

CHAPTER – 4

POST AWARD MANAGEMENT

Updated upto 27-02-2006

CHAPTER 4
Post Award Management

SECTIONS

- 4.01 - Progress Review and Monitoring
- 4.02 - Performance Appraisal of Contractors

Annexures CMF 4.01 to CMF 4.06B

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SECTION	Progress Review and Monitoring	SECTION 01
Responsible	Action	Timing
CMS/CTD	<p>1. On signing of each contract/issue of work order to contractor, include the items in the agenda for the next monthly progress review meeting with the contractors.</p> <p>NOTE : (CMS/CTD to receive items to be considered including contractor's progress reports at the monthly progress review meeting upto 28th of every month from PMS/Area GMs/Project GMs /contractor for inclusion in the agenda to be placed at the next monthly meeting with the contractors).</p>	Within 3 days
	<p>2. Fix the dates of progress review meeting for the ensuing month for the respective PMS and circulate agenda ensuring that all running contracts pertaining to the respective PMS are included, and the respective contractor informed of the date.</p>	3 days before the meeting
	<p>3. Prepare record notes/minutes of the meeting and get confirmed by the representative of PMS/ Concerned Area GM/Project GM present.</p>	On the date of meeting
	<p>4. Identify from the record note/minutes –</p> <p>(i) items requiring actions to be taken by CMS/ CTD pertaining to contract management.</p> <p>(ii) items requiring actions to be initiated by other concerned departments e.g. PMS/Area GM/Project GM etc.</p>	1 day
	<p>5. Send extracts of record note/minutes to other concerned departments as per step 4(ii) indicating actions to be taken and the time schedule for such actions, e.g.</p> <p>(a) delay in receipt of construction materials</p> <p>(b) delay in giving access to site</p> <p>(c) delay in completion of land acquisition formalities</p> <p>(d) delay in providing infrastructure facility if provided in contract</p> <p>(e) delay in handing over detailed working drawing to the contractor for execution of the work</p> <p>(f) delay in obtaining clearance from the Govt. where required e.g. DGTD for import.</p> <p>(g) delay in obtaining clearance from the financial</p>	1 day
		Within 2 days

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	institutions, where required (h) any other items requiring actions to be taken	
	6. List out the items identified as per step 4(i) under the following categories : (a) Technical including change in specification, change in scope of work due to site conditions without financial implications. (b) Technical with financial implications including extra items of work. (c) Change in work programme/extension of work schedule/extension of date of completion as per contract. (d) Change in conditions of contract. (e) Contractual issues - interpretation of contract clauses, extension of bank guarantee, etc.	Within 3 days from step 4
	7. Work out the financial involvement in association with PMS and send to corporate finance for concurrence in respect of items as per step 6(b).	Within 2 days
	8. Send the details in respect of items as per step 6 (a) and (c) to PMS for finalisation. Co-ordination with CMPDIL, wherever necessary for steps 7 and 8, shall be done by PMS before finalisation.	Same day as per step 6
	9. Obtain finalised items of changes/financial involvement from PMS/Corporate finance as applicable.	Within 7 days
	10. For items as per steps 6(d) and (e), specify the changes in the contract proposed and work out the financial involvement, if any.	Within 3 days from step 6
	11. Send to legal department for its observation/ advice.	Same day
	12. Obtain advice of legal department.	Within 3 days
	13. Decide in association with PMS and corporate finance, whether changes proposed to be accepted or rejected and in the case of bank guarantee, whether to be invoked or extended.	Within 3 days
	14. Inform the contractor of the changes finalised and amount of financial involvement, if any.	3 days

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	15. Negotiate with the contractor, if necessary, in association with PMS and corporate finance.	3 days
	16. Obtain acceptance of the contractor of the finalised items of changes and amount of financial involvement.	2 days
	17. Obtain approval of the competent authority for the changes recommended as under : For contract value including revision, as per existing delegation of financial powers from (a) ----- Concerned Director (b) ----- CMD (c) ----- Subsidiary Board	2 days 3 days 30 days
	18. Decide in association with PMS where the items cannot be put up to board within the time stipulated, whether approval should be obtained by circulation to board members.	As applicable
	19. Obtain order of CMD for circulation.	As applicable
	20. Prepare draft of amendments to contract, revision in the schedule of works, extra items of work as agreed, etc.	Within 2 days
	21. Send it to legal department for vetting of the amendments to the contract.	Same day
	22. Obtain from legal department the finalised draft amendments vetted.	Within 3 days
	23. Issue finalised amendments and the amended value of the contract to the contractor and obtain acknowledgement with endorsement in the original contract.	Same day
	24. Send copies of amendments to : (i) PMS (ii) Concerned Area GM/Project GM (iii) Corporate Finance	Same day

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Responsible	Action	Timing	
	<p>25. Receive progress reports from CTD/PMS in the formats - Vide annexure CMF-4.02-physical progress summary Vide annexure CMF-4.02A-physical progress statement Vide annexure CMF-4.03-Financial progress statement Vide annexure CMF-4.04-budget monitoring statement</p> <p>NOTE: Responsibility and activities of the respective PMS and CMS/CTD have been specified in the notes to the respective formats.</p>	As specified in the formats	
	<p>26. On receipt of progress reports in the formats vide annexure CMF-4.02 to CMF-4.04, prepare list of items requiring urgent actions to be taken and ensure their inclusion in the agenda for the next monthly progress review meeting with the contractors. (Further actions as per steps 3,4,5&6)</p>	Within 5 days from receipt	
	<p>27. Prepare a consolidated summary for the entire company in respect of ongoing contracts, progress of which is running behind the schedule in the format vide annexure CMF 4.05.</p>	Within 3 days	
	<p>28. Put up the summary to CMD through Concerned Director.</p>	1 day	
	<p>29. Receive orders of CMD through Concerned Director.</p>	Within 3 days	
	<p>30. Take action as per order of CMD</p>		
REGISTERS, DOCUMENTS AND ABSTRACTS			
SL. NO.	TITLE	FORM NO.	
1	Contract Awarding (Monthly Progress Reports)	CMF 4.01	
2	Contract Physical Progress Summary	CMF 4.02	
3	Contract Physical Progress Statement	CMF 4.02A	
4	Contract Financial Progress Statement	CMF 4.03	
5	Contract Budget Monitoring Statement	CMF 4.04	
6	Contract Physical Progress Status Report (Quarterly) for Contract Running Behind Schedule	CMF 4.05	

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Responsible	Action	Timing

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CHAPTER	POST AWARD MANAGEMENT	CHAPTER 4
SECTION	Progress Review and Monitoring	SECTION 02
Responsible	Action	Timing
CMS/CTD	<ol style="list-style-type: none"> 1. On acceptance by the successful tenderer, of the letter of intent issued by the company, open contractor's performance appraisal card (please refer to CMF 4.06B). 2. Allot serial number of the card as per serial maintained in the register of cards (please refer to CMF 4.06). 3. Enter the particulars in the register of cards. 4. Open contractor's folio in the register of performance appraisal and enter the particulars (please refer to CMF 4.06)A. 5. Ensure that the number of contractor's performance appraisal cards opened during the week are in order as per the number issued as per the register of cards (CMF 4.06). 6. Verify the respective folio of the contractors with the serial numbers allotted to the contractors, to ensure that performance appraisal cards have been opened for each tenderer to whom letter of intent was issued and was accepted. 7. Enter the particulars specified in the performance appraisal card (CMF4.06B) as per guidelines given in the form. 	<p>Within 2 days of acceptance</p> <p>Same day</p> <p>Same day</p> <p>1 day</p> <p>At every weekend</p> <p>Every month end</p> <p>As and when particulars are available</p>
REGISTERS, DOCUMENTS AND ABSTRACTS		
SL. NO.	TITLE	FORM NO.
1	Register of Cards for Contractor's Performance Appraisal	CMF 4.06
2	Contractor's Folio for Performance Appraisal	CMF 4.06A

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Responsible	Action	Timing
3	Contractor's Performance Appraisal Card	CMF 4.06B

CMF 4.01 MONTHLY PROGRESS REPORT													
CIL COMPANY :		CONTRACT AWARDING					For the Month..... From : CMS						
											To : CTD/PMS/CMPDIL		
											For : Director in Charge		
Sl. No.	Contract No.	Name and Description of the Work	Date of Project Sanction/ Works Estimate Sanction	Date of Approval for Tendering	Finalisation of specification			Sanction of Cost Estimate			Vetting by IDA/IBRD where required		
					S	R	A	S	R	A	S	R	A
1	2	3	4	5	6			7			8		

CMF 4.01 (Contd.)																				
Compilation of Tender Documents			Publication of Tender Notice			Opening of Tenders			Recommendation of award of contract by Tender Award Committee			Approval of recommendation for award of contract by competent Authority			Issue of Letter of Intent / Work Order			Signing of Agreement		
S	R	A	S	R	A	S	R	A	S	R	A	S	R	A	S	R	A	S	R	A
9			10			11			12			13			14			15		

- Notes :
1. This report should be prepared by CMS/CTD by the 5th of the following month and sent to CTD/PMS/CMPDIL (as applicable) for submission to Director in Charge with their comments/ observations by 8th.
 2. This report should be prepared only for those contracts dealt by CMS for which approval for tendering have been obtained and contract Nos. have been awarded.
 3. Reasons for delay activity wise of a contract from scheduled/ revised dates should be given separately with this report along with the comments / observations of CTD/CMPDIL/PMS as the case may be.
 4. For each contract, revised dates for the scheduled activities should be given every month where necessary as per progress of the contract.
- S - Scheduled. R- revised A- Actual

CMF 4.02																		
CIL CONTRACTS PHYSICAL PROGRESS SUMMARY For the Month.....																		
COMPANY : From : CMS																		
To : CTD/PMS/CMPDIL																		
For : Director in Charge																		
Sl. No.	Contract No.	Project Area	Name and Description of the Work	Name of Agency/ Contractor	Value of contract	Date of commencement of Work			Date of completion as per contract		Physical Progress (Overall Percentage)						Anticipated date of completion of Balance Work	Remarks
						S	R	A	S	R	For the month		Upto the month		Balance work left			
											S	A	S	A	S	A		
1	2	3	4	5	6	7			8		9							

CMF 4.02 (Contd.)

Notes : 1. This report should be prepared by CTD consolidating the information and calculating overall percentage of physical progress of each contract from CMF 4.02A (received from different PGMs/AGMs indicating percentage physical progress of each item of work of each running contract of Rs.1 crore and above in their respective Projects/ Areas) to be attached with their report.

2. This report is to be sent

Form CTD to CMS by 7th of the following month along with the copies of CMF 4.02A on the basis of which this report will be prepared and comments/observations of CTD as per note 3

From CMS to concerned Director next along with the comments/ observations as per note 3.

3. Comments / Observations of CTD/CMS on the following matter is to be given with this report

i) Delays (if any) in commencement of work as per schedule

a) Reasons : e.g. land acquisition not completed, site clearance not obtained. contractors failure to mobilise resources etc.

b) Steps being taken to remove the bottlenecks and start the work

ii) Physical Progress : i) For the month ii) upto the month

a) Reason for deviation (if any) from scheduled progress e.g. delays in procurement of steel and cement by the company for the work , contractors failure to maintain satisfactory progress etc.

b) Steps being taken to remove the bottlenecks and expediting the work i) by the company ii) by the contractor.

iii) Balance work left at the end of the month

If failing behind schedule. What is the anticipated date of completion ?

If anticipated date of completion is beyond the date of completion as per terms of the contract, suggest action for extension of date of completion in the contract.

iv) S - Scheduled.

R- revised

A- Actual

CMF 4.03																	
CIL CONTRACTS FINANCIAL PROGRESS STATEMENT																	
For the Month.....																	
COMPANY : From : CTD/PMS																	
To : CTD/PMS/CMPDIL																	
For : Director in Charge																	
Sl. No.	Contract No.	Project Area	Name and Description of the Work	Name of Agency/ Contractor	Awarded Value of contract Rs.	Addition to value of contract due to price variation/ additional work, if any Rs.	Total value of contract (6+7) Rs.	Value of work certified			Unadjusted advance to the Contractor up to the month Rs.	Progress Payments made			Total Deduction made for Security Deposits till end of month Rs.	Total Payments (10 +11c + 12)	Remarks
								during the financial year				during the financial year					
								a For the month Rs.	b Upto the month Rs.	c Total for the contract upto the month Rs.		a For the month Rs.	b Upto the month Rs.	c Total for the contract upto the month Rs.			
1	2	3	4	5	6	7	8	9			10	11			12	13	14

Notes :

1. This report is to be prepared by CTD by consolidating the particulars sent by the different PGMs/AGMs in respect of the financial progress of the running contracts of Rs.1 crore and above being executed in their respective Projects/ Areas .
2. This report is to be prepared by CTD by the 5th of the following month and sent CMS comments/ observations. CMS should forward the report by 7th of the following month to the concerned Director.
3. Copies of this report are to be sent to :
 - Corporate finance
 - Budget Section
 - CIL Headquarters

CMF 4.04															
CIL CONTRACTS BUDGET MONITORING STATEMENT															
COMPANY :											For the Month.....			For : Concerned Director	
											From : CTD				
											To : CMS				
Sl. No.	Contract No.	Project Area	Name and Description of the Work	Name of Agency/ Contractor	Awarded Value of contract Rs.	Addition to value of contract due to price variation/ additional work, if any Rs.	Total value of contract (6+7) Rs.	Budget provision for the year Rs.	Work certified during the year upto this month	Payments made during the year upto the month Rs.	Estimated Commitment for the rest of the year			Excess/ (Shortfall) 9- (10 + 12C) Rs.	Remarks
											A For next month Rs.	B For Balance period of the year Rs.	C Total Rs.		
1	2	3	4	5	6	7	8	9	10	11	12			13	14

Notes :

1. This report is to be prepared by CTD and sent
From CTD to CMS by 7th of the following month PGMs/AGMs in respect of the
From CMD to Concerned Director next day
2. The estimated commitments for the rest of the year will have to be calculated on the basis of the value of the work likely to be completed and certified during the balance period of the year.
3. If there is any excess/ (Shortfall) (as per col. 13) from budget provisions (as per col. 9) taking into account the value of the work already certified and the value of the work likely to be certified during the balance of the period of the year suggested action for revising of estimates, re-appropriation of fund where allocation should be given

CMF 4.05																	
CIL CONTRACTS PROGRESS STATUS REPORT (Quarterly) For the Month.....																	
COMPANY : CONTRACT BEHIND SCHEDULE From : CMS																	
To : Concerned Director																	
For : CMD																	
Sl. No.	Name of Agency/ Contractor	Name and Description of the Work	Project Area	Value of contract	Date of the work actually commenced	Date of completion as per contract		Items of work (description)	Physical Progress (Overall Percentage)				Anticipated date of completion of Balance Work	Reason for delay and present status			Remarks
						S	R		Upto the previous quarter ending.....		Upto the quarter ending.....			Brief details	Action required	Responsible	
									S	A	S	A					
1	2	3	4	5	6	7		8	9				10	11			12

- Notes :
1. This report should be prepared by CMS from the particulars filled in by the Area GM/ Project GM in Form 4.02A and reasons for delay and status position from particulars filled in CMF 4.02 by CTD and comments/ observations of CTD recorded therein.
 2. Latest status position , Action required and Action taken should be updated by reference to the concerned department.
 3. Actions taken as per CMD' s order on the last quarterly report. should be stated in Remarks column.
 4. Items of work under col. 8 should be as per schedule of works/ contractors programme/ work schedule as per contract.
 5. S - Scheduled. R- revised A- Actual

CMF 4.06 REGISTER OF CARDS FOR CONTRACTORS PERFORMANCE APPRAISAL (For Contracts Above Rs. 50 lacs only)			
COMPANY :			
CARD NO.	DATE	NAME OF THE CONTRACTOR	FOLIO NO.

NOTES :

- (1) As and when a Letter of Intent is issued to a contractor , a Performance Appraisal Card will be opened in the contractor's name (as per CMF 4.06 B)
- (2) CMF 4.06 maintains a control of the total number of Contractors Performance Appraisal Cards opened.
- (3) This register would enter the details of the Performance Appraisal Card as and when they are opened serially and refer to the Folio No. of each individual contractor (as per CMF4.06A)

CMF 4.06A			
CONTRACTOR'S FOLIO FOR PERFORMANCE APPROVAL			
CIL FOLIO NO. :		COMPANY :	
NAME OF THE CONTRACTOR :			
ADDRESS :			
REGISTRATION NO. , IF ANY :			
SERIAL NO. (As per No. of contracts awarded to contractor)	CARD NO. (As per Register of Cards CMF 4.06)	CONTRACTS NO. (As per Register of Contracts)	NAME AND DESCRIPTION OF THE WORK

NOTES :

- (1) A separate folio would be maintained for each contractor who has been awarded contracts of Rs.1 crore and above.
- (2) The folio would maintain the details of the contracts awarded to the contractor for which performance Appraisal Cards (as per CMF 4.06B) have been opened.
- (3) The folio number would give reference to Performance Appraisal Card maintained for contracts awarded to a contractor. The serial number would indicate the number of cards opened in the name of the contractor (same as number of Letter of Intents issued to him for contracts Rs.1 crore and above).

CMF 4.06B	CONTRACTOR'S PERFORMANCE APPRAISAL CARD
COMPANY :	CONTRACTOR'S PERFORMANCE APPRAISAL FOLIO NO. : (as per CMF 4.06A) SERIAL NO. : (as per CMF 4.06A) CARD NO. : (as per CMF 4.06)
CONTRACTOR'S DETAILS NAME : ADDRESS : REGISTRATION NO. IF ANY :	CONTRACT DETAILS CONTRACT NO. : NAME AND DESCRIPTION OF WORK : VALUE OF WORK : (as per Letter of Intent) FINAL REVISED VALUE OF WORK : AREA :

DETAILS**PARTICULARS**

- A. 1. Date of Issue of Letter of Intent :
2. Date of Handing Over of the Site to the Contractor :
3. Scheduled Date of Commencement of Work :
4. Actual Date of Commencement of work :
5. Reasons for Delays in Commencement of Work :
6. Scheduled Date of Completion of the Work:
7. Whether any extension of time was granted. If so, the ground of extension:
e.g. (a) Extra/additional items of work approved by the company
(b) Additions/alterations in original scope of the contract
(c) Non-availability of materials in time, to be supplied by the company
(d) Other reasons beyond the control of the contractor e.g. strikes, lockouts,
non-availability of site, etc.
8. Date of Completion of the Contract (as intimated by the contractor):
9. Date of Issue of Completion Certificate (if not issued, reasons for non-issue):
10. If completion of the contract was delayed, the extent of delay due to default of the contractor (give brief details) :
- B. 1. Amount of Price Escalations, admitted for the period beyond scheduled date of completion :
2. Date of Payment of Final Bill :
3. Date of refund of Security Deposit (last installment):
4. Penalties, etc. levied on the Contractor (if any) :
5. If final payment has not been made, reasons for withholding payment :
- C. Details of dispute between the company and the contractor referred to arbitration or the subject matter of legal proceedings, if any :

- D. 1. Summary of final Inspection Reports of the Engineer-in-Charge regarding performance of the contractor, quality of work, etc. assessment of overall performance, etc.
2. Any other details as relevant for appraisal of contractor's performance :

NOTES :

1. This Performance Appraisal Card would be opened for each contract as and when the Letter Intent is issued to the Contractor. The control of these cards would be maintained vide the register of Cards CMF 4.06.
2. Source Documents and Originators for maintaining the Performance Appraisal Card are as follows :
 - (a) Items A1 to 6 to be filled up by CMS from particulars furnished in Form No CMF4.01 and CMF 4.02.
 - (b) Item A7- Particulars should be available with CMS as extension of time to be granted by CMS on the recommendation of CTD.
 - (c) Items A8 to 10- Particulars to be obtained from CTD after expiry of the scheduled date of completion as per the contract or if extension granted on expiry of the period of last extension.
 - (d) Items B1 to 5- Particulars to be obtained from CTD. Dates on which the claim is admitted and the amount is finally certified by the CTD should be relevant for the purpose
 - (e) Item C- Particulars should be available with CMS as notices received by CTD from the contractor are to be intimated to CMD. However for disputes which might have arisen for which there is likelihood of reference to arbitration, a clearance should be obtained from CTD to the effect that no dispute is pending other than those intimated earlier.
 - (f) Item D- Final Inspection Report (copy) to be obtained from CTD along with a confidential report on the overall assessment of the performance of the contractor after date of completion of the contract or after expiry of the period of last extension whichever is earlier.