

**The Board of Directors of Coal India Ltd. , in the 251<sup>st</sup> meeting held on 9<sup>th</sup> September, 2009 at CIL (HQR), Kolkata, has approved the “Proposed Modification of certain provisions in Transport Chapter of Contract Management Manual and MCEW of Coal India. vide item no. 251.4(Y)”**

**Excerpt of Minutes :**

**4.28:** The Board, after detailed deliberation, approved the proposal as detailed in the Agenda note.

Document	Existing Clause:	Amended Clause.
(1)	(2)	(3)
CMM Trans- port Chapter	Engineer-in-charge/ Designated Officer-in-charge who is of an appropriate seniority will 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. Engineer-in-charge/Designated Officer-in-charge may further appoint his representatives i.e. another person/ Project Manager or any other competent person and notify to the contractor who is directly responsible for supervising the work being executed at the site, on his behalf under the Delegation of Powers of the company. However, overall responsibility, as far as the contract is concerned will be that of the Engineer-in-charge/Designated Officer-in-charge.	Engineer-in-charge/ Designated Officer-in-charge for this contract will be Sri ..... (Post/designation of an officer to be given here as decided by competent authority ) who will be responsible for supervising and administering the contract.
CMM Transpo rt Chapter	<b>Cl. 3.2 of Instruction to Bidders.</b> <b>1.QUALIFICATION OF THE TENDERER</b> e. in support of evidence of adequacy of working capital (at least 20% of the annualized value of the work) for this contract, the bidder should submit a certificate of solvency/access to lines of credit and availability of other financial resources. Such certificate shall be dated within three months before the date of tender opening.	<b>1.QUALIFICATION OF THE TENDERER</b> 3.2. (e) Evidence of adequacy of a minimum working capital (either 20% of the annualised value of the work or the estimated value of the work whichever is less) for this contract. In case of obtaining credit, the certificate from scheduled bank should be produced.

(1)	(2)	(3)
<p><b>CMM</b> Trans port Chapter</p>	<p><b>Cl. 12.3 of Instruction to Bidders and</b> <b>Cl. 11 (vii) of General Terms &amp; Condition</b> All duties, taxes, and other levies payable by the Contractor under the Contract, or for any other cause as applicable on the last date of submission of tender, shall be included in the rates, prices and the total Bid Price submitted by the Bidder. All incidentals, overheads etc. as may be attendant upon execution and completion of works shall also be included in the rates, prices and total Bid price submitted by the bidder. However, such duties, taxes, levies etc which is notified after the last date of submission of tender and/or any increase over the rate existing on the last date of submission of tender shall be reimbursed by the company on production of documentary evidence in support of payment actually made to the concerned authorities</p>	<p>All duties, taxes, and other levies payable by the Contractor under the Contract, or for any other cause as applicable on the last date of submission of tender, shall be included in the rates, prices and the total Bid Price submitted by the Bidder. All incidentals, overheads etc. as may be attendant upon execution and completion of works shall also be included in the rates, prices and total Bid price submitted by the bidder. However, such duties, taxes, levies etc which is notified after the last date of submission of tender and/or any increase over the rate existing on the last date of submission of tender shall be reimbursed by the company on production of documentary evidence in support of payment actually made to the concerned authorities <i>Similarly, if there is any decrease in such duties, taxes and levies the same shall become recoverable from the contractor.”</i> <i>Details of such duties, taxes, and other levies alongwith rates shall be declared by the bidders in their Price-bid.</i></p>
<p><b>CMM</b> Trans- port Chapter</p>	<p><b>Cl.3.3 of Instruction to Bidders.</b> 3.3 To qualify for award of the contract - a) The intending tenderer must have in its name as a prime contractor experience of having successfully executed works of similar nature (such as Transportation/ Removal of Coal/ Overburden/ Shale/ Extraneous materials/ Sand/ etc ) <i>valuing 65%</i> of the annualised value of the work put to tender in any year during last 7(seven) years ending last day of month previous to the one in which bid applications are invited. <b>Contd.pg.3</b></p>	<p>Cl. 3.3 To qualify for award of the contract – a) The bidder must have in its name experience of having successfully executed works of similar nature (such as Transportation/ Removal of Coal/ Overburden/ Shale/ Extraneous materials/ Sand/ etc ) <i>valuing 65%</i> of the annualised value of the work or the estimated value of work whichever is less, put to tender, in any year during last 7(seven) years ending last day of month previous to the one in which bid applications are invited. <b>Contd.pg.3</b></p>

(1)	(2)	(3)
	<p><b>Contn.from pg.2</b> In case the bidder is not a prime contractor but a sub-contractor, the bidder experience as sub-contractor will be taken into account if the contract in support of qualification is a sub-contract in compliance with the provision of such sub- contract in the original contract awarded to prime contractor.</p> <p>b) evidence of possessing adequate working capital (at least 20% of the annualised value of the work) inclusive of access to lines of credit and availability of other financial resources to meet the requirement.</p> <p>c) ownership of a fleet of minimum 1/5<sup>th</sup> of the tipping trucks/trucks and equipment required for the annualized work. If the 1/5<sup>th</sup> requirement is a fraction, next whole number should be taken.</p>	<p><b>Contn.from pg.2</b> For substantiating Past Experience, the bidders should submit the work orders, certificate of actual works already executed and TDS certificates.</p> <p>b) The bidder must produce evidence of adequacy of a minimum working capital (either 20% of the annualised value of the work or the estimated value of the work whichever is less) for this contract. In case of obtaining credit, the certificate from scheduled bank should be produced.</p> <p>c) The bidder is required to give an undertaking in the form of an Affidavit in the prescribed format to deploy matching equipments/tippers/ pay-loaders as per NIT either owned or hired.</p>
<p><b>CMM</b> (CFM-3.07)</p> <p>Chap. 3, sec. 4.1g</p>	<p><b>Cl.2 of ITB</b> <b>2. ELIGIBILITY TENDERERS</b> 2.1 The Invitation for Bids is open to all Bidders eligible to participate as per qualifying criteria laid down separately hereinafter. 2.2 All bidders shall provide in their bid Forms of Bid and Qualification Information. 2.3 Joint Venture: Two or three companies/ contractors may jointly undertake contract/contracts. Each entity will be jointly responsible for completing the task as per the contract.</p> <p style="text-align: right;"><b>Contd.pg.4</b></p>	<p><b>2. ELIGIBILITY TENDERERS</b> 2.1 The Invitation for Bids is open to all Bidders eligible to participate as per qualifying criteria laid down separately hereinafter. 2.2 All bidders shall provide in their bid Forms of Bid and Qualification Information. 2.3 Joint Venture: Two or three companies/ contractors may jointly undertake contract/contracts. Each entity will be jointly responsible for completing the task as per the contract.</p> <p style="text-align: right;"><b>Contd.pg.4</b></p>

	<p><b>Contn.from pg.3</b></p> <p>2.4 The Company reserves its right to allow Public Enterprises purchase preference facility as admissible under prevailing policy.</p> <p>– Written undertaking that no portion of the work is to be sub-contracted.</p>	<p><b>Contn.from pg.3</b></p> <p>2.4 The Company reserves its right to allow Public Enterprises purchase preference facility as admissible under prevailing policy. 2.5. <i>Prior permission is required to be taken from the principal employer for engagement of sub-contractors in transportation contractors.</i></p> <p><b>“Chap. 3, sec. 4.1g – Written undertaking that no portion of the work is to be sub-contracted”. .... Is to be deleted.</b></p>
<p>CMM (CMF)</p>	<p><b>Clause 6.4 (conditions of contract)</b> A "Hindrance Register" shall be maintained by both the Company and the Contractor at site to record the various hindrances, as mentioned above, encountered during the course of execution.</p>	<p><b>6.4 (conditions of contract)</b> Hindrance register should be maintained for recording the hindrances. This shall be maintained on day to day basis and should be signed by both parties. Disputes if any should be decided by Engineer-in-charge or authority higher than him which should be binding on the contractor. In case of dispute, decision should be conveyed within 15 days from the dispute.</p>
<p>CMM CMF 3.07</p>	<p><b>Clause 29 of ITB</b> <b>29. NOTIFICATION OF AWARD AND SIGNING OF AGREEMENT</b> 29.1 The Bidder, whose Bid has been accepted, will be notified of the award by the Employer prior to expiration of the Bid validity period by cable, telex, or facsimile confirmed by registered letter. This letter (hereinafter and in the Conditions of Contract called the "Letter of Acceptance") will state the sum that the Employer will pay the Contractor in consideration of the execution and completion of the Works by the Contractor as prescribed by the Contract (hereinafter and in the Contract called "the Contract Price").</p> <p style="text-align: right;"><b>Contd.Pg.5</b></p>	<p><b>Clause 29 of ITB</b> <b>29. NOTIFICATION OF AWARD AND SIGNING OF AGREEMENT</b> 29.1 The Bidder, whose Bid has been accepted, will be notified of the award by the Employer prior to expiration of the Bid validity period by cable, telex, or facsimile confirmed by registered letter. This letter (hereinafter and in the Conditions of Contract called the "Letter of Acceptance") will state the sum that the Employer will pay the Contractor in consideration of the execution and completion of the Works by the Contractor as prescribed by the Contract (hereinafter and in the Contract called "the Contract Price").</p> <p style="text-align: right;"><b>Contd.Pg.5</b></p>

<b>(1)</b>	<b>(2)</b>	<b>(3)</b>
	<p>(contn.from pg.4)</p> <p>29.2 The notification of award will constitute the formation of the Contract, subject only to the furnishing of a Performance Security/Security Deposit in accordance with Clause 30.</p> <p>29.3 The Agreement will incorporate all agreements between the Employer and the successful Bidder within 28 days following the notification of award along with the letter of Acceptance.</p>	<p>(contn.from pg.4)</p> <p>29.2 The notification of award will constitute the formation of the Contract, subject only to the furnishing of a Performance Security/Security Deposit in accordance with Clause 30.</p> <p>29.3 The Agreement will incorporate all agreements between the Employer and the successful Bidder within 28 days following the notification of award along with the letter of Acceptance.</p> <p><b>29.4. In the tendering process, the cause of rejection of tender of any bidder should be intimated to non-qualified bidder after the award of the work to the successful one and the Security/Earnest Money shall be refunded to unsuccessful bidders.</b></p>
<p><b>CMM</b> (CMF 3.09)</p>	<p><b>Cl. 27.00 Condition of Contract</b></p> <p>The daily rate of transportation shall be about the yearly quantity divided by the number of working days in the year <math>\pm</math> 30%, but the contractor may be called upon to transport still more /still less quantity and no claim whatsoever shall lie against company on account of such variations. The contractor/ s shall make necessary arrangements and ensure transportation of coal etc. on daily basis, as advised by the general manager/ project officer.</p>	<p>The daily rate of transportation shall be about the yearly quantity divided by the number of working days in the year <math>\pm</math> 30%, but the contractor may be called upon to transport still more /still less quantity and no claim whatsoever shall lie against company on account of such variations. The contractor/ s shall make necessary arrangements and ensure transportation of coal etc. on daily basis, as advised by the general manager/ project officer.</p> <p><b>The total quantity of material in the contract can be increased upto 30% with the approval of the concerned director as a cushion to cover eventualities arising from increase in production.</b></p>

(1)	(2)	(3)
<b>MCEW</b>	<b>Additional Issues.</b>	
<p><b>MCEW</b> (Pt-1)</p>	<p><b>Cl. 4.17</b> The basic minimum eligibility criteria for the purpose of evaluation of offers received will be as under :-</p> <p>1(a) The Intending tenderer must have in its name as a prime contractor experience of having successfully <b>completed similar</b> works during last 7(seven) years ending last day of month previous to the one in which bid applications are invited (i.e. eligibility period) should be either of the following :- Three similar <b>completed works</b> each costing not less than the amount equal to 40% of the estimated cost. <b>OR</b> Two similar <b>completed works</b> each costing not less than the amount equal to 50% of the estimated cost. <b>OR</b> One similar <b>completed work</b> costing not less than the amount equal to 80% of the estimated cost.</p>	<p>The basic minimum eligibility criteria for the purpose of evaluation of offers received will be as under :-</p> <p>1(a) The Intending tenderer must have in its name as a prime contractor experience of having successfully <b>completed similar</b> works during last 7(seven) years ending last day of month previous to the one in which bid applications are invited (i.e. eligibility period) should be either of the following :- Three similar <b>completed works</b> each costing not less than the amount equal to 40% of the estimated cost. <b>OR</b> Two similar <b>completed works</b> each costing not less than the amount equal to 50% of the estimated cost. <b>OR</b> One similar <b>completed work</b> costing not less than the amount equal to 80% of the estimated cost.</p> <p>In all the above cases, while considering the value of completed works, the full value of completed work be considered whether or not the date of commencement is within the said seven years period.</p>

**NOTE:**

1. The above approved amendments clauses had been communicated to all subsidiaries immediately after Board's passing the resolution, except website publication.

## REVISION OF CMM AND MCEW APPROVED BY CIL BOARD.

**This is for information to all concerned** that subsequent to publication of CMM and MCEW, amended upto August, 2007, following proposals for amendment of certain clauses in CMM and MCEW have been approved by CIL Board in its different meetings, as detailed below, for their implementation.

1. The Board of Directors of Coal India Ltd. ), in the 257<sup>th</sup> meeting held on 31<sup>st</sup> May and 1<sup>st</sup> June, 2010 at CIL (HQR), Kolkata, has approved the “Proposed Modification (ANNEXURE II) of certain provisions in CMM and MCEW of Coal India, vide item no. 257.4(U)”

### Excerpt of Minutes :

- 4.21 The Board, after detailed deliberation, approved the proposal for amendment of clauses as placed in the Annexure-II of the Agenda note.  
The Board also directed that the approved clause would also be included in the purchase manual and will replaced the existing provision, if any, for the sake of uniformity on account of clarifications in all the three manuals.

Document	Existing Clause:	Amended Clause.
(1)	(2)	(3)
<b>CMM</b>	<b>TURNKEY CONTRACT:</b> Clause 24 <b>CLARIFICATION OF BIDS:</b> To assist in the examination, evaluation, and comparison of Bids, the Employer may, at the Employer’s discretion, ask any Bidder’s for clarification of the Bidder’s Bid. Including breakdowns of unit rates. The request for clarification and the response shall be in writing or by cable, telex or facsimile.	No document presented by the Bidder after closing date and time of the bid will be taken into account by the Evaluation Committee unless otherwise called for during technical scrutiny by the tender committee as clarification. This However, will have no bearing with the price quoted in the price bid.
<b>CMM</b>	<b>ITEM RATE CONTRACT:</b> Clause 24 <b>CLARIFICATION OF BIDS:</b> To assist in the examination, evaluation, and comparison of Bids, the Employer may, at the Employer’s discretion, ask any Bidder’s for clarification of the Bidder’s Bid, including additional documents/ breakdowns of unit rates. The request for clarification and the response shall be in writing or by cable, telex or facsimile.	No document presented by the Bidder after closing date and time of the bid will be taken into account by the Evaluation Committee unless otherwise called for during technical scrutiny by the tender committee as clarification. This However, will have no bearing with the price quoted in the price bid.

(1)	(2)	(3)
<b>CMM</b>	<b>TRANSPORT CONTRACTS:</b> Clause-23 CLARIFICATION OR BIDS : To assist in the examination, evaluation, and comparison of Bids, the Employer may, at the Employer's discretion, ask any Bidder's Bid, including breakdowns of unit rates. The request for clarification and the response shall be in writing.	No document presented by the Bidder after closing date and time of the bid will be taken into account by the Evaluation Committee unless otherwise called for during technical scrutiny by the tender committee as clarification. This however, will have no bearing with the price quoted in the price bid.
<b>MCEW</b>	<b>Clause 18, PART-II:</b> No document presented by the bidder after the closing date & time of the bid will be taken into account unless it is of purely technical nature which has no bearing financially on the contract & which does not seek major changes in the technical specifications given in the bid documents. If a bidder offers a rebate unilaterally after the closing date & time of the bid, it will not be taken into account for evaluating purposes by the Tender Committee, but if that bidder emerges as the lowest evaluated, the rebate offered will be taken into account for determination of the total offer.	No document presented by the Bidder after closing date and time of the bid will be taken into account by the Evaluation Committee unless otherwise called for during technical scrutiny by the tender committee as clarification. This however, will have no bearing with the price quoted in the price bid. If a bidder offers a rebate unilaterally after the closing date & time of the bid, it will not be taken into account for evaluating purposes by the Tender Committee, but if that bidder emerges as the lowest evaluated, the rebate offered will be taken into account for determination of the total offer.