

**Coal India Limited**

**A MAHARATNA COMPANY**

Coal Bhawan, Core-2, 3rd Floor, Premises No.04 MAR,  
Plot No.AF-III, Action Area-1A, New Town, Rajarhat,  
Kolkata 700156.

PHONE: 033 - 23246526, FAX:033 - 23246510

Email – mviswanathan2.cil@coalindia.in

WEBSITE: www.coalindia.in

CIN – L23109WB1973GOI028844

Ref.No. CIL:XI(D):04027:2020: 26072.

Dt. 9<sup>th</sup> Dec'2020

To,  
CMD  
ECL/ BCCL/CCL/SECL/MCL/WCL/NCL/CMPDI

**Sub: Clarification on DOP for Sanction of Capital Goods, Works and Services**

CIL has intimated the approval of competent authority to sanction procurement of Capital Goods, Works and Services upto Rs.10 lakhs in each case to Subsidiary Area General Managers and RDs, of CMPDIL in grade E-8 vide letter No. CIL:XI(D)/04027/2020/25961 dated 23rd Nov'20. Subsequently, many queries were raised by the Subsidiaries seeking clarification on the above. As such, we give below the procedures to be followed for procurement of goods, undertaking works and services both in capital and revenue nature.

**I. Process Involved for operation of DOP:-**

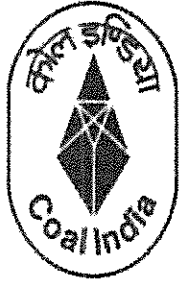
- i) Obtain sanction for procurement of goods, undertaking works and services from competent authority.
- ii) Preparation of estimate and obtain approval of competent authority for such estimate for procurement of goods, undertaking works and services as per the sanction.
- iii) Action for procurement of goods, undertaking works and services, either through open tender / limited tender / nomination basis / on proprietary basis.

**II. Procedures to be adopted :-**

**A. Procurement of Revenue Goods or undertaking works and Services of revenue nature:-**

- i. In the case of revenue items, the power to sanction lies with the concerned Area GMs as per the approved Revenue Budget circulated by Subsidiary HQ except for those centralized items: Hence they can sanction procurement of goods, undertaking works and services within the approved revenue budget for individual item.

*M/K*



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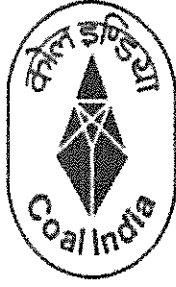
- ii. For those sanctioned items, estimate is prepared and approval obtained. Estimate approving authority as per Revised DoP is one level below the tender approving authority limited to CMD, CIL/Subsidiaries.
- iii. After the estimate is approved by competent authority, decision is to be taken whether to procure goods, undertake works and services through open tender/limited tender/negotiation basis/ on proprietary basis and accordingly power can be exercised as given in Annexure 'C' of the Revised DoP circulated on 30<sup>th</sup> May'19.

**B. Procurement of capital goods, undertaking works and services in capital nature:-**

While circulating the Revised DoP on 30<sup>th</sup> May' 19 it was intimated that power to sanction capital goods, undertake works and services is given to FDs of CIL/Subsidiaries and CMD, CIL/Subsidiaries. No power was given to GMs of CIL/Subsidiaries under capital nature. As a result, for procurement of small capital goods and undertaking petty works and services of capital nature, approval is to be obtained either from FD or CMD, CIL/Subsidiaries which is time consuming. As discussed in 137<sup>th</sup> CMDs meet held on 18th November'20, with the approval of competent authority an office order was issued on 23<sup>rd</sup> November '20 that Subsidiaries GMs and RD, CMPDIL who are in E-8 grade can sanction procurement of capital goods, undertake works and services in capital nature upto Rs.10 lakhs in each case. The following procedure may be adopted for procurement of goods, undertaking works and services in capital nature :-

- i. Sanction power – GMs of the Area/RD, CMPDIL who are in grade E-8 can sanction procurement of goods, underatking works and services upto Rs.10 lakhs in each case except for centralised items. Beyond this limit, sanction is to be obtained from concerned Director or CMD of the Subsidiaries.
- ii. Based on the sanction, estimate can be prepared and approved by the competent authority, viz, one level below the tender approving authority limited to CMD, CIL/Subsidiaries.
- iii. Thereafter, action can be taken for procurement of goods, undertaking works and services either through open tender/limited tender/negotiation basis/ on proprietary basis by following the financial powers as given in Annexure 'C' of the Revised DoP circulated on 30<sup>th</sup> May'19.

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Hopefully, this clarification will clear many doubts/misgivings in the operation of Revised DOP.

This has the approval of competent authority for circulation to all concerned.

Yours faithfully,

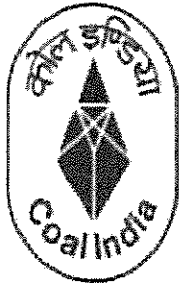
*M.V.*  
*9/12/20*

(M.Viswanathan)

Company Secretary

Copy to:

1. Director (Finance) ECL/ BCCL/CCL/SECL/MCL/WCL/NCL
2. Company Secretary ECL/ BCCL/CCL/SECL/MCL/WCL/NCL/CMPDI
3. HOD(Finance), CMPDI



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CIN – L23109WB1973GOI028844

Ref.No. CIL:XI(D):04027:2020: 26071.

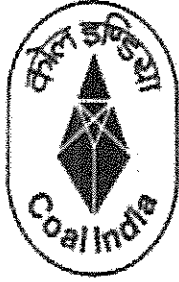
Dt. 9<sup>th</sup> Dec'2020

To,  
CMD  
ECL/ BCCL/CCL/SECL/MCL/WCL/NCL/CMPDI

**Sub : Revised DOP for Payment of Land Compensation**

The Competent Authority has approved the following DOP for land compensation including compensation of Tenancy Land acquired under any mode, Govt land Compensation and NPV, cost of Compensatory afforestation, miscellaneous cost as demanded by respective State Government for procedure of FC and Cost of R&R as per State Policy / RFCTLARR Act 2013 / CIL Policy /Central / State Govt. Circular.

Item	DOP		
Land compensation including:-  i. Compensation of Tenancy Land acquired under any mode, Govt land Compensation and NPV, cost of Compensatory afforestation, miscellaneous cost as demanded by respective State Government for procedure of Forestry Clearance.  ii. Cost of R&R as per State Policy/RFCTLARR Act 2013/ CIL Policy Central/ State Govt Circular	A	CMDs of Subsidiaries	Full powers if quantum of land and value are as per the Approved PR / RPR/ RCE/ UCE.
	B	CFDs of Subsidiaries	Full powers if quantum of land is the same but value is in excess of the Approved PR/ RPR/ RCE/ UCE
	Other than A & B above C, D, E & F can be operated		
	C	CMDs of Subsidiaries	Upto Rs. 20.00 Crores – Full powers
	D	CFDs of Subsidiaries	Beyond Rs 20.00 Crores upto Rs.40.00 Crores – Full powers
	E	ESC of Subsidiaries headed by CMD of Subsidiaries	Beyond Rs.40.00 Crores upto Rs. 100.00 Crores – Full powers
	F	Subsidiaries Board	Beyond 100.00 Crores– Full powers



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The above DOP is to be incorporated as Sl. no.13 as “Payment of Land Compensation” underneath Sl. no.12 – Miscellaneous in Annexure-A of Revised DOP circulated vide our letter ref: No. CIL:XI(D):04027:2019:22940 dated 30<sup>th</sup> May’2019.

This will supersede all other DOPs issued on payment of land compensation and will come into force with immediate effect.

This is for your information and taking necessary action please.

Yours faithfully,

*M Viswanathan*  
7/10/20  
(M.Viswanathan)  
Company Secretary

Copy to:

1. Director (Finance) ECL/ BCCL/CCL/SECL/MCL/WCL/NCL
2. Company Secretary ECL/ BCCL/CCL/SECL/MCL/WCL/NCL/CMPDI
3. HOD(Finance), CMPDI