



COAL INDIA LIMITED
CIVIL ENGINEERING DIVISION
(Regd. Office: Coal Bhawan, Premises No.04-1111, AF-III
Action Area 1A, New Town, Rajarhat, PIN-700 156.
(Corporate Id No.- L23109WB1973GOI028844)
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Ref. No. CIL/CIVIL/192/ 265

Date: 29.07.2016

To,
General Manager(Civil)/ General Manager(CMC)
BCCL Dhanbad, CCL Ranchi, CMPDI Ranchi, ECL Sanctoria, MCL Sambalpur, NCL Singrauli, SECL
Bilaspur, WCL Nagpur, NEC, Margherita

Sub: **Amendments in Manual for Civil Engineering Works (MCEW), Contract Management Manual (CMM) and Guidelines for eprocurement & Reverse Auction for works and Services**

Dear Sir,

Due to some recent cases of quoting abnormally low prices by the bidders during reverse auction, FDs of CIL in their 155th meeting held on 20th July 2016, have agreed for following amendments in MCEW, CMM and Guidelines for eprocurement & Reverse Auction for works and Services.

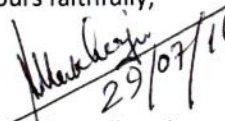
1. **Decrement value:** The reduction shall have to be made as per decrement value or in multiple there on. The maximum seal percentage in one go shall be fixed as 2% over and above existing normal decrement of 0.5% i.e. total 2.5% of start bid price/last quoted price during reverse auction, whichever is lower.
2. **Payment of EMD:** Payment of EMD shall be made through online mode in favour of CIL/Subsidiary companies account only. EMD for CMM tenders would be 1% of Estimated/Annualized value (whichever is less), subject to maximum of Rs. 50.00 lakhs. EMD for Civil tenders would also be 1% of Estimated value, subject to maximum of Rs. 50.00 lakhs.
3. **Penalty:** If the bidder defaults in satisfying Techno-commercial criteria, full EMD will be forfeited.
4. **Breakup of Price:** Bidders shall not be allowed to increase the initial quoted rate of any item while submitting the breakup of price after reverse auction.

The above amendments will be applicable for all the future tenders which are yet to be floated. It may further be noted that point no.1 above (Decrement value) will be applicable for those tenders also which have already been floated but whose reverse auction has not yet taken place.

Conti..2

The details of existing clause vs amended clause of MCEW, CMM and Guidelines for eprocurement & Reverse Auction for works and Services are attached in Annexure-I.

Yours faithfully,


29/07/16
(S Mukhopadhyay)
GM(Civil)/HOD
GM / HOD (Civil)
Civil Engg. Divn.
COAL INDIA LTD.

Copy:

1. CVO, CIL
2. CGM/TS to Chairman, CIL
3. TS to D(T), CIL
4. TS to D(F), CIL
5. CGM(Env), CIL
6. GM(Fin.), CIL
7. GM(MM), CIL
8. GM(System), CIL
9. GM(S&M), CIL
10. GM(EED), CIL
11. HOD(Admin.), CIL
12. HOD (C&F), CIL

Amendments in MCEW, CMM and e-procurement & Reverse Auction guidelines for works and services

SI No.	Clause No.	Existing Provision	Proposed Modification
1	Clause 8 of General guidelines and process flow for tender-Cum-Auction (Page 9)	<p>The decrement value will be 0.5 % of the start bid price with minimum of Rs.1/-, as the system does not have a provision of taking amounts less than Rs.1/- as decrement value. The reduction shall have to be made as per decrement value or in multiple thereof.</p> <p>In order to have ease of submission of reverse auction bid by the bidders, it is suggested that decrement value may be rounded off to nearest value as under :</p> <p>(a) For decrement values up to Rs.10/-, rounding off may be made to nearest rupee.</p> <p>(b) For decrement values from Rs.11/- to Rs.100/-, rounding off may be made to nearest 10.</p> <p>(c) For decrement value from Rs.101/- to Rs.1,000/-, rounding off may be made to nearest 100.</p> <p>(d) For decrement value from Rs.1,001/- to Rs.10,000/-, rounding off may be made to nearest 1000.</p> <p align="center">and so on</p>	<p>The decrement value will be 0.5 % of the start bid price with minimum of Rs.1/-, as the system does not have a provision of taking amounts less than Rs.1/- as decrement value. The reduction shall have to be made as per decrement value or in multiple thereof.</p> <p><u>The maximum seal Percentage will be fixed as 2% of Start bid price / last quoted price during reverse auction, whichever is lower.</u></p> <p>In order to have ease of submission of reverse auction bid by the bidders, it is suggested that decrement value may be rounded off to nearest value as under :</p> <p>(a) For decrement values up to Rs.10/-, rounding off may be made to nearest rupee.</p> <p>(b) For decrement values from Rs.11/- to Rs.100/-, rounding off may be made to nearest 10.</p> <p>(c) For decrement value from Rs.101/- to Rs.1,000/-, rounding off may be made to nearest 100.</p> <p>(d) For decrement value from Rs.1,001/- to Rs.10,000/-, rounding off may be made to nearest 1000.</p> <p align="center">and so on</p>

		<p>For cases where the unit rate is low and quantum of item is huge, if the decrement value in terms of 0.5% works out to be in paise and rounding off to nearest rupee, would be much higher than 0.5% of start bid value, the unit of measurement may be adjusted in such a way so that decrement value may remain in the range of 0.5% or Rs.1/- whichever is higher.</p> <p>For example, Tender for any item, whose unit of measurement is in KG and having low unit rate may be invited in terms of 10 KG or 100 Kg, as may be considered appropriate, as unit of measurement.</p>	<p>For cases where the unit rate is low and quantum of item is huge, if the decrement value in terms of 0.5% works out to be in paise and rounding off to nearest rupee, would be much higher than 0.5% of start bid value, the unit of measurement may be adjusted in such a way so that decrement value may remain in the range of 0.5% or Rs.1/- whichever is higher.</p> <p>For example, Tender for any item, whose unit of measurement is in KG and having low unit rate may be invited in terms of 10 KG or 100 Kg, as may be considered appropriate, as unit of measurement.</p>
2 (a)	<p>Clause 4.4 of procurement guidelines of works and services (Page 23-24)</p>	<p>4.4 The bidder will have an option for submitting EMD through either ONLINE or OFFLINE mode (Only through BG).</p> <p>In Online mode the bidder can make payment of EMD either through net-banking from designated Bank/s or through NEFT/RTGS from any scheduled Bank. In case of payment through net-banking the money will be immediately transferred to CIL/Subsidiary's designated Account. In case of payment through NEFT/RTGS the bidder will have to make payment as per the Challans generated by system on e-Procurement portal and will have to furnish online the UTR Numbers before submission of bid. Bidder will be allowed to submit his/her bid only when the EMD is successfully received in CIL/Subsidiary_account and the information flows from Bank to e-Procurement system.</p>	<p>4.4 The bidder will have to make the payment of EMD through <u>online mode only</u>.</p> <p>In Online mode the bidder can make payment of EMD either through net-banking from designated Bank/s or through NEFT/RTGS from any scheduled Bank. In case of payment through net-banking the money will be immediately transferred to CIL/Subsidiary's designated Account. In case of payment through NEFT/RTGS the bidder will have to make payment as per the Challans generated by system on e-Procurement portal and will have to furnish online the UTR Numbers before submission of bid. Bidder will be allowed to submit his/her bid only when the EMD is successfully received in CIL/Subsidiary_account and the information flows from Bank to e-Procurement system.</p> <p>In case of exemption of EMD the scanned copy of document (attested by notary public) in support of</p>