

As scheduled meeting with Contractors had been held on 01/11/2013 in DT's Conference Hall. Amongst the invitees as per list enclosed, only 05 (Five) representatives from contractual establishments participated in the meeting. Details of the participants present from contractual establishments and MCL are as under.

From Contractual Establishments:

1. Shri Samarendra Bal, Proprietor, M/s Satyananda Enterprise, Dera, Talcher
2. Shri Naba Kishore Sahu, Proprietor, M/s Power System Agency, Talcher
3. Shri C Mishra, M/s Utkal Innovatives, Jharsuguda
4. Shri Kalbinder Singh, M/s B.S.Industries, Talcher
5. Shri Bachan Singh, M/s Utkal Alloys, Talcher

From MCL :

1. Shri Deepak Srivastava, IFS, CVO MCL
2. Shri M.Mitra, G.M.(E&M), HQ & IBCF
3. Shri M. Thapliyal, G.M.(E&M)
4. Shri J.C.Patra, G.M.(E&M), MSME-Ancillary
5. Shri K.P.Patra, G.M.(Excv)
6. Shri Ashim Guha, C.M.(E&M)
7. Shri K.R.Rajeev, C.M.(E&M)
8. Shri H.D.Mukherjee, Sr. Mgr.(E&M), Vig
9. Shri P Rajendran, Sr. Mgr.(E&M)
10. Shri Ravi Prasad Rath, Manager(Excv), Vig
11. Shri Satyajit Sahoo, Asst. Mgr. (E&M)
12. Kumari Himani Dayal, M.T.(E&M)

AGENDA :-

1. The Complaint handling policy of the department
2. Various avenues for redressal of complaints / grievances
3. Initiative taken for improvement in system / procedure etc may be explained.
4. Closure of Contract.

To begin with, Shri M.Mitra, G.M.(E&M) explained about the observance of vigilance awareness week-2013 with the main focus on "Promoting good governance – Positive Contribution of Vigilance." He then explained in detail about the transparent policies and awareness against corruption. Thereafter E-Payment and E-Tender procedures were discussed at length.

Shri Deepak Srivastava greeted all the firms and explained the importance of being vigilant. He also requested all the firms to give correct feedback to vigilance department and assured that genuine grievances will be taken care of by the vigilance department.

Thereafter all the agenda points were discussed / deliberated in details and representatives from the contractual establishments unanimously expressed their satisfaction over the dealings with MCL.

During interaction session some requests / suggestions came up from the representatives of the contractual establishments which are as under.

1. Shri Bachan Singh of M/s Utkal Alloys raised the following issues:
 - a. For any repairing work of E&M / Excv, N.A (Not Available) certificate is needed from CWS, but they have noticed that there is an appreciable delay in getting N.A Certificate from CWS, Talcher.
 - b. Number of Under carriages of Dozers (HEMM spares) are idle due to Breakdown. No action for repairing has been taken due to non availability of NA certificate from CWS, Talcher.

- c. Item repaired from CWS is taking more time and its performance is poor as well. In case of failure there is no accountability. Though higher cost incurred, no action is being taken from management. On the other hand material repaired from outside is having warranty a period with low cost incurred.

In response Shri H.D.Mukherjee, Sr.Mgr (E&M), Vigilance Deptt. clarified that there was a list circulated earlier mentioning therein the list of items / works which are not being done by CWS. Case of not getting NA certificate may be brought to the notice of vigilance deptt. and it will be looked into. Area will also be asked to prepare and submit a list of under carriages which are idle condition at CWS Talcher and at different projects, due to breakdown. Reports will be made on different status of Under Carriage.

- d. Sri Singh further pointed out that SDL Spares are procured from OEM only, hence unable to participate in tendering process, though firm has been awarded with Ancillary status on some items of SDL spares. He also mentioned that MCL is purchasing Higher priced material with less warranty period from OEM. In case of open tendering MCL would be facilitated by way low cost and high warranty period.

In case of OEM Warranty is either 09 months from date of fitment and 12 months from delivery whichever is later.

But **In case of e-tender** Warranty is either 12 months from the date of fitment or 18 months from the date of delivery whichever is later.

In response Shri H.D.Mukherjee Sr.Mgr (E&M), Vigilance Deptt. clarified that it is purely under jurisdiction of Technical Deptt. Concerned Technical Deptt. is responsible for choosing the source of procurement to be opted for the type of material which are to bought from OEM, OES & OPM.,.

2. Shri Naba Kishore Sahu of M/s Power System Agency discussed the following issues:

- a. In e-NIT only VAT Registration is mentioned. But during uploading the confirmatory documents, MCL is asking to upload VAT registration for particular tendered item. How a firm will get VAT registration of a particular item.
- b. In NIT of Goods Category under clause payment terms, 10% security deduction against supply completion. When full supply has been made no security deduction will be in force. But even if supply is complete within delivery schedule and no warranty clause, there is instance of 10% security deduction. As a result firm is facing problem and unnecessary botheration to again get back that deducted amount.

In response Shri H.D.Mukherjee Sr.Mgr (E&M), Vigilance Deptt. clarified that regarding VAT Registration he requested all to use the TOLL FREE No of Vig. Deptt 18003456795 for posting their queries which would be helpful to provide amicable solution. Regarding 10% Security deduction he opined that in absence of any warranty and supply being completed within delivery schedule, deduction of 10% Security deposit might not be applicable. However the NIT is to be looked into in reference to Security deposit clause. Concerned Technical Deptt. and MM Deptt. would be requested to look into the NIT. Case will be seen From vigilance side also.

3. Shri Kalbinder Singh of M/s B.S.Industries informed the house:

- a. Ancillary Status awarded with an Installed Capacity is not utilized fully by MCL and as such there is less business due to under utilization.

Contd. Pg. 3

Shri J.C.Patra, G.M.(E&M)/ MSME & ANC requested the firms to bring such matters to the notice of MCL so that the same can be taken up with concerned user deptt , Excavation Department and CWS of both the fields.

4. Shri Samarendra Bal of M/s Satyananda Enterprise discussed the following

- a. In case of bearing purchased from local market or china make it costs Rs. 5000 (say). Same bearing when purchased from reputed make it costs Rs. 40000 (say). Though there is no adverse report about performance MCL used to purchase the high value item from reputed make only, which may not be justified.

Shri M Mitra G.M.(E&M), HQ/IBCF informed that bearing falls under critical category item. Considering production and productivity and to reduce downtime bearing of big machineries may not be possible to purchase from local market. However he suggested the requirement of bearings may be assessed well in advance before processing for procurement. Likewise all the materials are to be assessed during MB stage and order to be placed on annual basis.

5. Shri C Mishra of M/s Utkal Innovatives, Jharsuguda raised the following issues:

- a. In present e-Tendering system a firm once delisted is participating in the other e-tenders with another company name. How to restrict this?

Shri J.C. Patra G.M.(E&M)/ MSME/ANC suggested that MCL is good in handling complaints and most of the problems have been solved after bringing them to the notice of MCL.

- b. Shri Mishra pointed out that low off take from Ancillary is due to the fact that 90% of production is from contractual and 10% from departmental. He suggested option of rate contract is a good way. Considering parameters Technical specifications of items like feeder breaker picks may be free zed and rate contract may be done.
- c. In some cases items are being purchased or got repair on proprietary basis without sufficient reasons. Once an item is available in local market and local entrepreneur has developed the same item, it should be done through open tender so that a competitive bidding can be established. He emphasized upon how many items purchase be made on single nomination basis or proprietary route basis is to be checked in real sense.

Shri M.Thapliyal, G.M.(E&M), TCF has mentioned that there is a policy exists for procurement of spare parts for HEMM spares which has been circulated by Coal India Limited. The policy entails the procurement strategy from OEM and OES including OPM and other proven sources.

Upon this Shri Deepak Shrivastava, IFS, CVO MCL also agreed that as per CIL policy, procurement of spares parts for HEMM Purchase are being made only from OEM and OES except some specific cases, where procurement can be made from other sources like (i) Procurement of spare parts against Depot Agreements (ii) Procurements from OPMs (iii) Procurement from Proven Sources (iv) procurement from Ancillary Units of Subsidiary Companies. He also cautioned one should be careful to get the material from OEM/OES/OPM. Sometimes they are quoting through agents. OES should be genuine.

C.V.O., MCL, summed up the proceedings of the meeting as mentioned below

Regarding business of Ancillary Firms C.V.O., MCL pointed out that from the last three years Purchase / Repair Statistics it has been observed that only 3 ancillary firms are taking the jobs. Care must be taken to ensure that all the Firms get

equal opportunity of doing business with MCL. Further study will be made in this regard. Matter to be taken up by G.M.(E&M) MSME/ANC for the interest of Ancillary Firms.

CVO, MCL advised to get the list of Under Carriages of Dozer which are idle in different projects including the nos. which are under repairing in CWS Talcher. It is to be ensured that NA certificate from CWS to be issued within reasonable time.

He advised G.M. (MSME/Ancillary) to see and explore the items which are being manufactured by the local entrepreneurs. The required items of good quality available may be sourced by MCL.

CVO, MCL also felt that due to outsourcing to the tune 90% there is adverse effect on off take from Ancillary Unit and local MSEs.

C.V.O., MCL also advised that if any item is considered as proprietary then proper reason should be provided. Proprietary items can be purchased by nomination basis on approval of MCL board for information.

To check the cases of deduction of security deposit in absence of warranty clause and in case the supply is completed within delivery schedule.

He further stated that Procurement through LP mode should always be discouraged and effort has been made to restrict it. Last Year purchase through LP mode is only 68 Crore out of total Purchase of 2200 Crore, which is only 3%. Need further reduction to have transparency.

To streamline the system of procurement, all the tenders below 2.00 lakhs also be hoisted in coal net along copy of work order and the bill processed.

He expected all the vendors and contractors to come forward with suggestions for improvement of the system. He requested all to come forward and inform directly to him, any harassment by anybody at any level, through FAX 0663 2542293.

He expressed his satisfaction on getting appraised with valuable and important issues by the contractors present and he also assured all action in this regard will be taken very soon.

The meeting ended with Vote of thanks to the chair.

G.M.(E&M),
MCL (NG/TBCE)

Ita. 19/12/14

Copy to:

1. T.S. to CVO, MCL for Kind information
2. G.M.(F), MCL
3. TS to D.T.(Op), MCL
4. G.M.(MM), MCL
5. G.M.(Systems), MCL
6. Dy. G.M.(Admin), MCL

Distribution : All Participants.

Copy an System,
MCL