5. GM (E&M) OCPs
 6. GM (F&A)
 7. GM(MP)
- c) Tender Value above ₹ 5.00 Crores (CM Department)
 1. Internal Finance
 2. Group officer
 3. Law Dept. Corp
 4. GM(P&P)
 5. GM(CPP)
 6. GM(F&A)
 7. GM(CM)
 8. Director(P&P)

II. Technical Evaluation Committees:

- a) MP Department:
 1. User department other than OC/UG/CHP/Central work shop items if Required
 2. Technical Services
 3. GM (E&M) Technical Services as convener
 If the value is more than ₹ 5.00 Crores approval of Director (E&M) is required.
- b) CM Department for Coal Transport:
 1. Technical Services
 2. GM(E&M) Technical Services as convener
 If the value is more than ₹ 5.00 Crores approval of Director (E&M) is required.
- c) CM Department for Excavation:
 1. GM(Area)/Agent from Mine/OC
 2. GM(Survey)
 3. GM(P&P)
 4. GM(MS)
 5. GM(F&A)
 6. Technical Services
 7. GM(E&M) Technical Services as convener
 If the value is more than ₹ 5.00 Crores approval of Director (E&M) is required.

- d) Medical:
 - 1. Medical Superintendent
 - 2. Specialist Doctor
 - 3. ACMO as convener

III. Tender Committees:

a) MP Department:

- i. AGM Committee: Proposal value up to ₹ 1.00 Crore
 - 1. DGM (E&M), O/o GM (E&M)Stores – Member
 - 2. DGM (E&M), O/o GM (UGM) – Member
 - 3. DGM (E&M), O/o GM (E & M) OCPs – Member
 - 4. DGM (F&A) – Member
 - 5. DyCMO – Member for Medicines/Medical items
 - 6. AGM/DGM(Mining/E&M)- MP department as Chairman of Tender Committee
- ii. GM Committee: Proposal value between ₹ 1.00 Crore to ₹ 5.00 Crores
 - 1. GM (E&M)Stores – Member
 - 2. GM (UGM) – Member
 - 3. GM (E & M) OCPs – Member
 - 4. AGM (F&A) – Member
 - 5. ACMO – Member for Medicines/Medical items
 - 6. GM(MP) - Chairman of Tender Committee
- iii. DIRECTOR Committee: Proposal value above ₹ 5.00 Crores
 - 1. GM(MP) – Member
 - 2. GM (E&M) Stores – Member
 - 3. GM (UGM) – Member
 - 4. GM (E & M) OCPs – Member
 - 5. GM (F&A) – Member
 - 6. CMO – Member for Medicines/Medical items
 - 7. DIRECTOR(Operations) - Chairman of Tender Committee

b) CM Department:

- i. GM Committee: Proposal value up to ₹ 5.00 Crores
 - 1. AGM/DGM (P&P) – Member
 - 2. AGM/DGM (CP&P) – Member
 - 3. AGM (F&A) – Member
 - 4. GM(CM) – Chairman of Tender Committee
- ii. DIRECTOR Committee: Proposal value above ₹ 5.00 Crores
 - 1. GM(CM)- Member
 - 2. GM (P&P) – Member
 - 3. GM(CP&P) – Member
 - 4. GM (F&A) – Member
 - 5. DIRECTOR(P&P) - Chairman of Tender Committee

IV. Negotiation committees

- a) MP Department:
 - i. Proposal value up to ₹ 1.00 Crore
 - 1. DGM /OCP office/UG office/user Department
 - 2. FM (F&A)
 - 3. Group Officer from MP Department - Chairman
 - ii. Proposal value between ₹ 1.00 Crore to ₹ 5.00 Crores
 - 1. DGM /OCP office/UG office/user Department
 - 2. DGM(F&A)
 - 3. Group Officer
 - 4. AGM – MP department - Chairman
 - iii. Proposal value above ₹ 5.00 Crores
 - 1. GM /OCP office/UG office/user Department
 - 2. AGM- MP department
 - 3. Group Officer
 - 4. AGM (F&A)
 - 5. GM(MP) - Chairman

- b) CM Department:
 - i. Proposal value up to ₹ 5.00 Crores
 - 1. DGM(CM)
 - 2. AGM/DGM (P&P)
 - 3. DGM(F&A)
 - 4. GM – Chairman
 - ii. Proposal value above ₹ 5.00 Crores
 - 1. DGM (CM)
 - 2. AGM(CP&P)
 - 3. AGM (F&A)
 - 4. GM(CM) – Chairman

V. Committee for Pre - Qualifications Criteria in major contracts:

- a) GM(PP)/ GM(E&M)OCP
 - b) GM(MP)
 - c) GM(F&A)
 - d) GM - Technical HOD– Convener
-
- In case any of the regular members is unable to attend the Tender Committee due to any reason, the member shall nominate a substitute in writing clearly bringing out the reasons.

 - If required to co-opt any specific designated officer with the approval of the Chairman/Convener of the committee, in specialized tenders.

MODEL CALCULATION OF LANDED COST IN CASE OF IMPORTS

Sl. No.	Particulars	Basic Customs duty @7.5%			Basic Customs duty @ 10.0%		
		FOB		CIF	FOB		CIF
		Other than USA, Canada, Japan	For USA, Canada, Japan		Other than USA, Canada, Japan	For USA, Canada, Japan	
1	FOB Price (Cost)	100.000	100.000		100.000	100.000	
2	Marine Freight on FOB @ 10% other than USA/12% USA	10.000	12.000		10.000	12.000	
3	Cost + Freight (1+2)	110.000	112.000		110.000	112.000	
4	Marine Insurance @ 0.035% of (3)	0.039	0.039		0.039	0.039	
5	CIF value (3+4)	110.039	112.039	100.000	110.039	112.039	100.000
6	Assessable Value (5)	110.039	112.039	100.000	110.039	112.039	100.000
6a	Basic Customs duty @7.5% on 6	8.253	8.403	7.500	11.004	11.204	10.000
6b	Social welfare surcharge @ 10% on 6a	0.825	0.840	0.750	1.100	1.120	1.000
6c	IGST @ 18% on (6+6a+6b)	21.441	21.831	19.485	21.986	22.385	19.980
7	Taxes on Assessable value (6a+6b+6c)	30.519	31.074	27.735	34.090	34.709	30.980
8	GST on Marine Freight [(2)*5%]	0.500	0.600		0.500	0.600	
8a	GST on Marine Insurance premium [(4)*18%]	0.007	0.007		0.007	0.007	
9	Subtotal (6+7+8+8a)	141.065	143.720	127.735	144.636	147.355	130.980
9a	Port Handling & other charges @5% on FOB/CIF	5.000	5.000	5.000	5.000	5.000	5.000
9b	GST on Port Handling and other charges [(9a)*18%]	0.900	0.900	0.900	0.900	0.900	0.900
10	Total Cost (9+9a+9b)	146.965	149.620	133.635	150.536	153.255	136.880
11	Less: Input Tax Credit (6c+8+8a+9b) if yes	22.848	23.338	20.385	23.393	23.892	20.880
12	Landed cost Total after ITC (10-11)	124.117	126.282	113.250	127.143	129.363	116.000

Conversion factor for loading	1.24117	1.26282	1.1325	1.27143	1.29363	1.16
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VENDOR REGISTRATION FORMAT

THE SINGARENI COLLIERIES COMPANY LIMITED
(A GOVERNMENT COMPANY)

CORPORATE PURCHASE DEPARTMENT

P.O: KOTHAGUDEM COLLIERIES
District- Bhadradi Kothagudem
Telangana, India

E-Mail : gm_pd@scclmines.com
Telefax : 91-08744-245651
Telephone: 91-08744-243109
EPABX : 242301 Extn.422, 423
Telex : 0423-205 SCCL IN
Grams : 'MANAGER'

Ref. No. PD/

Date:

TO

Sir,

Sub: Registration of suppliers-Regarding.

Ref:

With reference to the above, kindly furnish the details called for in the VENDOR REGISTRATION APPLICATION.

You should produce in support of your application, the following details.

1. Income-Tax Clearance Certificate. } Latest
2. Tax Clearance Certificate. }
3. Photostat copy of the Factory Registration/SSI/NSIC.
4. Profit and Loss Account } as certified by the chartered
5. Balance Sheet } accountant for PAST 3 YEARS.
6. List of Machinery installed as Certified by Chartered Engineer.
7. List of products manufactured and Technical Specification details.

Registration will be done solely at our discretion.

Yours faithfully,
for SINGARENI COLLIERIES COMPANY LIMITED.

GM(MP)/GM(CM)

THE SINGARENI COLLIERIES COMPANY LIMITED
(A GOVERNMENT COMPANY)

CORPORATE PURCHASE DEPARTMENT

P.O: KOTHAGUDEM COLLIERIES
District- Bhadradi Kothagudem
Telangana, India

E-Mail : gm_pd@scclmines.com
Telefax : 91-08744-245651
Telephone: 91-08744-243109
EPABX : 242301 Extn.422, 423
Telex : 0423-205 SCCL IN
Grams : 'MANAGER'

VENDOR REGISTRATION APPLICATION

PART-I
(TO BE FILLED IN BY ALL VENDORS)

I. CLASSIFICATION OF VENDOR

MANUFACTURER PROPRIETARY DEALER AUTHORISED SELLING AGENT

FABRICATOR AUTHORISED DISTRIBUTOR

II. Name of the Firm
Address for service

Telegrams:
Telephone:
Telex:
Fax:

Post Box No.

Pin code No.

III. Name of authorized Area (Local)
Dealer.
Address for service

Telegrams:
Telephone:
Telex:
Fax:

IV. Type of company and year of incorporation:

Proprietorship Partnership Pvt. Ltd. Public Ltd. Co-operative Joint Sector Others

V. Foreign collaboration :
(furnish details in a separate sheet)

YES/NO

VI. LICENCED CAPACITY.

VII. Name of the Bankers :

Branch :
Pin code no. :

VIII. Registration with and number

SSI. NSIC DEPT. OF INDUSTRIES RAILWAYS

LLOYD'S INSPECTION G.S.T I.T. CLEARANCE NO.

IX. Firms/Customers for Previous supplies

(Furnish details of purchase order and performance certificate)

- a) S C C L
- b) Other Public Sector Companies
- c) Private Firms
- d) Exports

Date:

Signature

SECTION - II.

(To be filled in by Dealer)

Is an authorized selling agent YES/NO (if Yes, fill in details below)
Name of the Principal:

(NOTE: Photostat copy from the principal should be enclosed)

Products represented
(List of products to be attached separately).

Whether sole agency operating
in a specified territory

Number of branches and their location.

Date:

SIGNATURE

(TO BE FILLED IN BY SCCL)

- (i) List of products identified for registration.
- (ii) Inspecting Officers Names & Designation
- (iii) Items recommended for Registration.

GM(MP)/GM(CM) DY.GM (F&A) (PD) AGM (E&M) (PD) / AGM (PD)
(Signature of Committee Members)

Approved

DIRECTOR (Operations)

Vendor Code:
Product Code:

Annexure-XVII

POLICY FOR DEVELOPMENT OF ANCILLARY UNITS

1. Preamble:

Due to large scale mechanization in SCCL, there is huge potential for growth of small scale industries in the peripheral Areas of the Company. SCCL intends to encourage local people to set up SSI units and award Ancillary status for mutual benefit.

2. Operational jurisdiction:

The policy would be extended to Districts of Telangana in which SCCL is currently carrying out its mining operations.

3. Objectives:

- a) To improve the industrialization in the coal belt area for improving employment opportunities to local population.
- b) To create opportunities for prosperity of the general masses.
- c) To improve harmonious relations with local population.
- d) To improve availability of spares and services to meet the ever growing demand due to large scale mechanization.
- e) To reduce lead time in procuring the spares and down time in carrying out repairs
- f) To avoid costs in transportation of equipment for repairs etc., to long distances.
- g) To have better inventory management.

4. Ancillary units' development committee:

A) Ancillary units' development Committee comprising of following members shall be constituted for the purpose.

- | | |
|---------------------------------------|-------------------|
| a) Head of (E&M), OC Mines / UG Mines | -Member |
| b) Head of (E&M), WSs & PHs | -Member Secretary |
| c) Head of Purchase | -Member |
| d) Head of Welfare | -Member |
| e) Head of Stores | -Member |
| f) Area GM / GM concerned | -Member |

Senior most member will be the Chairman of Committee.

B) Functions of Ancillary Units Development Committee:

- a. Inspection of all ancillary units for their capacity, testing and laboratory facilities & financial status.
- b. Identification of items to be procured from Ancillary units and updating the list time to time depending on the requirement.
- c. Co-ordinate between Purchase & Ancillary units.
- d. Extending technical support like specification / drawings.

5. Eligibility:

Unemployed Local people of Districts of Telangana in which SCCL is currently carrying out its mining operations and not involved in any business, trade or profession:

Local: The local status of the candidate shall be decided as per the policy of the Government of Telangana.

6. Selection criteria:

Preference will be given for the prospective aspirants as below:

Sl. No.	Description	Marks
i) a)	Project displaced people	15
b)	Project affected people	10
ii)	Children of employees/ex-employees	05
iii)	Qualification :	
a)	Technical degree	15
b)	Diploma / Any other degree	10
c)	ITI	05
iv) a)	Scheduled Tribe	15
b)	Scheduled Caste	10
c)	Backward Caste	05
v)	Physically handicapped	05
vi)	Women	05

7. When to apply:

From time to time SCCL notifies through its website, local print & electronic media and through notice boards at Corporate and all Area purchase offices inviting applications to set up SSI units and seek Ancillary status for ancillarised spares / services.

- I. Interested and eligible people shall submit their applications giving the following information:
 - a) Documentary proof evidencing that the applicant is a local person belonging to the above said four districts.
 - b) LOA issued by any Bank for sanction of loan for setting up SSI unit.
 - c) Clear & complete description of items with detailed specifications of each of those for which grant of Ancillary status is sought.
 - d) Planned production capacity of the ancillarised spares / services.
 - e) Acceptance to SCCL terms and conditions for conferring Ancillary status.
- II. Ancillary units Development Committee will scrutinize the applications and recommends for award of Ancillary status to the proposed SSI units. LOA for award of Ancillary status will be issued with the approval of C&MD.
- III. Registration of Ancillary units shall be cancelled, if any of the documents submitted are proved to be false / incorrect at any point of time.
- IV. The applicant shall set up SSI unit and submit following data / documents within one year from the date of issue of LOA, failing which the LOA stands cancelled and the Ancillary status awarded will be withdrawn.
 - a) Copy of the SSI unit registration with permanent registration certificate.
 - b) Particulars of ownership of the unit with copies of the registration certificates and postal address of the unit.
 - c) Particulars of Excise duty, Sales and GST registration with copies of certificates wherever applicable.
 - d) PAN No. with copy of certificate.

- V. Ancillary units Development Committee will inspect the SSI unit and recommend for award of Ancillary status after satisfying that the unit was set up in accordance with the terms & conditions of LOA. The Ancillary status will be awarded with the approval of C&MD and it is valid for a period of 3 years unless otherwise withdrawn. The Ancillary status can be withdrawn by C&MD at any time for non compliance of prescribed terms & conditions or for acting in any manner which is detrimental to SCCL or indulging in any activities which are against the interests of the SCCL. Initially, all Ancillary units will be considered for trail orders and based on their performance, commercial orders will be placed.
- VI. After expiry of validity of Ancillary status, if there is no change in the ownership of the unit, it may seek renewal of Ancillary status by submitting an application with the following data / documents.
- a) Copy of the valid SSI unit registration with permanent registration certificate.
 - b) Particulars of ownership of the unit with copies of the registration certificates and postal address of the proposed unit.
 - c) Production turnover during the past three years.
 - d) Financial Health & Status of the unit as on the date of application.
 - e) Performance certificate issued by the SCCL and others regarding the orders placed on it.
 - f) Particulars of Excise duty, Sales and GST registration with copies of certificates wherever applicable.
 - g) PAN No. with copy of certificate and Income Tax clearance certificate of previous three years.
 - h) Planned production capacity of the ancillarised spares / services for which Ancillary status was awarded earlier.
 - i) Acceptance to the SCCL terms and conditions for conferring Ancillary status.
- VII. Ancillary units Development Committee will scrutinize the applications and recommend for renewal of Ancillary status to C&MD for a period of not exceeding Five years upon approval by C&MD, the ancillary status will be reviewed.

If the Ancillary status is withdrawn or renewal is not granted due to any reason, SCCL may allow the unit to execute the orders already placed at its discretion.

SCCL will also consider the guidelines issued by Central & State Govts. issued from time to time for awarding Ancillary status to SSI units setup in the aforesaid four districts.

8. Facilities extended:

- a) Co-operation to the interested and desirous entrepreneurs to visit Coal Mines, Workshops and other establishments of the Company to enable them to have first hand information about the spares required, services including repairs, renovations, fabrication works, etc., to be carried out and to examine the potentialities and possibilities of manufacturing components and for developing products required by the SCCL.
- b) Provide detailed description, specifications and drawings wherever required of the spares and services in soft / hard copies free of cost. The applicant units may obtain them from corporate and Area purchase offices.
- c) Extend reasonable support for creating infrastructural facilities, on request subject to availability and fulfilling terms and conditions stipulated by the SCCL.
- d) On being registered as Ancillary unit with SCCL :
 - i) No tender form fee is charged.
 - ii) No EMDs are charged.
 - iii) No Security Deposits are charged.
 - iv) Provide samples wherever necessary on returnable basis subject to availability.
 - v) Extension of counter offer against the quotations received in tenders (for ancillarised spares / services) for 50% quantity in case they are not TAL1 and preference in regard to the placement of order in consideration of their capacity, quality durability etc., provided they agree to match with the price of TAL1. Basing on the performance of the ancillarised spares / services of Ancillary units and development of sufficient number of Ancillary units enhancing the reservation up to 100% quantity will be considered with the approval of C&MD.
 - vi) Allowed to participate in Tenders under unit rate system.
- e) Payment shall be made within 15 days of the receipt of the material unless the material is rejected within 3 days from the date of receipt. If the delay in payment is attributable to SCCL, the payment shall be made with an interest of 3 times of the bank rate notified by the RBI in respect of those MSME who got registered.
- f) Allotment of plots with necessary infrastructure (with roads, electricity, water, etc.) on rental basis for each Area or Region wherever available and feasible.

9. Unit rate system:

Guidelines for issuing orders to Ancillary Units on Unit rate System:

- a) The ancillary units will be allowed to participate in routine open tenders as per the existing policy guidelines and also participate in tenders under unit rate system.

- b) Unit rate: The unit rates are the basic rates without freight, taxes and duties of ancillarised items communicated for the purpose on which orders can be released on Ancillary units by Corporate/ respective Areas.
- c) The unit rates shall be fixed considering awarded rates through open enquiry on lowest tender basis, processed at Corporate/ Area, duly modifying the same as per RBI indices. The unit rates shall be finalized and intimated by GM (MP) with the approval of Director (Operations), which shall be valid for one year period.
- d) Quantity: The SCCL certified capacity of the ancillary unit/ units together shall be considered to decide the quantity for releasing orders on unit rate system.
- e) Quantity distribution: In case more than one Ancillary unit has participated in the enquiries floated on unit rate system, the quantity may be distributed on pro-rata basis of capacities of the participated Ancillary units. In case any Unit is already having order for the same item and pending order quantity to be supplied, the pending order quantity shall be deducted from its eligible quantity.
The Ancillary units which are not proven suppliers of ancillarised items to SCCL, CIL or any other public sector undertakings will be considered for placing trial order. 20% of the quantity shall be allotted for these Ancillary Units and the balance quantity shall be allotted to the proven Ancillary Units. In case the ancillary units eligible for trial order are more than one, the said quantity will be distributed equally among them.
- f) Tendering process to place orders on unit rate system:
 - i. Eligibility criteria: Only identified Ancillary Units for the enquired items are eligible to participate in the Unit rate tenders
 - ii. The validity of orders released against Unit rate system shall not exceed one year period.
 - iii. Competent authority to approve the proposal shall be as per existing delegation of powers for open tender.
 - iv. Execution of orders: In case of orders, material supply is in SCCL scope and collecting finished product, Mandamarri Stores will act as Nodal stores for issuing of raw material at present since presently all the ancillary units are located at Mandamarri Area. In future the respective Area Stores where the Units are located will act as Nodal stores for the units located in that Area, to maintain proper account of issue & return of the material to avoid pilfer / lost.

10. Amendment: Any amendment to the policy, if required, shall be made with the approval of C&MD.

PROPOSAL TO TENDER COMMITTEE

Ref. No. -----

Dated: -----

Sub: PROPOSAL TO TENDER COMMITTEE FOR PROCUREMENT OF-----

1. A. Purchase Requisition (PRQ) Details

	PRQ No.	PRQ Date	Requisitioned by
i)			
ii)			

B. Item code No. and description

	Item Code	Item Description
i)		
ii)		

C. Quantity Required

	Quantity												
i)													
ii)													

D. Nature of item : Capital / Revenue / Critical Revenue / Contract.

E. Type of Item : Production / Non Production / Safety

F. Approval Reference in case the : Annual Plan

requisition is for procuring Capital
Items or awarding Contact and
approved by

OR

Note No..... dated... Ref. page No... C&MD /
Director / / GM

G. Approximate value:

H. Reasons for procurement through Area purchase cell:

I. In case of procurement of Goods / Service

(The following reasons for procurement through area purchase cell are to be incorporated)

A. Requirement not given in the Annual Want sheet/MRP sheet.

B. Consumption is more than the quantity given in the want sheet/MRP sheet.

C. Delay in receiving the material from supplier on whom order is placed. Order No., &
Date, Name of the Firm and delivery schedule given to the Firm.D. Order not released by the Corporate MP/CM Department. Requirement given vide
reference letter No.

II. In case of repairs: Annexure V (A) is to be attached.

2. Specifications details:

	Previous / Revised.	
	If revised, Approval Reference.	Lr. No.dated..... Ref. page No....

3. Funds provision:

	PRQ No.	IO No.	Funds in ₹
i)			
ii)			

4. Preliminary approval details:

P.A. I.D. Ref. & Approved by : No.....date:..... Ref. page No...

5. Enquiry details:

- i) Enquiry No. and date. : No.....date..... Ref. page No...
- ii) Nature of enquiry. : Open / Limited / Nomination
- iii) Type of quotation: : Two cover / Three cover
- iv) No. of sources. :
- v) Schedule date of closing & opening :
- vi) Actual date of closing & opening :
- vii) Postponement details if any :
- viii) Reasons for postponement :

6. Firms to whom simultaneous intimation was sent.

Sl. No.	Firm Name
i)	
ii)	

7. Firms responded

Sl. No.	Firm Name
i)	
ii)	

8. Technical evaluation details:

A.	Reference of offers sent for Technical Evaluation	Lr. No..... Date..... Ref. page No...
B.	Shortfall asked Firms and their details	1. 2.
C.	Responded Firms and their details	1. 2.
D.	Technical Evaluation Report Reference and done by:	Lr. No..... Date..... Ref. page No...
E.	Sample analysis report, if any:	Lr. No..... Date..... Ref. page No...
F.	Detailed Technical evaluation and sample analysis report is Annexed Ref. page No... Summary of Technical Evaluation.	

Sl. No.	Name of the Firm	Brief description of Technical evaluation
i)		
ii)		

9. Commercial terms of Technically acceptable Firms:

Sl. No.	Term.	Firm1	Firm 2
i)	SSI/NSIC		
ii)	GST.		
iii)	Performance Bank guarantee		
iv)	L.D. Penalty clause		
v)	Guarantee		
vi)	Risk Purchase clause		
vii)	Price fall clause		
viii)	Payment terms.		
ix)	Delivery schedule		
x)	Lead time		
xi)	25% Addl. Qty.		
xii)	Validity of offer		

10. **Other details of Firms:**

Sl. No	Name of Firm	Regd. With NSIC/Authorised dealer	SSI/Previous supplier/New entrant.	EMD details	Previous order details.	Performance
i)						
ii)						
iii)						

11. **Commercial evaluation of Technically acceptable Firm:**

Sl. No	Name of Firm	Details of Commercial evaluation report
i)		
ii)		

12. **Review requirement::**

- a) Vide Lr. No..... dated, GM (E&M) Stores / GM (E&M) UGM / GM (E&M) OCPs & CHPs / was requested to review the requirement.
- b) Vide Lr. No.dated GM (E&M) Stores / GM (E&M) UGM / GM (E&M) OCPs & CHPs / has submitted reviewed requirement, details are as follows. (Ref. page No.....)

	Item Code	Units	NIT Quantity	Reviewed Qty
i)				
ii)				

13. **Quantity Justification along with present stock and consumption during the last three years (For revenue items only).**

NIT Item No.	Units	Consumption			Stock as on dt	Balance Order Quantity	Proposed Quantity
		2009-10	2010-11	2011-12			

14. **Complaints / Comments / Representations, if any :**

15. **Offers of the Firms proposed for not opening of price bid:-**

Sl. No.	Name of Firm	Remarks.
i)		

16. **Offers of the Firms proposed for opening of price bid:**

Sl. No.	Name of Firm	Remarks.
i)		
ii)		

17. A. **Deviations:**

i)

ii)

B. **Justification to accept the deviations**

18. **Proposal to Open Price bids:**

It is proposed to open price bids of the Firms referred at para No....duly informing the technically and commercially qualified Firms in advance and to conduct negotiations with L1 Firm (s):

19. **Delegation of Powers :**

- i) Approximate value of the proposal :
- ii) Tender Committee Chairman :
- iii) Appropriate approving authority for approving the procurement proposal under Delegation of Powers :
- iv) Number of offers received. :
- v) Number of offers technically / Commercially not acceptable :
- vi) Appropriate authority to approve to open price bids and to conduct negotiations. :

- 20. On approval of the proposal by appropriate approving authority, suitable date shall be fixed to open price bid (Part-C) duly informing the technically and commercially qualified Firms. After opening the price bid.
- 21. As per clause no of circular no of delegation of powers read with clause no. & of purchase manual, C&MD / Dir (OP) / GM (MP) is the appropriate approving authority to open the price bid.
- 22. Submitted for examination by Tender Committee and for recommendation for approval of to C&MD / Dir (OP) / GM (MP/CM).

PROPOSING OFFICER

FM (MP/CM) }
GROUP OFFICER. } For corporate proposals

23. **OBSERVATIONS & RECOMMENDATIONS OF TENDER COMMITTEE FOR OPENING OF THE PRICE BIDS:**

A) Observations:

Members of the tender committee examined the above proposal in detail and the following are observations: -

Sl. No.	Description	Details	Reference page and Para No.
i)	Item description		
	a) Nature of item:	Capital / Revenue / Critical Revenue / Contract.	
	b) Type of item:	Production / Non Production / Safety	
ii)	Enquiry Details		
	a) Nature of enquiry.	Open / Limited / Nomination	
	b) Type of quotation:	Two cover / Three cover	
	c) No. of sources.		
iii)	No. of Firms to whom simultaneous intimation was sent.		
iv)	No. of offers received		
v)	Shortfall asked Firms and their details		
vi)	Responded Firms and their details		
vii)	Technically & Commercially acceptable Firms	Sl. No.	Name of the Firm
		1	
		2	
viii)	Justification for Quantity / Financial limits	Consumption during the last three year, stock on hand and balance ordered quantity is considered for projecting the present requirement. (Note: In case the proposal is for procurement of Capital items or for awarding the Contracts, give the approval reference).	
ix)	Proposal	It is proposed to open the price bids of the Firms mentioned at para No....	
x)	a) Deviations		
xi)	b) Justification for accepting		
xii)	Value of the proposal		
xiii)	Delegation of Powers		
	a) Approximate value of the proposal	:	
	b) Tender Committee Chairman	:	
	c) Number of offers received.	:	
	d) Number of offers technically and / or Commercially not acceptable	:	
	e) Appropriate authority for approving the procurement proposal under Delegation of Powers	:	Ref. Clause No..... of Circular No..... dated.....
	f) Appropriate authority to approve to open price bids and to conduct negotiations.	:	Clause: Clause :
	g) As per clause no of circular no of delegation of powers read with clause no. of purchase manual, C&MD / Dir (OP) / GM (MP) is the appropriate approving authority to open the price bid.		

Delegation of Powers – C&MD, Director (Operations) & Director(P&P)				
Details of tender		C&MD Circular No.CRP/CS/ 75/1211 dt 26.12.2018	Director (Operations) Circular No. CRP/CS/ 75/1211 dt 26.12.2018	Director(P&P) Circular No.CRP/CS/ 75/1211 dt 26.12.2018
	Clause No.	Value ₹ in Crores	Value ₹ in Crores	Value ₹ in Crores
PURCHASES				
Through open tenders				
Lowest tender	D-1A (1) (a)	30.00	5.00	--
Other than lowest tender	D-1 A(1) (b)	5.00	1.00	--
Single tender	D-1 A (1) (c)	5.00	1.00	--
Through Limited tenders				
Lowest tender	D-1 A(2) (a)	10.00	2.00	--
Other than lowest tender	D-1A (2) (b)	4.00	0.50	--
Single tender	D-1 A(2) (c)	5.00	1.00	--
Without tenders				
Proprietary items from OEM	D-1A (3) (a)	20.00	6.00	--
Through negotiations	D-1 A(3) (b)	1.00	0.30	--
CONTRACTS				
Through open tenders				
Lowest tender	D-1B(1) (a)	30.00	5.00	5.00
Single tender	D-1B(1) (b)	10.00	1.00	1.00
Through Limited tenders				
Lowest tender	D-1B (2) (a)	10.00	2.00	2.00
Single tender	D-1B (2) (b)	5.00	1.00	1.00
Without tenders through Negotiations				
Nomination	D-1B (3)	1.00	0.3	0.3
Repairs/overhaul through OEM	D-1 B(4) (a)	20.00		
AMC /CMC through OEM	D-1B (4) (b)	20.00		

Relevant Clause nos. of purchase manual for opening of price bids is given below.

- i. When all the offers received are technically acceptable, opening of price bids shall be approved by the chairman of the tender committee.
- ii. When any of the offers received are technically not acceptable, the opening of price bids shall be approved by the same authority competent to approve the procurement proposal. However the Highest authority is C&MD.
- iii. In case of Tender with multiple items, if any one of the offered item is technically not acceptable in the tender, the opening of price bids shall be approved by the same authority competent to approve the procurement proposal. However the Highest authority is C&MD.

B) Recommendations:

Members of the Tender Committee examined the above proposal and recommends to C&MD / Dir (OP) / GM (MP) to open the price bids of the following technically and commercially acceptable Firms as proposed at pre page No-----

Sl. No.	Name of Firm	Remarks.
i)		
ii)		
iii)		
iv)		

(MEMBERS - TENDER COMMITTEE)

(CHAIRMAN-TENDER COMMITTEE)

(Approving authority)

Ref.No. -----

Dated -----

CONTINUATION NOTE:

24. **Price bid opening details:**

- A. Note for opening price bids approved on: :
- B. Intimation to Firms sent vide: : Lr. No..... dated.....
- C. List of Firms whose price bids are opened. : 1.
2.
3.
- D. Price bids opened on. :
- E. Details of Quoted prices, landed cost and status

NIT Item No	Item Description & Code No.	Details	Firm 1	Firm 2	Firm 3
1		BP/LC Status			
2		BP/LC Status			

NOTE: LC computed considering ITC

25. **Price Comparison:**

NIT item No.	Item Description & Code No.	Present price (BP) in ₹	Quoted price (BP) in ₹	Last Purchase Price (BP) in ₹ along with Order No. & date	% variation		
					When compared to previous order	Acceptable as per Indices	Over the acceptable limit
1							
2							

For NIT items ___ to ___:

As per the indices, the variation in prices of various materials from _____ to _____ is as shown below:

Material/Labour	Present offer date	Previous offer date	Remarks
			Decreased / Increased by %
			Decreased / Increased by %

As per formula

$$P_1 = P_o / 100 * [60 * (M_1 / M_{1o}) + 30 * (W / W_o) + 10]$$

= _____ i.e., a decrease/increase of _____%.

26. **Price Justification:** Please give justification in brief.

27. **Number Of Sources:**

The number of sources as per preliminary approval is _____. Enquiry is floated for _____ Nos.

28. **Funds Provision:**

GM (I&PM) has been requested to provide the additional funds and spill over the same to AP _____, vide Lr. No. _____, Dt. _____.

29. **Proposal:**

It is proposed to negotiate prices with the L1 Firms for the NIT items _____ as the increase in percentage of prices is higher when compared with the acceptable indices.

30. **Deviations :** **A.** Deviations:
 B. Justification to accept the deviations

31. **Delegation of Powers:**

i)	Approximate value of the proposal		
ii)	Tender Committee Chairman		
iii)	Appropriate approving authority for approving the procurement proposal under Delegation of Powers		
iv)	Number of offers received.		
v)	Number of offers technically/Commercially not acceptable.		
vi)	Appropriate authority for approving conduction of Negotiations.		

32. As per clause No. _____ of circular No. _____ dated _____ of delegation of powers read with clause Nos. _____ of purchase manual, _____ is the appropriate authority to approve the proposal for negotiations

33. Submitted for examination by Tender Committee and for recommendation for approval of GM (MP).

PROPOSING OFFICER

FM (MP/CM) } For corporate proposals
 GROUP OFFICER. }

Ref. No. _____ dt _____

Dt: _____.

34. Observations & Recommendations of Tender Committee for Negotiations:

A) Observations:

Members of the tender committee examined the above proposal in detail and the following are observations: -

Sl. No.	Description	Details	Reference page and Para No.
1	Item description	Procurement of	
	a) Nature of item:	Capital/Revenue	
	b) Type of item:	Production / Non - Production	
2	Enquiry Details		
	a) Nature of enquiry.	Open/Limited/Proprietary/Nomination	
	b) Type of quotation:	Three Part/Two Cover	
	c) No. of sources.	Single	
3	No. of Firms to whom simultaneous intimation was sent.		
4	No. of offers received		
5	Technically & Commercially acceptable Firms	S. No.	Name of the Firm
		1	
		2	
		3	
6	Justification for Quantity / Financial limits	Procurement is as per	
7	Funds Provision	As mentioned at	
8	Deviations	Nil	
9	Price Justification	As mentioned at	
11	Value of the proposal	:	
12	Tender Committee Chairman		:
	Number of offers received.		:
	Number of offers technically and/or Commercially not acceptable		:
	Appropriate authority for approving the procurement proposal under Delegation of Powers		:
	As per clause No. _____ of circular No. _____ dated _____ of delegation of powers read with clause Nos. _____ of purchase manual, _____ is the appropriate authority to approve the proposal for negotiations.		

Delegation of Powers to be inserted _____

Relevant Clause nos. of purchase manual for negotiations is given below.

The proposals for negotiations shall be approved by the chairman of the tender committee.

Ref. No. _____ dt. _____

Dt: _____.

B. Recommendations:

Members of the Tender Committee examined the above proposal in detail and recommended _____ to accord approval to –

- a) Negotiate prices for the NIT items _____ with the L1 Firms.

Sl. No.	Firm	L1 for NIT item Nos.
1		
2		
3		

The total value of the proposal is _____ approximately. As per clause No. _____ of circular No. _____ dated _____ of delegation of powers read with clause Nos. _____ of purchase manual, _____ is the appropriate authority to approve the proposal for negotiations.

(MEMBERS.....TENDER.....COMMITTEE)

(CHAIRMAN TENDER COMMITTEE)

APPROVING AUTHORITY.

Ref. No. _____ dt. _____.

Dt: _____.

35. As approved on pre-page ____, the L1 Firms M/s _____, M/s _____, were requested to attend for price negotiations vide Lr. Nos. _____, dtd. _____ respectively.
36. The minutes of the meeting with the Firms are given below :

Sl. No	M/s SCCL's request	Firm's Reply.
1		
2		

37. **Prices after negotiations:**

NIT Item No.	Item Description & Code No.	*Prices before Negotiations Basic/ LC in ₹	*Prices after Negotiations Basic/ LC in ₹
1			
2			

38. **Price comparison after negotiations:**

NIT Item No.	Item Description & Code No.	Present Basic in ₹	Previous Basic in ₹ with order No. & Date	% variation		% increase over the acceptable indices.
				When compared to previous order	Acceptable as per Indices	
1						
2						

39. **Price justification:**

40. **Quantity distribution:**

NIT Item No.	Item Description & Code No.	NIT Qty.	Firm 1	Firm 2	Firm 3
			% – Qty. in Nos.	% – Qty. in Nos.	% – Qty. in Nos.
1					
2					

41. **Funds provision: (Capital/Revenue)**

GM (I&PM) provided the additional funds and spilled over the same to AP ____, vide Lr. No. _____, Dt. _____.

42. **Proposed Firms wise items, prices and other terms & conditions:**

M/s _____.

Sl. No.	Item Description & Code No.	Unit in Nos.	B.P./ Unit	L.C./Unit	Extended B.P value.	Extended L.C value.
1						
2						
	TOTAL					

M/s _____.

Sl. No.	Item Description & Code No.	Unit in Nos.	B.P./ Unit	L.C./Unit	Extended B.P value.	Extended L.C value
1						
2						
	TOTAL					

Total value of the enquiry	Basic value	Landed Cost

iii) **TERMS AND CONDITIONS.**

Term	Firm 1	Firm 2
Price		
Discount/Rebate		
Packing charges.		
Forwarding Charges		
Freight		
Insurance charges		
GST		
Guarantee / Warrantee		
Price Condition		
Risk Purchase Clause		
Price Fall Clause		
L.D. Penalty Clause		
Mode of Despatch		
Performance Bank Guarantee		
Payment Terms		
Supply capacity		
Lead time		
Offer Validity		
Certificates		

43. **Deviations:** A. Deviations:
B. Justification to accept the deviations

44. **Total value of the proposal:**

Total Basic Cost of the proposal works out to _____ (Rupees _____ only) and the landed cost works out to _____ (Rupees _____ only).

45. **Appropriate approving authority:**

The present proposal is to place orders on one source basis, against open enquiry and the total basic cost of the proposal is _____ (Rupees _____ only) and the landed cost works out to _____ (Rupees _____ only). Hence the appropriate authority to approve this procurement proposal as per clause No. _____ of Circular No. _____ dated _____ of delegation of powers is _____.

46. The above proposal is placed before Tender Committee for perusal and necessary recommendation to approving authority.

PROPOSING OFFICER

FM (MP/CM)

GROUP OFFICER.

} For corporate proposals

Ref. No. _____ dt. _____

DT: _____.

47. **Observation & recommendations of tender committee:**
 A. **Observations:**

Members of the Tender Committee examined the above proposal in detail and made the following observations.

Sl. No.	Description	Details	Reference page and Para No.
1	Item description	Procurement of	
2	a) Nature of item:	Capital/Revenue	
	b) Type of item:	Production/ Non - Production	
3	Enquiry Details		
	a) Nature of enquiry.	Open	
	b) Type of quotation:	Three Part	
	c) No. of sources.	Two	
4	No. of Firms to whom simultaneous intimation was sent.		
5	No. of offers received		
6	Technically & Commercially acceptable Firms	Sl. No.	Name of the Firm
		1	
		2	
		3	
7	Justification for Quantity / Financial limits	Procurement is as per AP	
8	Funds Provision	Funds provided in AP	
9	Deviations	Nil	
10	Price Justification	As mentioned at	
11	Value of the proposal	:	
12	Tender Committee Chairman		
13	The present proposal is to place orders on one source against open enquiry, hence appropriate approving authority for approving the procurement proposal under Delegation of Powers as per clause No. _____ Of Circular No. _____ dated _____ is _____.		

Delegation of Powers to be inserted _____

Ref. No. _____ dt _____

Dt: _____.

B) RECOMMENDATIONS:

Members of the Tender Committee examined the above proposal in detail and recommended _____ to accord approval to place orders for procurement of _____ as follows:

M/s _____.

Sl. No.	Item Description & Code No.	Unit in Nos.	B.P./ Unit	L.C./Unit	Extended B.P value.	Extended L.C value.
1						
2						
	TOTAL					

M/s _____.

Sl. No.	Item Description & Code No.	Unit in Nos.	B.P./ Unit	L.C./Unit	Extended B.P value.	Extended L.C value.
1						
2						
	TOTAL					

Total value of the enquiry	Basic value	Landed Cost

The present proposal is to place orders on one source, against open enquiry and the total basic cost of the proposal is _____ (Rupees _____ only) and the landed cost works out to _____ (Rupees _____ only) subject to other terms and conditions as mentioned at Para ___ page No. ____.

As per clause No. _____ of Circular No. _____ dated _____; _____ is the appropriate authority to approve procurement proposals up to _____ against open enquiry.

(MEMBERS.....TENDER.....COMMITTEE)

(CHAIRMAN-TENDER COMMITTEE)

Approving authority.

Format for Repair Proposal

For repair proposals: PTC format given at Annexure – XVII shall be followed incorporating the following details at Para No: 1 (H).

Performance details of..... Failed assembly

- i) Description of sub-assembly.
- ii) Part Number.
- iii) Code No.
- iv) Details of equipment on which this sub-assembly worked.
- v) Whether the sub-assy. is new/overhauled.
- vi) Date of commissioning.
- vii) Date of failure.
- viii) Nature of failure.
- ix) Hours worked.
- x) Normal expected life in hours.
- xi) Whether failure is under warranty/premature/covered expected life. Enquiry report containing scheduled maintenance, steps being taken to improve the performance.

ESTIMATE

- i) Availability of items covered in the estimate at Project Stores and other Stores and their sparability against the present estimate.
- ii) Whether prices quoted for all the items are as per the price list.
- iii) Proposed repair cost.
- iv) Cost of new assly.
- v) Percentage of repair cost to the new assembly cost including the parts spared from the project.
- vi) Expected life of the repaired assembly.
- vii) Expected life of new assembly.
- viii) Guaranteed life offered by the Firm.
- ix) Whether the repair cost is economical taking into account the average life of similar assemblies repaired by same agency.
- x) Delivery.
- xi) Payment terms - shall be always SCCL payment terms.
- xii) Performance bank guarantee of 10% shall be obtained.

(In case of repairs, the repair requisition form i.e., Annexure VII shall be enclosed to PTC for repairs)

CHECK LIST

Sl. No.	Particulars	Remarks
1.	Nature of Enquiry, No. & Date (if open enquiry, publication details)	
2.	Enquired quantity & its approximate value. If quantity changed subsequently, reasons for the same.	
3.	Provision of funds (indicate capital / revenue budget / non-budget item)	
4.	Date of opening technical / commercial bids	
5.	Corrigendum(s) issued, if any? If so, details	
6.	Whether bid opening date postponed? If so, the reasons	
7.	Bid details	
	a) No. of Firms to whom limited enquiry was sent	
	b) No. of Firms quoted	
	c) No. of Firms technically qualified	
	d) No. of Firms commercially qualified	
	e) No. of Firms disqualified, if any and reasons for the same	
8.	Date of opening of price bid	
9.	Commercial status of the Firms	
10.	Deviations from NIT conditions, if any and reasons for acceptance	
11.	Deviations from Purchase Manual? If any, and reasons for the same	
12.	Whether there are any allegations /complaints on the processing of tender?	
13.	Comparison of rates (% increase / decrease)	
	a) With SCCL estimate, if any	
	b) Last purchase price	
	c) Comparison with other PSU procurement prices	
	d) Whether increase / decrease in prices is within relevant indices of the O/o. Economic Advisor, RBI, Gol.	
	e) In case of enhancement / repeat order, indicate current trend of prices.	
14.	No. of sources indicated in the NIT. In case procurement is from more than one source, whether distribution of quantity is proposed as per NIT terms & conditions?	
15.	Whether price negotiations were conducted? If so, circumstances warranting the same	
16.	Whether the proposed Firm is a previous supplier? If so, its performance	
17.	Whether the recommendations of Tender Committee are in favour of lowest bidder? If not, the reasons for the same	
18.	Whether recommended for trial / development / commercial order?	
19.	If the proposal is on dual or differential prices, reasons for the same	
20.	Name of the Firm recommended for placing order & total landed cost. In case of global enquiry, indicate the price in foreign exchange & INR	
21.	Authority competent to approve the proposal for placement of orders.	

GM (F&A)

GM (MP)

GM O/o DIRECTOR (Operations)

/

SO to DIRECTOR (FINANCE)

FORMAT FOR FILE MOVEMENT CHART

Sloe.	Details	Date	No. of days between Successive activity.
1.	Date of receipt of requisition / want sheet		
2.	Date of obtaining preliminary approval for floating enquiry.		
3.	Date of release of advertised/limited enquiry		
4.	Date of opening part-A & part-B bids/ part-A only.		
5.	Date of preparation of comparative statement		
6.	Date on which ticked letter sent to bidders for clarification / documents.		
7.	Date on which the clarifications/documents received from bidders		
8.	Date of sending Technical bids for evaluation		
9.	Date of receipt of technical evaluation		
10.	Date on which clarification sought as per the requirement of Technical Evaluation Committee		
11.	Date on which technical clarification received from the bidders.		
12.	Date on which the required clarifications sent to technical evaluation committee		
13.	Date on which technical evaluation committee given its technical evaluation report		
14.	Date on which GM (MP)/GM (E&M) Stores was asked to furnish the revised quantity		
15.	Date of receipt of revised quantity from GM (MP)/GM (E&M) Stores		

16. Date on which note put up for opening of price bid
17. Price Bid opened on
18. Date of completion of negotiations, if any
19. TCR put up on
20. TCR approved on
21. LOA issued on
22. Date of release of Firm order
23. Date of return of EMDs to unsuccessful Bidders
24. Remarks
25. Total No. of Days

SIGNATURE OF SECTION OFFICER

CHECK LIST FOR OB PROPOSALS

Sl. No.	Particulars	Remarks
1.	Nature of Enquiry, No. & Date (if open enquiry, publication details)	
2.	Particulars of enquiry	
	a) Proposed quantity of OB	
	b) Expected quantity of coal exposure	
	c) Weighted average lead in KMs	
	d) Period of contract in months	
	e) Whether land is in possession of SCCL	
	f) Whether required Forest & Environmental clearances are obtained and the file is routed through Advisor (Forestry)?	
	g) Conventional equipment / HEMM	
3.	Provision of funds (indicate capital / revenue budget / non-budget item)	
4.	Scope of work	
5.	Whether bid opening date postponed? If so, the reasons	
6.	Corrigendum(s) issued, if any? If so, details.	
7.	Bid details	
	a) No. of Firms to whom intimation was sent	
	b) No. of Firms quoted	
	c) No. of Firms technically qualified	
	d) No. of Firms commercially qualified	
	e) No. of Firms disqualified, if any and reasons for the same	
8.	Date of opening of price bid	
9.	Commercial status of the Firms	
10.	Deviations from NIT conditions, if any and reasons for acceptance	
11.	Deviations from Purchase Manual? If any, and reasons for the same	
12.	Whether there are any allegations /complaints on the processing of tender?	
13.	Comparison of rates (% increase / decrease)	
	a) With SCCL estimate	
	b) Recently awarded contracts for similar / nearer lead, equated to lead and HSD in other projects	
	c) Previous contract in the same project equated to lead and HSD	
14.	Whether price negotiations were conducted? If so, circumstances warranting the same	
15.	Whether the proposed Firm is a previous contractor? If so, performance	
16.	Whether the recommendations of Tender Committee are in favour of lowest bidder? If not, the reasons for the same	
17.	Name of the Firm recommended for placing order & total landed cost	
18.	Authority competent to approve the proposal.	

GM (F&A)

GM (CM)

GM O/o DIRECTOR (P&P)

/

SO to DIRECTOR (FINANCE)

TERMS & CONDITIONS
(Enclosure to Order Copy)

The following terms and conditions shall be attached to the purchase order generated in ERP.

1. Acceptance of order:

The supplier shall return a copy of the purchase order and the other enclosed documents duly signed as a token of acceptance, within 15 days from the receipt of this order. In case, no such acceptance is communicated/ received by the SCCL, it will be presumed that the order has been accepted.

2. Quality, workmanship and guarantee/warranty:

- a) All Plant & Machinery, Equipment, Spares, Goods and Material offered shall be of best quality and workmanship and shall conform to the specifications mentioned in Purchase order.
- b) Guarantee/ Warranty shall be as mentioned in the Purchase order.

3. Liquidated damages(Id):

Liquidated damages are as stipulated in the purchase order subject to force majeure conditions.

4. Force majeure conditions:

Force Majeure conditions means the interruptions caused to supplies or works due to:

- (a) Any riots or civil commotion (b) Any war or hostilities (c) Any natural calamities such as earthquake, Flood, Tempest and other natural and physical disasters (d) Any accident by the fire or explosion (f) Any law and order proclamation, regulation/ordinance affecting the production/dispatch of the goods (g) Power failures (h) International sanctions/embargo.

Any claim under force majeure should be submitted within 15 days of happening of force majeure conditions. The force majeure event shall be supported by a certificate from the appropriate authority. If force majeure conditions continue to exist for more than 60 days, SCCL at its discretion can cancel the order without any penal consequences for SCCL.

5. Performance Bank Guarantee(PBG):

- a) The supplier has to submit the consolidated bank guarantee towards performance as mentioned in the purchase order. In case the supplier fails to submit consolidated Performance Bank Guarantee as stipulated in purchase order, consignment wise amount will be deducted from bills payable to the Firm against supplies made.
- b). In case the supplier fails to fulfill Guarantee/ Warranty terms of the order:
 - i) The PBG submitted will be invoked.
 - ii) The amount deducted as mentioned.

6. Price fall clause:

Supplier shall pass on the benefit to the SCCL on its own, in case the supplier sells same item to any Public or Private sectors within a period of 6 months from the date of receipt of order at price less than the price offered to SCCL with same terms and conditions, otherwise, SCCL reserve its right to recover 1½ times the difference amount from the running bills anywhere in the company for the items delivered and to be delivered. In case the running bills amount is not sufficient, SCCL may give notice to pay the amount, the bidders shall pay the amount within 15 days of receipt of the notice, otherwise the amount will be recovered by invoking the Performance Bank Guarantee.

7. Risk purchase clause:

In case the supplier fails to deliver the goods / items within the delivery schedule prescribed in the order and SCCL is forced to purchase such goods / items from any other source at a higher price, the supplier shall pay the difference amount to SCCL. The defaulted supplier shall have no claim over the quantity, which they failed to supply. Additional expenditure if any will be recovered from running bills of defaulted supplier anywhere in the Company. In case the running bills amount is not sufficient, the defaulting supplier shall pay the amount within 15 days of receipt of the notice from SCCL.

8. Quantity variation:

The supplier shall agree to accept part order at unit prices without limitation and accept to enhancement of ordered quantity as mentioned in the Purchase order during the order validity period, if any, at the same price, terms and conditions or original order.

9. Supply of plant & machinery, equipment, spares, goods and material of good quality, good workmanship, as per specifications/ samples:

- i. In case the order is for supply of Plant & Machinery, Equipment, Spares, Goods and Material, all the Plant & Machinery, Equipment, Spares, Goods and Material supplied against the Purchase Order shall be of best quality and workmanship and shall conform to the specifications stated in the Purchase Order.
- ii. Where any Plant & Machinery, Equipment, Spares, Goods and Material supplied is rejected on account of its not conforming to the specifications/ samples or being of bad quality or workmanship or due to non-compliance to any other clause of the contract, the supplier shall promptly replace/rectify the rejected material or Plant & Machinery, Equipment, Spares, Goods and Material at the discretion and satisfaction of Singareni Collieries Company Limited. All expenditure incurred on account of such replacement/rectification shall be entirely borne by the Supplier.
- iii. The Singareni Collieries Co. Ltd. also reserves the right not to seek any such rectification/replacement, but may desire the defective Plant & Machinery, Equipment, Spares, Goods and Material to be removed from Company's premises and terminate the contract. In such a case the Supplier shall remove the material as aforesaid at their cost and pay to the Singareni Collieries Co. Ltd., any money paid for the cost if Goods in part or full together with interest within a period of 30 days on being informed to do so and in case of non-compliance by the Suppliers, Company may proceed to recover the same by encashment of performance bank guarantee, recovery from the amounts payable to the Firm for supplies made against any other contract/order or recover the same by process of Law. SCCL can also invoke risk purchase clause in such cases.

- iv. The supplies, which are rejected due to non-compliance to the specifications, 30 days notice will be given to the supplier for removal of such goods. Ground rent @ 1% per week will be charged and if the supplier fails to remove such goods within 90 days, the same will be confiscated and disposed of by SCCL by way of Public Auction or other mode of disposal and proceeds will be appropriated towards ground rent and other charges.
- v. In case the order is for Supply, Erection and Commissioning of Plant & Machinery, requiring inspection and test after erection at site, if the completed plant or any portion thereof is found defective or failure is noticed in any of the part, requiring fulfillment of contract, before the plant is taken over, the Singareni Collieries Co. Ltd., shall give the supplier Notice setting forth details of such defects or failures and the Supplier shall forthwith make the defective plant good, or alter the same to make it comply with the requirement of the contract. Should he fail to do so, within a reasonable time, Singareni Collieries Co. Ltd. may reject and replace at the cost of the Contractor the whole or any portion of the plant as the case may be, which is defective or fails to fulfill the requirements of the contract.

10. In case the order is for supply of equipment/spares and to carryout erection /repair /maintenance At SCCL site:

- i. The contractor shall pay not less than minimum wages to his employees deployed at SCCL site, as revised from time to time under the Minimum Wages Act, where applicable.
- ii. The contractor shall contribute towards Provident Fund for his employees deployed at SCCL site, at the rate as revised from time to time under The Employees Provident Fund and Misc. Provisions Act-1952, wherever applicable.
- iii. The contractor shall pay bonus as prescribed under payment of Bonus Act, wherever applicable, subject to a minimum as per law in the absence of adequate profits.
- iv. Without prejudice to the Contractor's liabilities under the General conditions of Contract (GCC), the contractor shall at his own cost and initiative at all times up to the successful completion of the contract take out and maintain Insurance cover from any Nationalized Insurance Company in India under the Workmen's Compensation Act and any other Industrial legislation applicable from time to time in the State of Telangana providing for payment of compensation to workmen in the event of death, injury or accident to workmen in the course of or in connection with employment, such policy(ies) in-respect of Workmen Compensation, Insurance to be of value of not less than that of amount as per workmen compensation act. Should the contractor fail to take out and/or keep in force insurance as provided for in the foregoing sub-clauses, the owner shall be entitled (but without obligation to do so) to take out and keep in force such insurance(s) at the cost and expenses of the contractor in all respects, and without prejudice to any other rights and remedy of the owner in this behalf to deduct the costs and premium incurred therefore from amount becoming due to contractor from time to time.
- v. The contractor shall obtain Labor License from Assistant Labor Commissioner (Central) of the area as required and a copy of the same to be submitted to SCCL.

- vi. The contractor shall not Sub-Contract the work in whole or part without obtaining the prior written consent of SCCL. The contractor shall, notwithstanding the consent and assignment, remain solely liable and responsible to SCCL, got in-respect of the due performance of the contract and the Vendor's obligations there under.

11. Packing:

Where contrary to the terms incorporated in the general terms and conditions of the Purchase Order regarding packing etc., if it is noticed that Suppliers have failed to take adequate precautions as to Packing, the Purchaser shall bring to the notice of the Supplier the damage noticed, if any, to the goods in such packages and request free replacement/rectification of the damages within a period of 20 days. On the failure of the supplier to do so, the Singareni Collieries Co. Ltd., reserves the right to get such rectification/ replacement carried out from other sources and the amount spent on such rectification/replacement shall be deducted from the original Supplier's Bills.

Where the payment in full or major portion thereof, is already effected, it will be the responsibility of the Supplier, to rectify/replace the damages, failing which the Purchaser reserves the right to claim such an amount by the process of Law.

12. Material should be booked to the consignee and not to self.

13. Dispatch documents:

a. Domestic Supplies:

The supplier is responsible for obtaining clear receipt from the Transport Authorities specifying the goods dispatched. Supplier shall not book any consignment on a 'Said to contain' basis. If he does so, he does it on his own responsibility. The Singareni Collieries Co. Ltd. will take not responsibility for short deliveries or wrong supply of goods when the same are booked on 'Said to contain' basis.

The Singareni Collieries Co. Ltd shall pay for only such stores as are actually received by them in accordance with the contract.

The following documents are to be submitted to the consignee i.e. Area Stores, along with each consignment.

- i. Duplicate copy of Commercial Invoice / Taxable Invoice
- ii. Packing list / delivery challan
- iii. Original LR / RR
- iv. Excise invoice – "Duplicate for transporter"
- v. Copies of Test certificates
- vi. Relevant valid IS Certificates
- vii. Drawings, Operating & Maintenance manuals, wherever applicable.

The following documents are to be submitted along with each consignment to AGM (F&A) / DGM (F&A) of respective Areas.

- i) Original Commercial Invoice / Taxable Invoice in duplicate
- ii) Excise Invoice – "Original for buyer"

b. Overseas Supplies:

The following documents are to be submitted in triplicate along with each consignment.

- i. Certificate of origin.
- ii. Commercial invoice.
- iii. Packing list.
- iv. Bill of Lading / Air Way Bill.
- v. Warrantee certificate.
- vi. Test Certificate.
- vii. Certificate of conformity to order specifications.
- viii. Certificate of shipment.
- ix. Sea worthiness certificate.
- x. Copy of the valid DGMS approval wherever applicable.
- xi. Any other documents as requested by SCCL.

b. In case, the imported consignments are supplied by the Indian dealer in addition to the documents mentioned above, the dealer shall submit:

- i. Valid authorisation letter from their principal's
- ii. Valid import license
- iii. Importer's invoice.
- iv. Bill of entry, evidencing import.

14. Wagon / Lorry loads will be weighed at the Wagon / Lorry weigh bridge of the Collieries and payment made on weights so recorded.

15. Goods must be booked at Railway's / Transporters Risk wherever possible so that open delivery may be taken and claims, if any, put up to the Railway for shortage or breakages which will also be intimated to the Suppliers. If Railway Receipt contains defective endorsement, the buyer retains the right to hold the supplier responsible for any shortage or damages. Against materials booked at owner's risk, if shortages or breakages are noted, the matter will be intimated to the supplier immediately for making goods shortage and breakage.

16. In case the insurance is to be covered by SCCL, advance intimation by way of Fax/ e-mail etc., shall be given to SCCL in order to cover the Transit insurance.

17. Dispatch to wrong destination:

Goods dispatched to wrong destinations and names of destinations / Rly. Stations mentioned wrongly, will not be accepted, and any expenses connected thereto, have to be borne by the Supplier. The Company reserves the right to reject the consignments in such cases.

18. Demurrage / wharfage:

In case where documents are negotiated through Bank, any consequential charges e.g., demurrage / wharfage charges, due to late retirement of documents on account of:

- i) Violation of the inspection clause.
- ii) Material despatched after expiry of delivery period without obtaining approval in advance for extension of delivery period.
- iii) Despatch of materials not as per schedule / mode of dispatch / approved transporter as per P.O.

- iv) Late receipt of invoice or
- v) Due to violation of any other clause / clauses of the purchase order, will be to the vendor's account. Supplier would also be responsible for all such payments due to late receipt of RR/LR and other documents. Supplier shall advise the banker to accept payment as made by SCCL after deducting such charges for releasing the documents.

19. Liquidated damages for delayed supplies:

While preparing invoice, penalty amount payable due to late delivery should be deducted from the invoice amount payable. Otherwise, documents will not be cleared and no payment will be made and any demurrages/ wharfage arising out of such non-compliance have to be borne by the Supplier.

20. Extension of time:

Extension of delivery period will be granted in case of force majeure conditions. However, without prejudice to the foregoing rights, failure to deliver the goods / material as per schedule have arisen due to any reasonable cause, Singareni Collieries Co. Ltd., may grant extension of the time, provided the Supplier has applied in advance, for extension of Delivery Schedule, stating the reasons thereof on production of documentary proof and in such case levying liquidated damages for delayed deliveries may be waived fully or partly but decision of the Singareni Collieries Co. Ltd., in this matter shall be final. No material should be dispatched unless permission for extension of delivery period is obtained from the Singareni Collieries Co. Ltd., in writing and in such cases, the amount arising out of Liquidated damages for delayed supplies, should be deducted from the amount of invoice invariably or else the document will not be released and any loss due to demurrage / wharf age etc., will be to suppliers account only. The decision of the Singareni Collieries Co. Ltd., will be final and binding on the supplier.

21. Cancellation of contract in part or in full:

If the Supplier, in the opinion of the Singareni Collieries Co. Ltd., fails or neglects to comply with any of the terms and conditions of the contract or with any order issued there under then in such a case the Singareni Collieries Co. Ltd., shall without prejudice to any other right of remedies under this contract have the right and be entitled to cancel the contract by giving fourteen days, notice in writing to the supplier, without being liable to pay any compensation for such cancellation. The Supplier, however will be entitled to be paid at contract rates after deduction of any amount due to the Government, for the works already completed, which in the opinion of the Singareni Collieries Co. Ltd., is in accordance with the terms of the contract. In the circumstances aforesaid, the Supplier, shall, on demand by the Singareni Collieries Co. Ltd., or the authorized representative thereof, hand over immediately to the Singareni Collieries Co. Ltd., or the authorized representative of the Singareni Collieries co. Ltd., Stores components in possession or custody of the supplier without waiting for the payment of even settlement of any claim already made or intended to be made.

22. Consequences of breach:

a) Deliveries:

The delivery schedules are either furnished in the Purchase Order or given by the respective areas. The time and the date of delivery of the Stores, stipulated in the Purchase Order, shall be deemed to be the essence of the contract and delivery must be completed no later than the dates specified therein. Should the supplier fail to deliver these Stores or any consignment thereof, within the period prescribed for such delivery, the Singareni Collieries Co. Ltd., at their option, and shall be entitled to take following action against the Suppliers.

- i. S.C.C.L. at their option may recover from the contractor towards liquidated damages a sum as indicated in the order subject to force majeure conditions which are to be substantiated with documentary evidence.

or

- ii. Cancel the order and to purchase elsewhere without notice to the Suppliers on account and at the risk of the Supplier, the Stores not delivered or otherwise of a similar description (Whether or not the Stores ordered on others or exactly Complying with order pending, the decision of The Chief of Purchase in this regard will be final) without cancelling the contract in respect of consignments not yet due for delivery.
- iii. In the event of action being taken under (ii) The Supplier shall be liable for any loss which The Singareni Collieries Co. Ltd., may sustain on that account, but the Supplier shall not be entitled to any gain on Purchases made against default and to forfeit Security Deposit fully or in part.

- b) Whenever under this contract, any such money is recoverable from and payable by Supplier, the Singareni Collieries Co. Ltd., shall be entitled to recover such sum by appropriating in part or in whole by deducting any sum due to which at any time thereafter, may become due from the Supplier in this or any other contract. Should this sum be not sufficient to cover the full amount recoverable, the Supplier shall pay to the Singareni Collieries Co. Ltd., on demand the remaining balance. The supplier shall not be entitled to any gain on any such Purchase.

- c) Performance Bank Guarantee will also be forfeited for any breach of contract.

23. Laws applicable:

The contract shall be governed by the Laws of Indian Union for the time being in force. The marking of all Stores supplied must comply with the requirements of Indian Laws relating to the merchandise marks and all the Acts and rules made under such Laws.

24. Indemnity:

The supplier shall at all times indemnify the Singareni Collieries Co. Ltd., against all claims which may be made in respect of the Stores for infringement of any right reflected by the patent registration of design or trade mark shall take all risk of accidents of damage which causes failure of the supply.

25. Arbitration:

Normally all disputes should be settled by negotiations between the Company and the concerned parties.

In case any dispute / difference is not settled through negotiations, the respective parties can seek remedy by Arbitration by invoking the same within 120 days of dispute.

- a) In case of any dispute Sole Arbitrator shall be appointed from the list of 3 judicial officers maintained by SCCL duly following the provisions of Arbitration and conciliation act 1996 as amended from time to time. The list of such names shall be forwarded to the party as and when the party requests for resolving the dispute. Such Judicial Officer as chosen by the party will be appointed by the C&MD to adjudicate the dispute as a Sole Arbitrator. The Arbitrator so appointed shall conduct the proceedings in accordance with the Arbitration & Conciliation Act, 1996 as amended from time to time and pass a reasoned award. Both the parties should bear the cost of the arbitration equally.
- b) If the Sole Arbitrator appointed by the C&MD of the Singareni Collieries Company Limited is unable to continue as an Arbitrator for any reasons to be recorded in writing and the C&MD of Singareni Collieries Company Limited thinks fit for appointment of a new Arbitrator in the place of existing Arbitrator, he is having a power to do so. Such new Arbitrator shall be appointed following the same procedure as contemplated in (a) above.
- c) As and when such new Arbitrator is appointed, he can either continue the arbitration proceedings from the stage where the earlier Arbitrator discontinued his proceedings or alternatively the new Arbitrator may start proceedings de novo if the circumstances warrant him to do so.
- d) Failing to invoke Arbitration Clause within 120 days of dispute (from the date of raising of the dispute), it is deemed that there is no dispute between the parties. No dispute shall be entertained in any forum or on any matter pertaining to contract after expiry of 120 days of the period.
- e) Fee and expenses payable to the Sole Arbitrator shall be governed by the Arbitration & Conciliation Act, 1996 as amended from time to time and shall be borne equally by both parties to the dispute.

26. Work and payment during arbitration:

Work under the contract, shall if reasonable, continue by mutual agreement during the arbitration proceedings, and no payment due to or payable by the Singareni collieries Co. Ltd., will be withheld without reasonable cause and merely on account of the pendency of such proceedings.

27. Jurisdiction:

The Courts at Bhadradi Kothagudem district in the state of Telangana State only shall have jurisdiction to deal with and decide any legal matter or dispute whatsoever arising out of this contract including disputes arising on encashment of Bank Guarantees.

28. Correspondence after placing order:

After placing the order, correspondence related to issues regarding supplies, payments & penalties shall be made with the consignee only. In case the issues are not settled at consignee level, correspondence shall be made with the Area GM concerned. In case the issues are not settled at Area GM level, correspondence shall be made with GM(MP)/GM(CM). In case the issues are not settled at GM(MP)/GM(CM) level, correspondence shall be made with Director (Operations). In case the issues are not settled at Director (Operations) level also, correspondence shall be made with C&MD. Supplier is advised to visit SCCL's web site www.scclmines.com for name and address phone number, and e-mail ID of consignee, GM(MP)/GM(CM)/Area GM, Director (Operations) and C&MD.

29. Bribes & gifts:

Any Bribe, Commission, gift or advantage given, promised or offered by or on behalf of the Supplier or his partner, agent or servant or any one on his or their behalf to any Officer, Servant, representative or agent of the Singareni Collieries Company Limited, or any person on his or their behalf for obtaining or executing of this or any other contract with Singareni Collieries Co. Ltd., shall in addition to any criminal liability which the Supplier may incur, subject the Supplier in the cancellation of this and all other contracts with and also to payment of any loss of damage resulting from any such cancellation to the like extent as is provided in case cancellation under clauses thereof.

Any question or dispute to the commission of any offence under present clause shall be settled by the Singareni Collieries Co. Ltd., in such manner and on such evidence of information as they think it sufficient & their decision, shall be final and conclusive.

DELEGATION OF POWERS

Delegation Powers of Area GM/ GM(MP)/GM(CM)

Clause No	Details of Delegation	CRP/CS/75/544 Dt 23.07.2014							
		ED(STPP),GM(KGM/MNG/YLD/RG-I,II& III,SRP)		GM(BPA/MM/BH PL/ALP)		GM(MP)		GM(CM)	
		Each occasion in ₹ Lakhs	Per Annum in ₹ Lakhs	Each occasion in ₹ Lakhs	Per Annum in ₹ Lakhs	Each occasion in ₹ Lakhs	Per Annum in ₹ Lakhs	Each occasion in ₹ Lakhs	Per Annum in ₹ Lakhs
5.6	Major repairs to LMV/ HEMM/Other P&M	5.00	100.00	5.00	65.00	3.00	30.00		
5.7	Small revenue spares	0.50	20.00	0.50	20.00	0.50	6.00		
5.12	AMC for ACs/ Computers/UPS, etc.		20.00		20.00				
5.14	Hiring of Vehicles under unit rate	Full Powers		Full Powers					
6.1	Procurement of non proprietary revenue store items								
a	Through open tenders Lowest tender	10.00		10.00		100.00			
c	Through Limited tenders Lowest tender	6.00		6.00		50.00			
e	Single offer against open/Limited Tender	0.50		0.50		10.00			
f	Nomination Tender	0.5		0.50		10.00			
e & f			5.00		4.00		50.00		
6.2	Revenue proprietary spares not covered under RC	10.00		10.00		100.00			
6.3	Revenue proprietary spares covered under RC					100.00			
6.4	Local Purchase through Hyderabad Purchase cell	3.00	10.00	3.00	7.50				
6.6	Procurement of capital items								
a	Through open tenders Lowest tender		5.00 25.00 (ED STPP)		5.00	100.00			
c	Through Limited tenders Lowest tender		12.50 (ED STPP)			50.00			
e	Single offer against open/Limited Tender		2.50 (ED STPP)			10.00			
f	Nomination Tender					10.00			
e&f							60.00		
g	Procurement of proprietary items		25.00 (ED STPP)						
6.7	Repairs to revenue items		1.00		1.00				
7.6	Other than Civil& Forestry Contracts								
a	Through open tenders Lowest tender	15.00 25.00 (ED STPP)		10.00		100.00		100.00	
c	Through Limited tenders Lowest tender	8.00 12.50 (ED STPP)		5.00		50.00		50.00	
e	Single offer against open/Limited Tender	3.00		3.00		15.00		15.00	
f	Nomination Tender	3.00		3.00		15.00		15.00	
e & f		30.00		30.00		150.00		150.00	

Delegation Powers of C&MD, Director (Operations), Director(P&P) & Director (E&M)

Delegation of Powers – C&MD, Director (Operations&), Director(P&P) &Director(E&M): Circular No.CRP/CS/75/1211 dt 26.12.2018						
Details of tender		C&MD	Director (Operations)	Director (P&P)	Director(E&M)	
	Clause No.	Value in ₹ Crores	Value in ₹ Crores	Value in ₹ Crores	Clause No:	Value in ₹ Crores
PURCHASES						
Through open tenders						
Lowest tender	D-1A (1) (a)	30.00	5.00	--	1A1	0.50
Other than lowest tender	D-1 A(1) (b)	5.00	1.00	--	1A2	0.125
Single tender	D-1 A (1) (c)	5.00	1.00	--	1A2	0.05
Through Limited tenders						
Lowest tender	D-1 A(2) (a)	10.00	2.00	--	1A1	0.25
Other than lowest tender	D-1A (2) (b)	4.00	0.50	--	1A2	0.10
Single tender	D-1 A(2) (c)	5.00	1.00	--	1A2	0.05
Without tenders						
Proprietary items from OEM	D-1A (3) (a)	20.00	6.00	--	1A4	0.50
Through negotiations	D-1 A(3) (b)	1.00	0.30	--	1A3	0.005
CONTRACTS						
Through open tenders						
Lowest tender	D-1B(1) (a)	30.00	5.00	5.00	1B1	0.50
Single tender	D-1B(1) (b)	10.00	1.00	1.00	1B1	0.10
Through Limited tenders						
Lowest tender	D-1B (2) (a)	10.00	2.00	2.00	1B1	0.25
Single tender	D-1B (2) (b)	5.00	1.00	1.00	1B1	0.10
Without tenders through Negotiations						
Nomination	D-1B (3)	1.00	0.3	0.3	1B2	0.005
Repairs/overhaul through OEM	D-1 B(4) (a)	20.00				
AMC /CMC through OEM	D-1B (4) (b)	20.00				