

**CIL's Response to the queries of prospective bidders during Pre-Bid Meeting held on 17.03.2021 against Tender # CIL/C2D/Cart. Expl. & Accs./2021-23/369 dated 04.03.2021 for Conclusion of Running Contracts (RCs) and empanelment as Reserve RC holders for a period of two years from the date of issue of RC for supply of Cartridge Explosives & Accessories to all the subsidiary companies of CIL and NEC**

Sl. No.	NIT Clause No.	NIT Terms	Prospective Bidder's Queries	Response of CIL
1	Clause-15 of ITB	Bid Security Declaration	There should be Interest payable in case EMD not paid on time after completion of the contract.	EMD is not applicable in this tender.
2	Clause 21.2 of ITB	Price quoted shall be on FOR destination basis, inclusive of freight, insurance and all other charges except GST applicable	The FOR price should be on subsidiary company basis as the distances vary from subsidiary to subsidiary. For example NECL is 2700 kms away from Hyderabad where as WCL is 550 kms from Hyderabad.	No change in NIT
3	Clause 21.3 of ITB	For all tender items, a single FOR Destination price shall be quoted for supply to all mines of CIL i.e. FOR-CIL price shall be quoted for all items. In case of award of RC, the successful bidders shall have to supply the awarded items on a single FOR Destination rate to all the Subsidiaries of CIL and NEC	Request you to consider for subsidiary wise offer as in case of SMS tender and earlier tender practices.	No change in the NIT.
4	Clause - 21.7 of ITB	<p><b>Price Variation during Contract Period:</b>                      The RC price for cartridge explosives i.e. LD and permitted explosives shall be revised on quarterly basis based on the price variation formula indicated below:  <math>Pr = Po (0.15 + 0.10 \times Clr/ClO + 0.65 \times ANr/ANo + 0.10 \times HSDr/HSDo)</math>                      where,                      Pr = Revised price as on the date of price revision.                      Po = Base price as on base date.                      Clr = All India Consumer Price Index (AICPI) for industrial workers [All India (2)] on a date three (3) months prior to the date of price revision.                      ClO = All India Consumer Price Index for industrial workers [All India (2)] on a date three (3) months prior to the base date, as available in website www.rbi.org.in.                      HSDr = Retail Selling Price of Diesel in Kolkata, as available on the website of Petroleum Planning &amp; Analysis Cell, MoPNG (www.ppac.gov.in), on a date 7 days prior to the date of price revision.                      HSDo = Retail Selling Price of Diesel in Kolkata, as available on the website of Petroleum Planning &amp; Analysis Cell, MoPNG (www.ppac.gov.in), as on base date.                      ANr = Price of Ammonium Nitrate on a date 7 days prior to the date of price revision.                      ANo = Price of Ammonium Nitrate (AN), as on base date.</p> <p>The price of AN shall be the ex-works AN (100% Melt) price of RCF (Rs/MT) valid on the particular dates (base date &amp; revision date).</p> <p>The RC price of accessories i.e. items other than LD and Permitted explosive shall be revised on yearly basis based on the price variation formula indicated below:  <math>Pr = Po (0.15 + 0.85 \times Clr/ClO)</math>                      where Pr, Po, Clr &amp; ClO have meanings as above.</p> <p>The base price for any item shall be the RC price to be finalized against this tender and the base date shall be date of the reverse auction.</p> <p>All indices shall be measured from the base date.</p> <p>The first price revision for explosives shall take place on the 1st day of a month following completion of 3 months from the reverse auction date. Subsequent revision shall take place exactly after every 3 months.</p>	<p><b>Bidder 1:</b>                      It should be on a monthly basis as either side will not face any hardship.</p> <p><b>Justification:</b>                      In the current scenario, the prices are volatile.</p> <p><b>Bidder 2:</b>                      Instead of quarterly request to consider for monthly as other PSU's are following</p> <p><b>Bidder 3:</b>                      PVC clause to be revised because prices of Raw materials are changing time to time and availability is not there and moreover PVC clause is not covered for all the Raw materials. For accessories also price revision should be 3 months instead of One year.</p>	<p>Quarterly price revision in case of explosives and annual price revision in case of accessories is sufficient to take care of variations in prices of raw materials during the RC period of 2 years.</p> <p>Hence, no change in the NIT</p>

		<p>The first price revision for accessories shall take place on the 1st day of a month following completion of 12 months from the reverse auction date. Subsequent revision shall take place exactly after every 12 months.</p> <p>The price revision for both explosives and accessories shall not have any ceiling.</p> <p>The revised price/indices of each quarter shall be the base price/indices for next quarterly revision of explosives. For accessories, the revised price/indices of each year shall be the base price/indices for next yearly revision.</p> <p>RC prices w.e.f. start date of RC till the first revision and also in between subsequent revisions shall remain firm.</p>		
5	Clause 26(j) of ITB	Initial period of reverse auction will be two hours. There will be auto extension of time every time by 30 minutes in case of any reduction recorded in the last 30 minutes. The reverse auction will come to a close only when there is no further reduction recorded in the last 30 minutes slot.	This clause may be remained same as was done previously that is auto extension of time every time by 10 minutes only.	No change in NIT
6	Clause - 31 of ITB	Quantity variation : CIL / subsidiaries reserve the right to increase/decrease the ordered/allocated quantity to the extent of (+/-) 40% (Forty percent) of the RC quantity keeping in view the actual need of the subsidiary companies. In exigencies, the quantity may be increased even beyond 40% (Forty percent), limited to the PESO License capacity, with the specific approval from CIL. Bidders shall be required to accept the order for such higher/lower quantity at the same terms, conditions and price during the validity of the running contracts.	<p>Bidder 1: The 40% quantity Variation Clause should be removed. If not, CIL must seek the supplier's Consent before placing an Excess 40% order. <b>Justification:</b> The party, after receiving an order from CIL might have already allocated its balance license capacity for other contracts. Or the party may not have the Interest to further continue for any reason.</p> <p>Bidder 2: Varying quantity of +/- 40% is leading to unhealthy pressure on plants, vehicles and manpower., then when likely will be the revision date. It is specially not recommended in Explosive Units. Hence, It is recommend to restrict this to +/-20%. Increase beyond 40% should not be even thought of by CIL. Vendors at their discretion may be allowed to supply when such situations arise. CIL already has Risk Purchase and Reserve RC holders to protect itself.</p>	<p>This Clause is to maintain the supply security and generally evoked in case of emergency only.</p> <p>No change in the NIT</p>
7	Clause - 38(a. to f.) of ITB	<p>Conflict of Interest</p> <p>A bidder shall not have conflict of interest with other bidders. Such conflict of interest can lead to anti-competitive practices to the detriment of Procuring Entity's interests. The bidder found to have a conflict of interest shall be disqualified. A bidder may be considered to have a conflict of interest with one or more parties in this bidding process for a particular item, if:</p> <ol style="list-style-type: none"> <li>they have controlling partner (s) in common; or</li> <li>they receive or have received any direct or indirect subsidy/financial stake from any of them; or</li> <li>they have the same legal representative/agent for purposes of this bid; or</li> <li>they have relationship with each other, directly or through common third parties, that puts them in a position to have access to information about or influence on the bid of another bidder; or</li> </ol>	<p>Clarification:</p> <ol style="list-style-type: none"> <li>This clause seems to be restrictive as per competition law, as each participating entity is independent in taking decisions hence this clause should be removed.</li> <li>Secondly, in case the clause is applicable can two bidders who are covered as per clause no 38(a) to 38(f) can participate in the Technical bid process &amp; also participate in the Price bid. If both the bidder qualifies in the technical bid and only can participate in the RA process the quantity allocation to the successful bidder may be given based on its position as well as for the next slot (instead of the second bidder who has not participated in the RA due to this clause). For example, if one bidder becomes L2 in RA then based on its offer quantity he may give the choice to take order quantity based on L 2 &amp; L 3 position.</li> </ol>	No change in the NIT

		<p>e. bidder participates in more than one Bid in the bidding process. Participation by a bidder in more than one bid will result in the disqualification of all bids in which the parties are involved.</p> <p>f. in case of a holding company having more than one independently manufacturing units, or more than one unit having common business ownership/management, only one unit should quote. Similar restrictions would apply to closely related sister companies. Bidders must proactively declare such sister/common business/ management units in same/similar line of business.</p>		
8	Clause -6 of GCC and Clause-2 of SCC	SDBG.	There should be Interest payable in case not paid on time after completion of the contract.	SDBG will be released as per provision of clause 2.4 of SCC of NIT. No change in the NIT
9	Clause 12.4 of GCC	In case of FOR Destination contracts, transport of goods to the Destination site shall be arranged and paid for by the supplier and the cost thereof shall be included in the contract price. Transportation of goods is to be done through registered common carriers only.	Not applicable as we supply in Explosive Vans. We will not be registered as common carriers	This clause stands modified in Clause-7 of SCC which reads as follows : “The Supplier shall provide transportation of the Goods in PESO approved Explosive vans”.
10	Clause 13.2 of GCC	This warranty shall remain valid for twelve (12) months from the date of Commissioning of the equipment. However, in case of other Goods, warranty shall remain valid for eighteen (18) months from the date of receipt and acceptance of materials at consignee’s end or twelve (12) months from the date of its use / fitment / commissioning, whichever is earlier.	Shelf life of each product to be discussed and levied	This clause stands modified in Clause-8 of SCC which reads as follows : “Sec-III- GCC Clause 13 is deleted.”
11	Clause 20 of GCC	<p><b>Liquidated Damages</b></p> <p>In the event of failure to deliver or dispatch the stores within the stipulated date/period in accordance with the samples and/or specifications mentioned in the supply order and in the event of breach of any of the terms and conditions mentioned in the supply order, the Purchaser shall have the right:</p> <p>a) To recover from the successful bidder as agreed liquidated damages, a sum not less than 0.5% (half percent) of the price of any equipment or stores which the successful bidder has not been able to supply as aforesaid for each week or part of a week during which the delivery of such stores may be in arrears limited to 10% of the total contract value.</p> <p>b) To purchase elsewhere, after due notice to the successful tenderer on the account and at the risk of the defaulting supplier the equipment/stores not supplied or others of a similar description without canceling the supply order in respect of the consignment not yet due for supply or</p> <p>c) To cancel the supply order or a portion thereof, and if so desired to purchase the equipment/stores at the risk and cost of the defaulting supplier and also –</p> <p>d) To extend the period of delivery with or without penalty as may be considered fit and proper, the penalty, if imposed shall not be more than the agreed Liquidated Damages referred to in clause (a) above.</p> <p>e) To forfeit the security deposit full or in part.</p> <p>f) Whenever under this contract a sum of money is recoverable from and payable by the supplier, the Purchaser shall be entitled to recover such sum by appropriating, in part or in whole by deducting any sum or any other contract should this sum be not sufficient to cover the full amount recoverable, the successful bidder shall pay the Purchaser on demand the remaining balance. The</p>	<p>This clause including all sub clauses should be deleted.</p> <p>Reason: Damages caused to CIL are well covered in Delivery Supply Performance Clause 5 of Section IV – Special Conditions of Contract. CIL is also protected by RISK PURCHASE clause and also by an SDBG or PBG. Hence Levy of Liquidated Damages will create multiple penalties to a vendor for the same mistake of vendor. The same may be avoided. RE-11 should be cancelled on monthly basis if they did not consume the material.</p>	No change in NIT

		supplier shall not be entitled to any gain on any such purchase.		
12	Clause - 28.2 of GCC	In case of contract with a Public Sector Enterprise or Govt. Dept., the following Arbitration Clause shall be incorporated in the contract: “In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs)/ Port Trusts inter se and also between CPSEs and Government Departments/ Organizations (excluding disputes concerning Railways, Income Tax, Customs & Excise Departments), such dispute or difference shall be taken up by either party for resolution through AMRCD as mentioned in DPE OM No. 4(1)/2013-DPE(GM)/FTS-1835 dated 22.05.2018.”	Suggestion for change: The Arbitration clause should be incorporated in NIT, for all suppliers to settle the matters of any disputes related to NIT for ease of doing business.	No Change in NIT
13	Clause 32 of GCC	Jurisdiction of Courts 32.1 Irrespective of the place of delivery, the place of performance or place of payment under the contract, the contract shall be deemed to have been made at the place from where the acceptance of tender or supply order has been issued. 32.2 The courts of the place from where the acceptance of tender has been issued shall alone have jurisdiction to decide any dispute arising out of or in respect of the contract.	The courts of the place from where the Tenderer is located shall alone have jurisdiction to decide any dispute arising out of or in respect of the contract since there are many cases pending in Kolkata Courts for long time. It is affecting the business.	No change in NIT
14	Clause 9.5 of SCC	In case the half yearly delivery performance for any of the RC items falls below 90% at any of the subsidiary company, as per report, duly signed by representative of subsidiary company and RC holder, for every percentage reduction / drop (including fractions rounded off to nearest two decimal points) in delivery performance, equal percentage of the supply value (without GST) of that item in that half year shall be deducted from the bills of the supplier by the concerned subsidiary company. For example, if the shortfall quantity works out to 1.23%, monetary penalty to be imposed will be to the tune of 1.23% of supply value (without GST). This will be applicable for shortfall in delivery performance from 90% upto 80%.	Bidder 1: In case the half yearly delivery performance for any of the RC items falls below 90% at any of the subsidiary company, as per report, duly signed by representative of subsidiary company and RC holder, for every percentage reduction / drop (including fractions rounded off to nearest two decimal points) in delivery performance, equal percentage of the supply value (without GST) of that item in that half year shall be deducted from the bills of the supplier by the concerned subsidiary company. “Any such deduction will be refunded back to the supplier in case the supplier achieves 90% delivery performance on annual Basis “  Justification: The half-yearly delivery performance mandates that any of the RC items should not fall below 90%, and in the event this happens, equivalent percentage reduction/drop of the supply value in that half-year shall be deducted from the bills of the supplier. The supplier should, however, make up the shortfall in the next half year to achieve 90% in one year period. This clause impresses upon the supplier to raise their delivery performance levels to higher than 90% in the next half-year so that the compounded delivery performance in one year is 90%, and deductions in that half-year could be avoided. However, to achieve compounded 90% yearly performance, the deductions made in the earlier half year do not get refunded, with increased delivery performance levels, and it only provides relief to the purchaser alone, and not to the supplier. The clause is silent in this respect,	The purpose of monitoring half-yearly and deduction based on half yearly delivery performance is to ensure continued supply of Cartridge explosive and accessories. In case, the request is accepted the purpose will be defeated. Hence, no change in NIT in this respect.

**Bidder2:**

If the proposed clause is incorporated in the NIT, the Bidder will have to face heavy penalties in case delivery performance is not met. Case study is given below to substantiate this expression.

**Delivery Performance Table:**

Month	RE-11 qty.	Supplied qty.	Short fall	Delivery performance
1	1000	900	0	90%
2	1000	900	0	90%
3	1000	850	50	85%
4	1000	900	0	90%
5	1000	900	0	90%
6	1000	900	0	90%
	6000	5350	50	89.16%

**Penalty Table:**

Option	Actual / shortfall qty (MT)	Rate Rs / MT	Value Rs in lacs	% of short fall	Penalty Rs in lacs
1	5350	30000	1605	0.83	13.32
2	850	30000	255	0.83	2.12
3	50	30000	15	0.83	0.123

Option1: Penalty is levied on total quantity supplied during the half year.

Option2: Penalty is levied on total supplied quantity of the month in which delivery performance is not met.

Option3: Penalty is levied on short fall quantity of during the half year.

From the above it is clearly evident that heavy penalties are levied in case of Options 1 & 2 including wiping out of material value of the supplied quantities. Hence penalty should be levied on short fall supply quantity only as explained above in option 3.

Penalty should be restricted to that particular month in which delivery performance is not achieved.

However, a Chance should be given to the supplier to make up the shortfall in the next half year so as to achieve 90% in one year period. CIL is also protected by RISK PURCHASE clause and PBG.

**The penalty will be calculated on the value of non-supplied items. Clause is being modified accordingly.**

15	Clause 9.6 of IV - SCC	<p><b>Delivery Performance Deduction Calculation</b></p> <p>In case the half yearly delivery performance for any of the RC item fall below 80%, maximum monetary penalty of 10% of supply value will be imposed apart from reserving CIL's right to rescind/short close the RC for the subsequent period for that particular item in the relevant subsidiary where the shortfall occurs and the balance RC quantity thereof, may be purchased from any of the existing RC holders or empaneled "Reserve RC holders".</p> <p>Calculation of monetary penalty in terms of clauses 5.5 and 5.6 above, is illustrated below ;</p> <table border="1" data-bbox="338 477 1204 688"> <thead> <tr> <th>Item</th> <th>Half Yearly Qty. of final/adjusted RE-11 *</th> <th>Actual supplied as per RE-12</th> <th>% of Actual Supply</th> <th>% Shortfall (90-D)</th> <th>Supply Value (Rs.)</th> <th>Value of Penalty (Rs.) (FxE/100)</th> </tr> <tr> <th>(A)</th> <th>(B)</th> <th>(C)</th> <th>(D)</th> <th>(E)</th> <th>(F)</th> <th>(G)</th> </tr> </thead> <tbody> <tr> <td>Detonating Fuse</td> <td>70 KM</td> <td>58 KM</td> <td>82.86</td> <td>7.14</td> <td>182062.00</td> <td>12999.23</td> </tr> </tbody> </table> <p>*. In case the requirement changes after issuance of RE-11, the delivery performance shall be evaluated on the basis of actual quantity supplied against the revised requirement as per Clause 5.4 above.</p> <ul style="list-style-type: none"> <li>Value in column 'F' has been worked out taking unit rate of Rs.3139.00 per KM i.e., value in column 'C' multiplied by Rs.3139.00</li> </ul> <p>Besides, the subsidiary company shall take action as per clause-32, Section-II, ITB of the NIT.</p>	Item	Half Yearly Qty. of final/adjusted RE-11 *	Actual supplied as per RE-12	% of Actual Supply	% Shortfall (90-D)	Supply Value (Rs.)	Value of Penalty (Rs.) (FxE/100)	(A)	(B)	(C)	(D)	(E)	(F)	(G)	Detonating Fuse	70 KM	58 KM	82.86	7.14	182062.00	12999.23	<p>The Existing Deduction Calculation is based on supplied sales value. It should be replaced by a Deduction calculation on Balance sales Value.</p> <p>Justification:</p> <p>As per the Existing formula given: If a party supplies 82.86 his deduction is 12999 calculated on the total sales value supplied. In this case, a supplier who has supplied NIL quantity is benefited from NIL deduction. This is against the principles of natural justice. Where you are punishing a supplier for not supplying only 7.14% of the total order and not penalizing a supplier who has supplied NIL quantity.</p>	<p><b>The penalty will be calculated on value of non-supplied items.</b></p> <p><b>The Clause is being modified accordingly.</b></p>
Item	Half Yearly Qty. of final/adjusted RE-11 *	Actual supplied as per RE-12	% of Actual Supply	% Shortfall (90-D)	Supply Value (Rs.)	Value of Penalty (Rs.) (FxE/100)																			
(A)	(B)	(C)	(D)	(E)	(F)	(G)																			
Detonating Fuse	70 KM	58 KM	82.86	7.14	182062.00	12999.23																			
16	Clause - 12 of SCC	<p>Payment terms: 100% payment will be made within 21 days on receipt and acceptance of the materials at site or submission of bill whichever is later. This payment clause should be accepted clearly.</p>	<p>Bidder 1:</p> <p>CIL should clarify, that all subsidiaries shall be abiding by the payment terms of 21 days, and then if any subsidiary does not abide/defaults the payment terms for more than 30 days, its right for the delivery performance of 90% shall be made null and void.</p> <p>Bidder 2:</p> <p>100% payment will be made within 21 days on receipt and acceptance of the materials at site or submission of bill whichever is later. This payment clause should be accepted clearly.</p> <p>A Standard payment procedure on the lines of Standard Testing Procedure is to be enacted at CIL HO and distributed across all subsidiaries. We find differences in payment procedures in various subsidiaries leading to delays in release of funds and follow ups.</p>	<p>Payment will be made as per provisions of the NIT.</p> <p>No change in the NIT.</p>																					

			Penalties are being levied on the Supplier whenever there is a deviation from the order terms. In the same spirit, Interest should be paid to the supplier in case the payment is not made within 21 days on receipt and acceptance of the materials at site or submission of bill whichever is later as per order terms.	
17	Clause 13 of SCC	<p><b>Price fall clause.</b></p> <p>13.1 - The Bidder undertakes that it has not offered to supply/ supplied / is not supplying same or similar product / systems or sub systems at a price lower than that offered in the present bid in respect of any Organization / Ministry / Department of the Govt. of India or Coal India Ltd. and/or its Subsidiaries or other PSU or any other private organization during the currency of the contract and if it is found at any stage that same or similar product / systems or sub systems was supplied by the bidder to any Organization / Ministry / Department of the Govt. of India or Coal India Ltd. and/or its Subsidiaries or other PSU or any other private organization at a lower price during the currency of the contract, then that very price will be applicable to the present case and the difference in the cost would be refunded by the bidder to buyer, if the contract has already been concluded.</p> <p>Note:</p> <p>(i) The currency of contract will mean the period till completion of supply.</p> <p>(ii) It shall be responsibility of the supplier to inform the purchaser of offer to supply / supply of the ordered / similar item(s) at a lower rate to any Organization / Ministry / Department of the Govt. of India or Coal India Ltd. and/or its Subsidiaries or other PSU or any other private organization during the currency of the contract.</p> <p>13.2 - In case the price of a product is reduced for any supplier due to invocation of 'Price Fall clause' or any other reason, the same lower price shall also be applicable for the other suppliers who are having parallel RCs against this tender. If any supplier does not accept the lower price, CIL shall have the right to delete the item from the scope of RC of such firm and procure explosives/ accessories from other existing supplier / Reserve RC holders.</p>	<p>Bidder 1</p> <p>We request CIL to clarify, what and how much is the elapsed time considered as the Fall clause cannot be applied to the whole duration of the contract, and how they can differ from SCCL in the price fall clause when CIL adopts the lower prices from them for making it applicable to CIL and ignoring their terms &amp; conditions of purchase Contract.</p> <p>Justification:</p> <p>Further, the Price fall clause is applied to the price of the product. When CIL is giving a price on FOR basis, it includes Basic price +Freight, handling, etc. The freight component is large and varies from customer to customer based on distance from the factory.</p> <p>Bidder 2:</p> <p>Please consider as per other PSU norms i.e. within 6 months of tender finalization. Due to PVC variation clause application period is different. Prices may be vary from quarter to quarter. Presently an prices are very high and our odder prices also accordingly. But as per NIT PVC clause it is not possible to offer.</p> <p>Bidder 3:</p> <p>The BIDDER shall pass on the benefit to the CIL on its own, in case the bidder sells same item to any Public sectors only within a period of 6 months from the date of receipt of order at price less than the price offered to CIL with same terms and conditions, otherwise, CIL reserve its right to recover the difference amount from the running bills anywhere in the CIL for the items delivered and to be delivered. In case the running bills amount is not sufficient, CIL may give notice to pay the amount, the bidders shall pay the amount within 15 days of receipt of the notice, otherwise the amount will be recovered by invoking the Performance Bank Guarantee.</p> <p>[A] The PFC clause is to be restricted to the supplier on whom it has been invoked. It should not be passed on to parallel RC holders. This has already huge legal cases. Many a times the reason for price fall is due to an inadvertent mistake of the defaulting RC holder and unintentional. So apart from defaulting RC holder, all other parties should not be made scapegoats.</p> <p>[B] Also give provision to consider fairly as to terms of supply i.e. ex-factory or FOR, powder factor applicability to other vendors, Random</p>	The purpose of the PFC is to protect the interest of CIL. Hence, no change in the NIT.

			<p>Testing Applicability, PBG applicability. Now a days most of the business run on single digit margins and prices are more wide open. Hence price to CIL or other vendors would not be huge differences and if other vendors don't have any of the following clauses (i) Free delivery (ii) Powder Factor (iii) Random Testing then it could have a price impact. Pls. consider suitably.</p> <p>This is more so in the LD / Permitted Explosives..</p> <p>[C] Alternatively we propose CIL give a tolerance of +/- 10% of the price. As explained above any variations will fall within this bracket.</p>	
18	Clause 5 of TSS	<p><b>A) TESTING BY CMPDIL</b></p> <p>5.1 The consignee subsidiary company shall conduct quarterly random test of the explosives &amp; accessories supplied by the supplier through CMPDIL as per SOP approved by CMPDIL.</p> <p>5.2 The limits of technical parameters for random test are given in the NIT under a separate annexure titled 'Product Specifications and Random Test Parameters' and shall also be mentioned in the RC.</p> <p>5.3 The testing charges shall be borne by CIL/ Subsidiaries for carrying out the testing.</p> <p>5.4 The random test shall be conducted every quarter in each subsidiary. The authorized representative from CMPDIL shall draw the required number of samples randomly in each quarter from any magazine. The samples shall be drawn and tested on the same day at mine in presence of representatives of subsidiary and the supplier. Test result shall be finalized even in absence of supplier's representative, if the representative failed to appear despite prior intimation to supplier or if the representative refuses to sign the Test Result.</p> <p>5.5 The Sample shall be treated as "Not Meeting Standards" (NMS) in random test if it does not meet any of the criterion specified under "acceptable standards" in Annexure-2 Penalty levied on the total supply value (without GST) of explosives and accessories supplied in that quarter shall be @ 1% for 1 NMS/Failed sample, @3% for 2 NMS/Failed samples, @5% for 3 NMS/Failed samples, @7% for 4 NMS/Failed samples and @10% for 5 or more NMS/Failed samples, and shall be deducted from the bills of the supplier by the concerned subsidiary company in every quarter.</p> <p><b>B) TESTING BY SUBSIDIARY COMPANY</b></p> <p>5.6 Apart from quarterly random tests by CMPDIL, CIL reserves the right to conduct additional test of explosives and accessories to be done randomly by consignee subsidiary companies with an ultimate aim of achieving batch wise testing of cartridge explosives and accessories.</p> <p>5.7 The limits of technical parameters for these tests are given in the NIT under a separate annexure titled 'Product Specifications &amp; Random Test Parameters' and shall also be mentioned in the RC.</p> <p>5.8 The testing charges shall be borne by CIL/ subsidiaries of CIL for carrying out the testing.</p> <p>5.9 The additional test to be done randomly shall be conducted every month by each subsidiary. The authorized representative from subsidiary company shall draw samples randomly in each month. The samples shall be drawn and tested on the same day at mine in presence of representatives of the supplier.</p> <p>5.10 The Sample shall be treated as "Not Meeting Standards" in additional test to be done randomly by subsidiary company if it does not meet any of the criterion specified under "acceptable standards" in Annexure-2 and penalty @ 1% of total supply value (without GST) of explosives and accessories supplied in that month shall be deducted from the bills of the supplier by the concerned subsidiary company. This will be in addition to penalty indicated at 5.5 above.</p>	<p>Bidder 1: As the CIL subsidiary are doing random testing its own. Consider for elimination of CMPDO tests.</p> <p>Bidder 2: There are POWDER FACTOR and PERFORMANCE AND PENALTY clauses under S. No.11 &amp; 12 of Technical Section including Specifications (TSS) which deals imposition of penalty in case non achievement of Bench mark powder factor and blast failure. All these penalties are based on the poor quality of the explosives. Testing is also dealt with the quality of the product. Hence it is requested [A] To delete the clause or have a detailed discussion to relax this clause. [B] To increase the tolerance levels to a more acceptable level. [C] In the case of DF and other accessories, the system of conducting samples is not correct. On review of the past experience, twenty samples are to be tested on an average per quarter and failures are also on high side during the last four years in respect of all the suppliers. . It is requested not to apply this clause to DF and other accessories. [D] For Accessories: The sample shall be treated as "Not Meeting Standards" (NMS) in random test if it does not meet any of the criterion specified under "acceptable limit" in Annexure 2 and Penalty of 1% of the value (without GST) of Accessories supplied in that quarter limiting to the frequency of the tests (i.e. deduction for the accessories supplied for a week if frequency of test is weekly and so on) shall be deducted from the bills of the supplier by the concerned subsidiary company for the immediate prior frequency period .</p> <p>[E] The clause 20% of more samples fail in a quarter, additional penalty of 5% is further more harsher clause proposed by CIL in current NIT. More so for a vendor giving out say 1 or 2 samples, and then if they fail even 1 sample , then additional 5% will be applicable. Hence this additional penalty clause shall be deleted.</p> <p>Current Random testing procedure is not approved procedure of PESO. The Random test results are varying because of the difference in testing procedure and site conditions. It leads to failure of product and recovery of huge amount i.e., 15% which is a very suicidal situation.</p> <p>Note: In the present reverse tendering system some of the manufacturers are offering cost to cost price (impracticable price). In the above situation manufacturer has to pay 15% of Random deduction charges from his pocket by supplying material to CIL. At present most of the manufacturers are facing the same problem that all CIL officials know the fact, but due to their limitations they can't do anything. Some people are also gone to court to safe guard their company existence. If they win they will survive otherwise they have to close down the operations or they have to bring money from outside for running the plant. Banks also will not fund for companies incurring losses. So we humbly request you to kindly look</p>	<p>Not agreed.</p> <p>No change in the NIT</p>

		<p>C) COMMON PROVISIONS Explosives and accessories of same batch will not be tested more than once either by CMPDIL or Subsidiary Company.</p>	<p>into it and safeguard the Indian industry. Government is promoting Make in India programme to promote the industry. But CIL is demoralizing /giving sleepless nights to Indian industry by putting the abnormal clauses, those are nowhere in India as well as world over.</p>	
19	Clause 5.5 of TSS	<p>Penalty levied on the total supply value (without GST) of explosives and accessories supplied in that quarter shall be @1%for1 NMS/failed samples, @3%for2 NMS/failed samples, @5% for 3 NMS/failed samples, @7% for 4 NMS/failed samples, and @10% for 5 or more NMS/failed samples, and shall be deducted from the bills of the supplier by the concerned subsidiary company in every quarter. If 20% or more samples of a product of the supplier are found NMS/Fail in random testing in a quarter, penalty of additional 5% on the total supply value (without GST) shall be levied.</p>	<p>There are POWDER FACTOR and PERFORMANCE AND PENALTY clauses under S. No.11 &amp; 12 of Technical Section including Specifications (TSS) which deals imposition of penalty in case non achievement of Bench mark powder factor and blast failure. All these penalties are based on the poor quality of the explosives. Testing is also dealt with the quality of the product. Hence it is requested [A] To delete the clause or have a detailed discussion to relax this clause. [B] To increase the tolerance levels to a more acceptable level. [C] In the case of DF and other accessories, the system of conducting samples is not correct. On review of the past experience, twenty samples are to be tested on an average per quarter and failures are also on high side during the last four years in respect of all the suppliers. . It is requested not to apply this clause to DF and other accessories. [D] For Accessories: The sample shall be treated as “Not Meeting Standards” (NMS) in random test if it does not meet any of the criterion specified under “acceptable limit” in Annexure 2 and Penalty of 1% of the value (without GST) of Accessories supplied in that quarter limiting to the frequency of the tests (i.e. deduction for the accessories supplied for a week if frequency of test is weekly and so on) shall be deducted from the bills of the supplier by the concerned subsidiary company for the immediate prior frequency period .  [E] The clause 20% of more samples fail in a quarter, additional penalty of 5% is further more harsher clause proposed by CIL in current NIT. More so for a vendor giving out say 1 or 2 samples, and then if they fail even 1 sample , then additional 5% will be applicable. Hence this additional penalty clause shall be deleted.  Current Random testing procedure is not approved procedure of PESO. The Random test results are varying because of the difference in testing procedure and site conditions. It leads to failure of product and recovery of huge amount i.e., 15% which is a very suicidal situation.  Note: In the present reverse tendering system some of the manufacturers are offering cost to cost price (impracticable price). In the above situation manufacturer has to pay 15% of Random deduction charges from his pocket by supplying material to CIL. At present most of the manufacturers are facing the same problem that all CIL officials know the fact, but due to their limitations they can't do anything. Some people are also gone to court to safe guard their company existence. If they win they will survive otherwise they have to close down the operations or they have to bring money from outside for running the plant. Banks also will not fund for companies incurring losses. So we humbly request you to kindly look into it and safeguard the Indian industry. Government is promoting Make in India programme to promote the industry. But CIL is demoralizing /giving sleepless nights to Indian industry by putting the abnormal clauses, those are nowhere in India as well as world over.</p>	No change in NIT
20	Clause 6 of TSS	<p>Nonel (Non-Electric Initiation System / Detonator): One (1) sample for every 1.0 lakh mtrs.</p>	<p>Nonel (Non-Electric Initiation System / Detonator): One (1) sample for every 2.0 lakh mtrs. Since consumption is in huge quantities.</p>	No change in NIT
21	Clause 10 of TSS	<p>The suppliers must also ensure compliance of all relevant statutory requirements under Mines Act 1952, Mines Rule 1955, CMR 2017 and related Laws and Bye laws, Orders &amp; Circulars published by the Govt. of India.</p>	<p>Request: Modify this clause as “The supplier and “the Mines/subsidiary” must ensure all relevant requirements under Mines Act 1952, Mines Rule 1955, CMR 2017 and related Laws and Bye-laws, Orders &amp; Circulars and “Explosives rules 2008” published</p>	<p>The mines are being run as per the Mines Act, Mines Rules 1955, CMR 2017 and related Laws and Bye laws, order and</p>

			<p>by the Govt. of India.”</p> <p>CIL through its communication should also ensure from all subsidiaries whether they are complying with all rules and regulations as mentioned above.</p> <p>Justification: Hence both should ensure compliance relevant to mines and supplies.</p>	<p>circulars and Explosives rules 2008.</p> <p>No change in the NIT</p>
22	Clause 11.6 of TSS	<p>Powder Factor review</p> <p>Mine wise benchmark PFs may be reviewed by the CMD of the Subsidiary Companies in consultation with CMPDIL on Financial Year basis, during the tenure of the contract, if the PF deduction/bonus at such mines exceeds 20% of the price of explosives. The revised PF, if any, shall apply during the tenure of the contract.</p>	<p>The word maybe is to be replaced by Shall Be.</p> <p>The Benchmark PF evaluation for the part year should be clubbed on 12 months basis to measure against the normative PF.</p> <p>Justification: This will remove ambiguity in the decision process.</p>	<p>There is no ambiguity in the clause.</p> <p>No change in the NIT</p>
23	Clause 11.6 of TSS	<p>The supplier has to lodge claim within one quarter of completion of the relevant year in case the deduction exceeds 20% of the price of explosives. The claim of the supplier shall be settled by the subsidiary company by succeeding quarter of the claim. Claim made by the supplier after the period shall not be entertained.”</p>	<p>Suggestion: The supplier has to lodge claim within one quarter of completion of the relevant year in case the deduction exceeds 20% of the price of explosives. {One quarter period for this shall be calculated from the date the subsidiary has intimated the PF details to the supplier} *. The claim of the supplier shall be settled by the subsidiary company by succeeding quarter of the claim. Claim made by the supplier after the period shall not be entertained.”</p> <p>*This has to be inserted.</p> <p>Justification:  The penal action/respice, for not settling the review claim by succeeding quarter, by the subsidiary company is not spelt out clearly. It is our observation, that PF review matters are not settled by subsidiary companies for over 2 and 3 years, without any commitment. Hence a proper mechanism should be defined, to settle the review cases, and in the event, it is not settled as per the time framework, the deducted amount shall be refunded unconditionally. The time frame for disposal of a review case is very essential and important, as the reviews are not taken forward</p>	<p><b>Claim period is being extended for further one month. The clause is being modified accordingly.</b></p>
24	Clause 1 of Anx - 1	<p>Approved product list of cartridge explosives and accessories in CIL</p>	<p>Updated New list of PESO and CMPDIL approved products is to be issued.</p> <p>Justification: Few products and companies are not Existing as of now.</p>	<p>Product list is being prepared as per the procedure of CIL in this regard.</p> <p>No change in the NIT</p>

25	Clause 1 of Anx - 1	Delay Timing As specified by the Manufacturer $\pm 0.1\%$	Request for change: As specified by the Manufacturer $\pm 0.1\%$ for above 500MS and $\pm 1$ MS up to 500MS	Not agreed. No change in the NIT
26	Clause 1.4.2 of Annexure 2	Detonators (CDD) As specified by the Manufacturer $\pm 5$ ms	To increase from $\pm 5$ ms to $\pm 10$ ms	No change in NIT
27	Clause 1.6 of Annexure 2	Nonel (Non Electric Initiation System/Detonator) As specified by the Manufacturer ( $\pm 10$ ms for long delay and $\pm 5$ ms for connectors)	To increase from $\pm 10$ to $\pm 20$ for long delay and $\pm 5$ ms to $\pm 10$ ms for connectors	No change in NIT