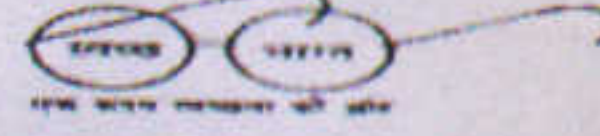






"Under Jurisdiction of Nagpur Court only"



	<b>WESTERN COALFIELDS LIMITED</b> (A MINIRATNA COMPANY) (A Govt. of India Undertaking) <b>OFFICE OF THE DIRECTOR (T)/P&amp;P</b> Phone & Fax.: (0712) 2510532	
Regd. Off. : Coal Estate, Civil Lines, Nagpur – 440 001.		

REF NO: WCL/VIG/D(T)/P&P/171/604

DATED: 27/09/2017

**CIRCULAR**

During examination of case files of Purchase repairing of HEMM in one of the WCL Area, the following observations were made by Vigilance department;

(1) Area has floated a tender three times for same repairing job after canceling the tender stating the bidder participation is less than two and therefore the tender was cancelled.

(2) Ultimately the work order was placed who has participated in the first, second and third tender.

(3) Without considering the tendering cost and manpower engaged for tendering etc, Area has repeatedly cancelled the tender as bidder participation is less than two.

(4) The bidder has quoted material cost but requirement of material and their market price was not quoted.

(5) The bidder has quoted Labour cost but Requirement of skilled labour and unskilled labour etc and their wages was not quoted in the technical and price bid.

(6) Rate breakup for each sub-category of job was not quoted by bidder in the tender.

(7) The joint inspection report by bidder and user is mandatory as per NIT before submission of tender. This will restrict the participation of bidder since firms away with the work place can not



come to site to make joint inspection . This job will add additional cost to the over all cost. This should be avoided.

(8) The type of non destructive testing required as per NIT after completion of job was not mentioned by the bidder in the tender but the same was accepted by tender committee.

(9) Return of old/replaced items by new one was not mentioned in NIT/work order.

(10) The Security Deposit to be deposited before excution of work as per NIT is not incorporated in the work order.

(11) The firm registered with NSIC/DIC/MSME for the tendered job is exempted from submission of EMD is not incorporated in the NIT, but Tender committee has given EMD exemption to firm's registered with NSIC/DIC/MSME.

(12) The exact evaluation of cost of repairing works was not done by Area and they placed work order without analyzing cost of each job.

(13) Area has shown urgency in the proposal but the file was kept pending after approval of approving authority about three months to place work order.

(14) The payment clause was 90% by cheque within 30 days after completion of work but about balance 10% payment there is no instructions in the work order to release the payment.

**The following systemic improvement is suggested in connection with Purchase repairing of HEMM, E&M and others repairs;**

(A) The common terms and conditions of NIT for repairing of both HEMM and E&M should be formulated centrally by GM( EXCV) and GM (E&M) and circulate to WCL Areas for implementation with approval of Competent Authority so that there should not be any



ambiguity in the tender.

**(B)** The NIT should be uniform in All Areas/units of WCL

**(C)** Rate breakup for each sub-category of job has to be incorporated in the tender so that the exact evaluation of over all cost of repairing can be done

**(D)** The item wise requirement of items and quantities for repairing job has to be incorporated in the tender so that bidder can quote item wise rate to evaluate lowest bidder.

**(E)** The bidder has to quote number of skilled labour and unskilled labour required for repairing job and their wages for each job so that tender committee can evaluate actual requirement with departmental estimate.

**(F)** The items required for repairing job at WCL premises against work order are to be routed through concerned Unit Store before taking up the repairing job for proper recording.

**(G)** The type of non destructive testing if required has to be indicated in NIT and work order

**(I)** There should be clause in NIT and work order that the old/removed items by new one are to be deposited at Unit Store. A bidder has to enclose this certificate along with bills for making payment.

**(J)** The percentage of Security Deposit required to be deposited by bidder before starting of repair work are to be incorporated in the NIT and work order.

**(K)** The EMD/SD exemption to the firms registered with NSIC/DIC for the tendered job should be incorporated in the NIT and work order.

**(L)** The tender should be finalized on merit basis instead of repeated cancellation on account of bidder participation is less than two. The existing guidelines to be followed uniformly by all WCL

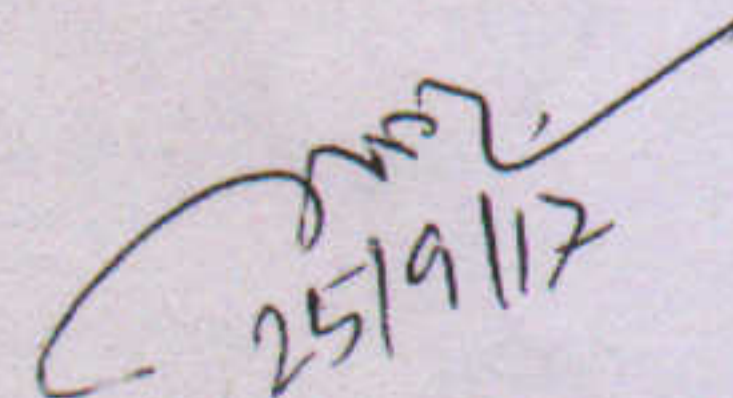


Areas.

**(M)** Once the proposal is approved by Competent Authority, the work order should be released immediately and should not keep pending for long time.

**(N)** The payment clause 90% and 10% should be clearly indicated in the NIT and work order and Area should make E payment instead of cheque payment.

**(O)** The above guidelines are in addition to the existing system if any and should be strictly complied by all the tendering authorities/ concerned authorities of HQ/Areas and Sub Areas of WCL.

  
25/9/17

Director (Tech)/P&P