NLC INDIA LIMITED

(“NAVRATNA” – A GOVERNMENT OF INDIA ENTERPRISE)

NEYVELI – 607801, TAMIL NADU

INTERNSHIP REPORT ON WEBSITE MANAGEMENT & GEM PROCUREMENT ONLINE PROCESS IN MATERIAL MANAGEMENT COMPLEX, NLC INDIA LTD., NEYVELI.

SUBMITTED BY

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B.E., COMPUTER SCIENCE & ENGINEERING,

(Approved by AICTE, Affiliated to Anna University, Chennai)

Deviyakurichi – 636112, Thalaivasal (Tk), Salem(Dt)

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NLC INDIA LIMITED

(**“**NAVARATNA – A GOVERNMENT OF INDIA ENTERPRISE)

NEYVELI – 607 801, TAMILNADU

TAGORE INSTITUTE OF ENGINEERING AND TECHNOLOGY

BONAFIDE CERTIFICATE

Certified that the internship training report titled “**STUDY OF** WEBSITE MANAGEMENT & GEM PROCUREMENT ONLINE PROCESS IN MATERIAL MANAGEMENT COMPLEX, NLC INDIA LTD**”** is the Bonafide work of,

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Studying B.E., COMPUTER SCIENCE & ENGINEERING at TAGORE INSTITUTE OF ENGINEERING AND TECHNOLOGY, DEVIYAKURICHI during the period from 01.07.2025 to 14.07.2025 at Material Management Complex, NLC INDIA LIMITED,NEYVELI.

Their performance, conduct and attendance during the period were__________________.

EXTERNAL GUIDE
SHRI. P. RAMESH
DEPUTY GENERAL MANAGER / PUR / MMC
NLC INDIA LIMITED

Permitted to submit the internship report to college authorities

DATE: 14.07.2025.
PLACE: NEYVELI

CHIEF MANAGER
LEARNING AND DEVELOPMENT CENTRE

DECLARATION

I/We hereby declare that the Internship training report titled "**A STUDY ON WEBSITE MANAGEMENT & GEM PROCUREMENT ONLINE PROCESS IN MATERIAL MANAGEMENT**" is the original work done by us under the guidance of **SHRI. P. RAMESH, DEPUTY GENERAL MANAGER / PUR /MMC**, NLC India Limited, Neyveli.

This internship report is for reference only and no part of the report will be published copied anywhere without the written permission from officials of NLCIL, Neyveli.

Signature of the Student

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1) INTRODUCTION ABOUT COMPANY

• NLC India Limited (NLC) (formerly Neyveli Lignite Corporation India Limited) is a central public sector undertaking under the administrative control of the Ministry of Coal, Government of India. It annually produces about 30 million tonnes of lignite from opencast mines at Neyveli in the state of Tamil Nadu in southern India and at Barsingsar in Bikaner district of Rajasthan state. The lignite is used at pithead thermal power stations of 3640 MW installed capacity to produce electricity. Its joint venture has a 1000 MW thermal power station using coal. Lately, it has diversified into renewable energy production and installed 1404 MW solar power plant to produce electricity from photovoltaic (PV) cells and 51 MW electricity from windmills.

• It was incorporated in 1956 and was wholly owned by the Government of India. A small portion of its stock was sold to the public to list its shares on stock exchanges where its shares are traded.

• The Neyveli Lignite Corporation (NLC) is a company that mines lignite coal, generates power, and manufactures chemicals and fertilizers in India. Here's some information about NLC:

• **History:** The Government of India incorporated NLC as a private limited company in 1956. The discovery of lignite reserves in the area around Neyveli village in 1935 led to the formation of NLC. Lignite mining began in 1962, and the first thermal power station was commissioned that same year.

• **Operations:** NLC operates opencast lignite mines in Tamil Nadu, Andaman, and Rajasthan. The company sells electricity to state DISCOMS in Rajasthan and Southern India. NLC also has interests in various power generation and mining projects that are currently in the implementation phase.

• **Headquarters:** NLC's headquarters are located in Neyveli, Tamil Nadu, India.
Other locations: NLC has liaison and inspection offices in Chennai, Hyderabad, Mumbai, Kolkata, Bhubaneswar, and New Delhi.

2) NLC INDIA LIMITED - CORPORATE PROFILE

• For more than six glorious decades, NLC India Limited has been a forerunner amongst the Public Sector Enterprises in the country in the energy sector, contributing to a lion's share in lignite production and significant share in thermal and renewable energy generation.

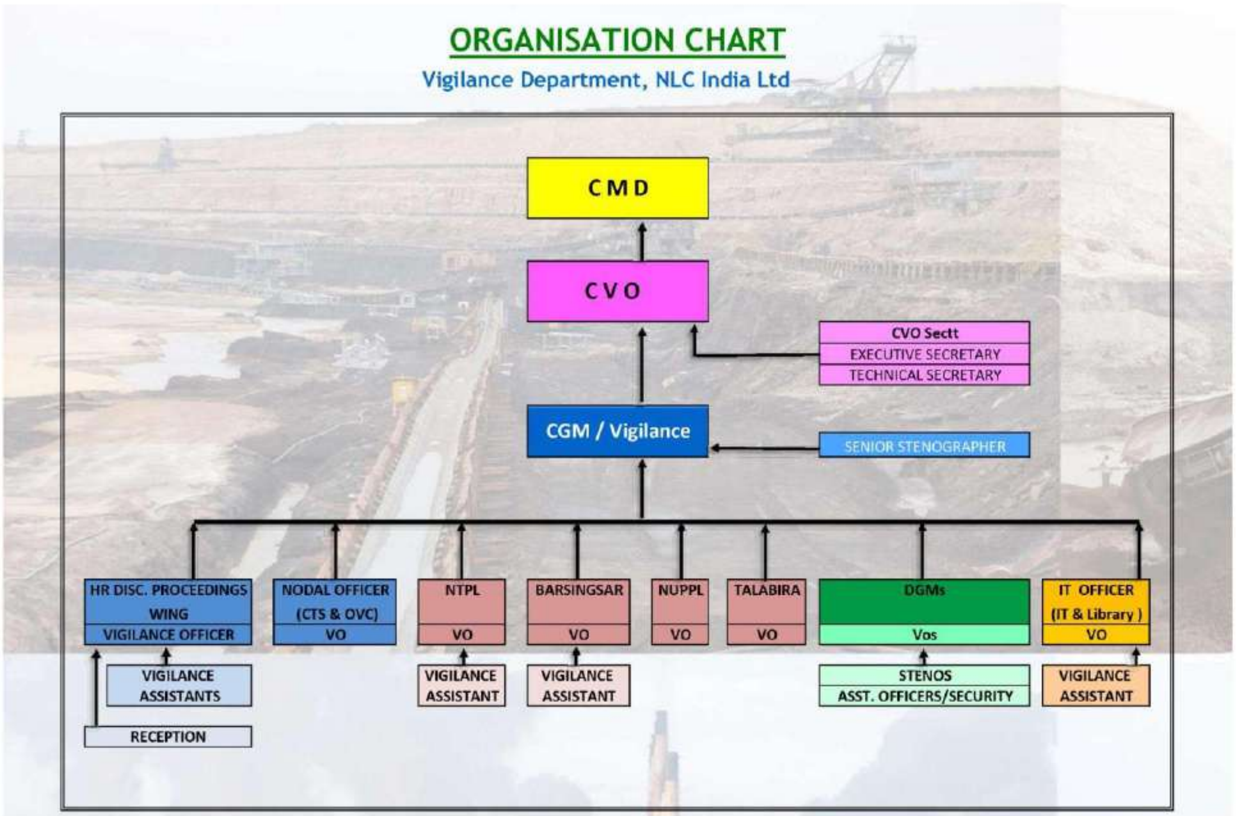
- The Company was incorporated on 14.11.1956. NLCIL is a Navratna Government of India Enterprise, under the administrative control of Ministry of Coal. Today, the company has set its footprints in PAN India mode in the states of Assam, TamilNadu, Rajasthan, Uttar Pradesh, Odisha, Jharkhand, Gujarat and Andaman & Nicobar Islands.

- A pioneer among the Public Sector Undertakings in energy sector, NLCIL operates 3 opencast Lignite Mines of total installed capacity 28 Million Tonnes Per Annum (MTPA) at Neyveli, one opencast Lignite Mine at Barsingsar in Rajasthan with an installed capacity of 2.10 MTPA and an open cast coal mine at Talabira in Odisha with an installed capacity of 20 MTPA.

- The Company is also operating 4 Lignite based pit-head Thermal Power Stations with an aggregate capacity of 3390 Mega Watt (MW) at Neyveli and one 250 MW Lignite based Thermal Power Station (BTPS) at Barsingsar, Rajasthan. A 1000 MW Coal based Thermal Power Station is also in operation at Thoothukudi, Tamil Nadu through its subsidiary company, NLC Tamilnadu Power Limited (NTPL), a Joint Venture between NLCIL and TANGEDCO (equity participation in the ratio of 89:11).

- NLCIL has also forayed into renewable energy sector. Presently, the Company is operating 1380 MW of Solar Power Plants in various Districts of Tamilnadu and Andaman & Nicobar Islands and 51 MW Wind Power Plant in Tirunelveli district of Tamilnadu. NLCIL is the first CPSE to cross 1 GW capacity in Solar Power Generation in the country. Now the Company has become a member of International Solar Alliance (ISA). NLCIL is aiming to achieve a total Renewable energy capacity of 10,110MW by 2030.

- NLCIL has big dreams to become a 20,130 MW company by 2030. Towards realizing this dream, NLCIL is already on expansion mode. NLCIL's JV with the Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited (UPRVUNL) is setting up a 3x660 MW Coal based Thermal Power Station at Ghatampur in UP.
Talabira-II & III Coal Mine (20 MTPA) in Odisha.Unit#1 was synchronised with grid on 04.12.2023.



WHAT ARE THE VARIOUS DEPARTMENT AVAILABLE IN THE COMPANY

NLCIL
SUB DIVISION (MATERIAL MANAGEMENT COMPLEX)

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HUMAN RESOURCES DEPARTMENT	**PURCHASE DEPARTMENT**	**FINANCE DEPARTMENT**

PURCHASE DEPARTMENT

- PURCHASE (PROCUREMENT PROCESS)

4) MATERIALS MANAGEMENT:

The Materials Management Department is one of the service units, which caters to the needs of the standard stock materials like consumables, spares and plant & equipment of all divisions of NLCIL for their smooth functioning. Materials management can be defined as the function responsible for the co-ordination of Planning, sourcing, purchasing, moving, storing and controlling materials in an optimum manner so as to provide a pre-determined service to the user department at an optimal cost.

In order to carry out all the functions of the Materials Management Department more effectively and efficiently in a transparent manner, a digitalization system called ONLINE INTEGRATED MATERIALS MANAGEMENT SYSTEM (OLIMMS) has been implemented in MM Department from the year 2005. Purchase activities, starting from indenting of materials by the users of various units of NLCIL till making payment to the vendors, have been incorporated in the OLIMMS, which has been developed based on the procedures and policies which were being followed hitherto.

Following the introduction of OLIMMS, E-procurement was also implemented from the year 2007 and Reverse Auction was introduced from the year 2012.
During the year 2016 a New Tendering System was implemented to cut down the processing time of the conventional tendering system. Subsequently, based on a study on the effectiveness of the system, certain modifications in the procedure of New Tendering System has been made as a systemic improvement and the same has been implemented with effect from November 2018

FUNCTIONS AND OBJECTIVE OF THE PURCHASE DEPARTMENT:

One of the primary functions of the Materials management is Purchasing. It involves the activity directed towards procuring the materials required for use in the organization. The effective functioning of the organization hinges on the effective functioning of purchase department, as it has the higher responsibility of making timely deliverables to the departments concerned.

The basic aim of procurement function is to ensure five essential parameters in every procurement decision (called five R's of Public Procurement). The word right is used in the sense of optimal balance:

a) Right Quality:

The aim of procurement should be to buy just the right quality that will suit the needs, with clear specification of the procuring entity's requirements, proper understanding of functional value and cost.

b) Right Quantity:

There are extra costs and systemic overheads involved with both procuring a requirement too frequently in small quantities or with buying large quantities and then storing them for prolonged use. Hence, the right quantity is to be procured.

c) Right Time and Place of Delivery:

The time at which the purchase is to be made is of vital importance. In case of items used regularly, right time means the time when the stock reaches the minimum level. It should also be ensured that the materials are available at the right place, as transportation and material handling costs are greatly affected by the selection of the right place from where the materials are to be acquired.

d) Right Price:

It is not correct to aim for the cheapest material available. The price should be just right for the quality, quantity and other factors involved (or should not be abnormally low for the goods, which could lead to a situation of non-performance or failure of contract).

e) Right source of supply:

The source of supply has to be just right for our needs, having established credentials and a proven track record.

SCOPE AND OBJECTIVES OF PURCHASE MANUAL:

Apart from the functionality of the purchase department in getting the right quality material at right time and at right price, its importance is more, as it involves spending of public money, which requires utmost care at every stage. It is imperative that a transparent, systematic & consistent approach is needed for purchasing function. This can be accomplished by formulating policy guidelines with specific operating procedures, guidelines and responsibilities to make decisions and carry out all activities in an effective and transparent manner, keeping in tune with public procurement policies of the Govt. of India.

To adopt and follow the guidelines, a manual is essential. NLCIL has introduced a Purchase manual in year 2002. At that time, all the purchase activities were manual oriented. Keeping in tune with the advent in the fields of Computers & Telecommunications, NLCIL adopted an ONLINE INTEGRATED MATERIALS MANAGEMENT SYSTEM including E-procurement and Reverse Auction, which requires a change in the existing purchase manual, which has been revised with effect from July 2015.

This revised purchase manual outlines the policies and procedures to be followed for procurement of the materials by NLCIL for capital as well as Revenue items using ONLINE INTEGRATED MATERIALS MANAGEMENT SYSTEM (OLIMMS), e-procurement and Reverse Auction in the procurement activities. It also defines responsibilities, authorities, procedures for dealing with vendors, the duties to be performed by NLCIL executives, documents and records to be maintained and registration of vendors in M.M Over the years, the Purchase Department has issued various circulars on the matters of purchase, implementation of Public Procurement Policy and also guidelines issued from Management, Government, Vigilance department and other Statutory bodies.

Further to the introduction of modified New Tendering System by NLCIL, implementation of GST, enactment/notification of different acts by Government of India under public procurement policy, updation of Purchase Manual has become eminent and these aspects have been suitably incorporated in this revised purchase manual.

MANDATORY PROCUREMENT FROM MICRO AND SMALL ENTERPRISES:

In terms of Ministry of Micro, Small and Medium Enterprises Order dated 23.03.2012, the Central Government Ministries, Departments and Public Sector Undertakings shall procure a minimum of 25% of their annual value of goods or services from MSEs registered with either District Industries Centers (DIC) or KVlC or Khadi and Village Industries Board (KVIB) or Coir Board or National Small Industries Corporation (NSIC) or Directorate of Handicrafts and Handloom or having Udyog Aadhaar Memorandum. This has become mandatory with effect from 01.04.2015.

Out of 25% target of annual procurement from MSEs, a sub-targets of 5% and 3% shall be earmarked for procurement from MSEs owned by the Scheduled Caste or the Scheduled Tribe (SC/ST) and women entrepreneurs respectively.

In terms of MSME‟s OM No. 21(2) 12016-MA dated 18.02.2016, all MSEs who are having Udyog Aadhaar Memorandum should also be provided all the benefits available for MSEs under the Public Procurement Policy for MSEs Order, 2012.

Special provisions for Micro and Small Enterprises owned by Scheduled Castes or Scheduled Tribes Out of 25% target of annual procurement from MSEs, a sub-target of 20% (i.e., 5%) shall be earmarked for procurement from MSEs owned by the Scheduled Caste or the Scheduled Tribe (SC/ST) entrepreneurs. Provided that, in event of failure of such MSEs to participate in tender process or meet tender requirements and L1 price, 5% sub-target for procurement earmarked for MSEs owned by Scheduled Caste or Scheduled Tribe entrepreneurs shall be met from other Micro and Small Enterprises.

MSEs would be treated as owned by SC/ ST entrepreneurs if:
(i) In case of proprietary MSE, proprietor(s) shall be SC/ST.
(ii) In case of partnership MSE, the SC/ ST partner(s) shall be holding at least 51% shares in the unit.
(iii) In case of Private Limited Companies, at least 51% share shall be held by SC/ ST promoters.

Price quotation in tenders;

1) In tender, participating MSEs quoting price within price band of L1+15% shall also be allowed to supply a portion of the requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than an MSE and such MSE shall be allowed to supply up to 25% of total tendered value.

2) In case of more than one such MSE, the supply shall be shared proportionately (to tendered quantity) i.e., in case two or more MSEs are within L1 + 15%, all such vendors need to be given an opportunity to accept L1 price and shall share the 25% of the ordered value equally.

3) Further, in case of non-divisible tenders, an MSE quoting in the price band of L1+15% may be awarded for full/complete supply of tendered value, considering the spirit of policy for enhancing the government procurement from MSEs, subject to
bringing down of price to L1 by the MSE concerned.

This Policy is meant for procurement of only goods produced and services rendered by MSEs and not for any trading activities by them. An MSE Unit will not get any purchase preference over another MSE Unit.

As per the MSME policy, to achieve 5% target from SC/ST vendors, the following options shall be exercised while rising indent and placement of order.

a) Among the 358 items reserved for procurement from MSE firms, if any of the items are being manufactured by SC/ST vendors, the entire requirement may be procured only from SC/ST vendors.

b) If any of the SC/ST vendors falls within L1 + 15%, the entire 25% preference earmarked for MSE vendor may be placed on SC/ST vendors, irrespective of their price ranking among MSEs subject to bringing down of price to L1 by the SC/ST vendors.

5) Government e-Marketplace (GeM) – Purchase of Common use goods and Services available in GeM:

The Government has launched Government e-Market place (GeM) as a single procurement portal for bringing transparency, accountability & efficiency in public procurement.

The Government has made GeM as National Public Procurement Portal. All the Central and State Govt. Departments / Organizations, Central & State PSUs and autonomous bodies will make the procurement of common use goods and services through GeM.

Accordingly, NLCIL has been registered as a buyer in the Govt. e-Marketplace Portal and approval of competent authority has been obtained to procure the commonly available goods in GeM, meeting requisite quality, specification and delivery period of NLCIL, with the GeM terms and conditions, following the existing purchase procedures.

The following are the salient points and conditions for purchase through GeM portal. (For detailed terms and conditions, GeM Portal may be referred).

- Direct on-line purchases can be made on GeM up to Rs.25,000/- through any of the available suppliers on the GeM, meeting the requisite quality, specification and delivery period.

- Above Rs. 25,000/- and up to Rs.5,00,000/-, the GeM portal shall be utilized by the Government buyers for direct on-line purchases through the GeM seller having lowest price amongst the available sellers, of at least three different manufacturers, on GeM.

- Above Rs.5,00,000/- (Rupees Five Lakhs) through the supplier having lowest price meeting the requisite quality, specification and delivery period after mandatorily obtaining bids, using online bidding or reverse auction tool provided on GeM.

- The invitation for the online e-bidding / reverse auction will be available to all the existing Sellers or other Sellers registered on the portal and who have offered their goods / services under the particular product / service category, as per terms and conditions of GeM.

- If Buyer (NLCIL) wants to buy any specific OEM‟s product then he has to go for Proprietary Article Certificate (PAC) buying after obtaining necessary approvals of competent authorities for PAC buying.

- Splitting of Demand: Splitting of demand and creating multiple Bids/RAs is strictly prohibited on GeM.

• Mandatory Minimum Discount on MRP: Sellers shall offer minimum discount of 10% over MRP mandatorily unless otherwise specified for offering their products on GeM portal. The discount of 10% over MRP is the Minimum discount and sellers are free to offer higher discount on GeM.

• Dividing the Quantity: As per standard procedure, complete requirement incorporated in the tender enquiry document is to be covered on the lowest responsive tenderer without dividing the same. The tenderer who does not quote for the complete requirement is to be treated as NON responsive and ignored. GeM does not allow splitting of the order quantity and hence buyers are not allowed to incorporate any such condition in the bid / RA documents.

• Buyer (NLCIL) is not allowed to place any order at GeM prices outside GeM. The prices on GeM are only applicable if the procurement is made through GeM portal. Using GeM prices for procurement outside GeM portal is strictly prohibited. If procurement is done outside GeM in offline mode then the laid down procedure for tendering must be followed.

• Tools have been deployed on GeM portal to show the price of compared products on other e-commerce sites (wherever available) and also the rates at which orders have been placed on GeM for such items in recent past. While taking decision on reasonableness of price, the buyers may also take into account the discount over MRP; Last Purchase Price on GeM, Department's own Last Purchase Price; rates on other ecommerce websites etc. Important Commercial terms and conditions of GeM (revised from time to time in GeM Portal):

Commercial Terms	GeM conditions
Performance Bank Guarantee (PBG)	· Not applicable for direct purchase option Under GeM. · PBG for 3% of contract value if contract value exceeds 10Lakhs & procurement is thru RA/e-Bidding. · To be submitted within 15 days from date of award of contract. · Guarantee Period: One year or more. Seller can provide longer Guarantee period if required. · Payments against such contract shall not be released till acceptable Performance Bank Guarantee is furnished by the seller.
Payment	· Will be released after submission of acceptable PB, if applicable. · Online payment within 10 days of issue of CRAC (Consignee Receipt cum Acceptance Certificate).

Taxes	Inclusive. Statutory variation if any is to sellers account and no variation in contract price on account of such variation shall be allowed during delivery period.
Integrity Pact	· Integrity pact applicable for all users (buyer & Seller) for all orders– to be accepted/agreed online.
Test certificate	· Self certified Manufacturers/Sellers Warranty/Guarantee.
Material Acceptance/ Rejection Liquidated Damages	· CRAC (Consignee Receipt cum Acceptance Certificate) is the basis of payment. · CRAC to be issued within 10 days of material receipt. If not issued within 10 days material is considered to be deemed accepted & consignee shall forfeit their right to reject the same. · The date of receipt of material as mentioned in provisional receipt certificate is considered as receipt date. · The rejected materials should be taken back by supplier within10 days from date of rejection without any extra cost. If not taken back within 10 days ground rent/ Warehousing charges shall be payable by the seller under return policy of GeM. · 0.5% per week or part of the week of delayed period as free estimate damages not exceeding 10% of contract value Without any controversy/dispute of any sort whatsoever.
Applicable Additional Terms and conditions (ATC):	· In GeM Portal provisions are available to incorporate sample clause, Splitting quantity (more than one source), Inspection clause, staggered delivery, Additional terms and conditions as corrigendum to GeM Bid (i.e., specific technical parameters, test certificate clause, specific special terms and conditions etc.,). · Other Additional Terms and conditions such as submission of End User Certificate, Pre dispatch Inspection/3rd party Inspection clause, past project experience & proof for past project experience are applicable which are added recently.
Consignee Location	· GeM bid will be floated with consignee location to deliver the material on Door Delivery basis. Multiple Consignee Location can be also added.

The purchase departments will take necessary action to identify the common items available on GeM Portal that meets NLCIL requirements i.e., requisite quality, specification and delivery period. On receipt of indent for such items, procurement action shall be taken up to purchase the same through GeM with terms & conditions as referred in GeM Portal.

The guidelines issued by GeM / GoI from time to time through Notification / Circular/ Office memorandum will be followed for purchase through GeM, even if the same are either not specifically indicated in the Purchase Manual of NLCIL. The Delegation of Power will be followed as per NLCIL For the estimated value of more than Rs.10 Lakhs, TC will be convened for finalizing the purchase with the approval of the competent authority as per DOP.

Custom Bid for the non-available products in GeM Portal: For the products not available in the GeM Portal, GEM/GARPTS report to be generated after creating LIB for the non-available products for New Category Creation. If LTE, Technical Specification with Drawings & Images for non-available products, Custom Bid shall be processed. The Custom BID will be published in GeM Portal. If PTE, for the approved PQR Conditions, Technical Specification, Drawings & Images Custom Bid shall be floated in GeM Portal. The Custom Bid will be published in GeM Portal.

For the placement of Purchase Orders for more than 25 Lakh, GeM Seller ID of the successful vendor is mandatory.

Salient points to be considered while evaluating/processing of bids in GeM Portal is given below.

6) Bid Guarantee / EMD Exemption as per GeM guidelines:

In addition to the existing MSE/KVIC/Coir Board/NSIC/ UAM/DIC bidders, exemption may also be given to bidders of following category in line with GeM GTC:

i. Micro and Small Enterprises who are manufacturer of the Primary Product Category or Service Provider of the Primary Service Category and give specific confirmation to this effect at the time of bid submission and whose credentials are validated online through Udyam Registration and through uploaded supporting documents.

ii. Start-ups as recognized by Department of Industrial Policy and Promotion (DIPP).

iii. KVIC, ACASH, WDO, Coir Board, TRIFED and Kendriya Bhandar.

iv. Sellers who have got their credentials verified through the process of Vendor Assessment by Vendor Assessment Agencies for the Primary Product / Primary Service for which Bid / RA has been invited.

v. Sellers/ Service Provider having annual turnover of Rs 500 Crore or more.

vi. Micro and Small Enterprises registered with NSIC for the Primary Product Category whose credentials are validated through NSIC database and through uploaded supporting documents.

vii. Micro and Small Enterprises registered with DIC for the Primary Product Category whose credentials are validated through DIC database and through uploaded supporting documents.

viii. Sellers / Service Providers holding BIS License for the Primary Product Category whose credentials are validated through BIS database and through uploaded supporting documents.

ix. Central / State PSUs.

x. Seller / Service Provider registered with designated Agency / Authority as specified in the bid document by the Buyer – such bidder shall have to upload scanned copy of relevant registration document in place of EMD document while bidding.

II. Reverse Auction:

As per Purchase Manual Clause 12.8.5 and Circular Dated 07.12.19, Reverse Auction is applicable for an estimated value more than 50 lakhs.

Whereas, in the GeM Portal, Reverse auction is applicable for the technically qualified bidders for the Bids of estimate value more than 5 Lakh in line with General Terms and conditions (GTC) of GeM. Reverse Auction shall be adopted for the bids floated in GeM for an estimated value of more than 5 lakhs.

III. Approval for placement of contract in GeM Portal (STE, LTE & PTE):

In case of STE (PAC) & STE (GeM Custom Bidding) (Purchase Manual 12.9.3) For placement of GeM Contract, a single approval shall be obtained for Techno Commercial and price evaluation before placement of GeM contract from the competent authority. In case of LTE (GeM Bidding & GeM Custom Bidding): (One time approval) For Estimate value less than 10 Lakh, based on Indentors recommendation price bid shall be opened and Note approval to be obtained as per DOP for placement GeM Contract.

For Estimate value more than 10 Lakh:

(2 stage approval to be obtained)

a. TC shall be convened and Note approval to be obtained as per DOP for Techno commercial shortlisting before price cover opening.

b. After Price cover opening, TC shall be convened and Note approval to be obtained for Price evaluation before placement of GeM contract.

In case of PTE (GeM Custom Bidding):

(2 stage approval to be obtained)

a. TC shall be convened and Note approval to be obtained as per DOP for PQR shortlisting and Techno-Commercial evaluation before price cover opening.

b. After price cover opening, TC shall be convened and Note approval to be obtained as per DOP for Price evaluation, before placement of GeM contract.

c. For the GeM bids, offers received/qualified from less than 2 OEMs/3Resellers, approval of GM/Purchase /MM shall be obtained for processing the bid.

IV. For cancellation of Bids in GeM Portal:

For cancellation of GeM Bid, as per GeM procedure approval is not required. However to have control over the repeated nature of cancellation of Bids, approval shall be obtained as follows:

a. For cancellation of GeM Bid before the due date of opening, GeM Buyer can cancel the Bid based on the Indentor recommendation.

b. For cancellation of GeM Bid after opening of the bid but before opening of the Price Cover, approval of DGM/GM/CGM/MM to be obtained.

c. For cancellation of GeM Bid after obtaining the approval of competent authority for PQR/Techno-commercial shortlisting, the bid to be cancelled with the approval of competent authority as per DOP only.

V. Estimate based on the price of GeM Portal:
For the products available in the GeM portal, estimate may be prepared based on the GeM price available in the GeM portal. After Price Cover opening, in case the price is higher, price recommendation may be obtained with price justification from the Indentor for placement of order, since the GeM Portal is Dynamic in nature.

VI. For postponement of due date opening of GeM Bid:

For postponement of due date of opening of GeM Bid, approval of GM/Pur/MM shall be obtained based on the recommendation of the Indentor.

VII. Liquidated Damages Clause (LD):

As per GeM Terms & Conditions. Liquidated Damages: If the Seller fails to deliver any or all of the Goods/Services within the original/re-fixed delivery period(s) specified in the contract, the Buyer will be entitled to deduct/recover the Liquidated Damages for the delay, unless covered under Force Majeure conditions aforesaid, @ 0.5% per week or part of the week of delayed periods pre-estimated damages not exceeding 10% of the contract value without any controversy/dispute of any sort whatsoever. Provision is not available in GeM for PRC clause as Purchase Manual Clause 6.26 & 13.18.2. Hence LD Clause as per GeM may be followed as Liquidated Damages @ 0.5% per week or part of the week of delayed period as pre-estimated damages not exceeding 10% of the contract value without any controversy/dispute of any sort whatsoever is applicable.

CENTRAL PUBLIC PROCUREMENT PORTAL:

Central Public Procurement Portal (CPPP) has been designed, developed and hosted by National Informatics Centre (NIC), Ministry of Electronics & Information Technology, in association with Dept, of Expenditure, to ensure transparency in the public procurement process.

The primary objective of the Central Public Procurement Portal is to provide a single point access to the information on procurements made across various Ministries and Departments.

The CPPP has e-publishing and c-procurement modules. It is mandatory for all Ministries/Departments of the Central Government, Central Public Sector Enterprises (CPSEs) and Autonomous and Statutory Bodies to publish on the CPPP, all their tender enquiries and information about the resulting contracts.

ORGANISATION STRUCTURE:

Materials Management department consists of divisions of Purchase, Material Control & Permanent Control Stores, supported by Computer Services, Human Resource and Finance divisions.

ONLINE INTEGRATED MATERIALS MANAGEMENT SYSTEM (OLIMMS):

MM Department is equipped with a full-fledged Computer Centre, which takes care of the computer needs of materials management activities. The entire purchase activities are being carried out through an in-house software Online Integrated Materials Management System (OLIMMS) with e-procurement system functioning on 24x7 basis. Online Integrated Materials Management System (OLIMMS) is an in-house Software application developed for NLC India Limited, as an end-to-end solution, for all the activities of Materials Management, right from indent raising by all the users in various units, till payment to vendors. All activities in OLIMMS are carried out through a pre-determined automated workflow in compliance with the Delegation of Powers stipulated by the management.

All departments which are involved with purchase process and other related operation of purchase activities have been connected to OLIMMS through the wide area optic fiber network of NLCIL.

e-Procurement:

When OLIMMS was introduced during the year 2005, it consisted of only internal activities and offline mode was being used for interactions with vendors. The Electronic procurement (e-procurement) system was integrated with OLIMMS in the year 2007. E-procurement is the electronic integration and management of all procurement activities covering purchase request, floating of enquiries, submission of Bids by the Vendors, clarifications, price evaluation placement of order, return of Bid Guarantee, issuing of IRR and payment to vendors through online using internet.

INDENT:

An indent is an online format in which the Indentor specifies scope of supply including technical specification, quantity, delivery schedule, erection & commissioning etc, for use in their respective division with Estimated Value.

INDENT PROCESSING:

Zonal Heads of Material Control and Permanent Central Stores under the control of MMC Department will process the Indents through OLIMMS for Consumable Items coming under Maxima/Minima and also items that need consolidation, taking into account the stock position in Permanent Central Stores, quantity under procurement process etc. after consolidating the annual requirements received from various units.
The requirement of spares, Tools, specific consumables and P&M items shall be consolidated at

zonal level/unit level and indents shall be raised through OLIMMS by the concerned unit.

All materials are assigned with unique material code. The material codes are broadly grouped into various sub-heads depending on the nature of the items or area of usage. An indent shall consist of item(s) coming under one sub-head only. Indents for different sub heads have to be raised separately. Duplication of material codes shall be avoided.

Based on user ID of the Indent Initiator, the System captures the details such as Unit, Indentor Code and respective Accounts Centre Code.

Once the Indent Initiator submits the Indent, it follows the predefined workflow for the concerned unit for scrutiny and approval of the higher authorities in sequence, including the concerned Finance Department, monitoring / inventory control committee in case of any item costing more than Rs. 1.0 Lakh (present limit).

In OLIMMS the workflow for the indents is designed as per DOP upto the level of Unit Head/Chief General Manager/Executive Director. For indents falling within the DOP of Director/CMD/Higher level, approval has to be obtained in offline mode and indents can be processed in OLIMMS through workflow upto Unit Head/CGM/ED. The scanned copy of the approved note has to be attached in the OLIMMS indent.

ESTIMATE VALUE:

As the estimated value is a vital element in establishing the price reasonableness, it is important to work out the estimate in a realistic and objective manner. The estimate shall be prepared by Indenting Departments considering the following factors, if applicable, to arrive at the estimated value.

a. Previous purchase rates
b. Budgetary Offers
c. Prevailing market rates & statutory levies,
d. Wholesale Price Index (WPI)
e. Economic indices for raw material / Labour
f. IEEMA formula, wherever applicable
g. Foreign exchange fluctuation from the Last Purchase Price date
h. Assessment based on intrinsic value
i. Same kind of procurement in other Govt./PSUs
j. Input/output analysis
k. Any other input cost, as deemed fit.

PREPARATION OF ESTIMATE:

1. reasonableness at the time of evaluation of the bids. Therefore, it should be worked out in a realistic and objective manner.

2. The prevailing market price ascertained through a market survey or budgetary quotations from one or more prospective suppliers or published catalogues/Maximum Retail Price (MRP) printed on the item is the main source for establishing the estimated cost of items for which there is no historic data available. It may be noted that MRPs usually include significant margins for distributors, wholesalers and retailers;

3. For equipment/craft which are uniquely custom-built to buyer's specifications, the best way to get a fair assessment of costs is by obtaining budgetary quotes from potential parties. Ideally, there should be three quotes. However, there is need to have a time schedule for receipt of quotes to ensure some timeframe for this activity. Thus:

a. An attempt may be made to obtain as many budgetary quotes as possible from reputed/potential firms and a time of 21 (twenty-one) days be indicated therefore. In the event of receipt of less than three budgetary quotes, two extensions of upto 10 (ten) days each may be considered; and

b. 1. In the event of receipt of one budgetary quote (even after the mandatory 41 days window duration) the estimate may be arrived at based on the single quote.

2. If more than one budgetary quotes are received, estimate may be arrived at based on the average of the budgetary quotes received. Cir. CGM/MM &Disp./Estimate preparation/2021 Dt 08.07.2021

3. Rates may be compared with recent orders/purchases of similar equipment by other states/Departments if available. Other methods for establishing the estimated cost in the Indent and tender evaluation are:
A. Estimated rate in past indents of the same goods;
B. Last purchase price of this or similar or nearly equivalent requirements;
C. Costing analysis based on costs of various components /raw materials of the item;
D. Rough assessment from the price of the assembly/machine of which the item is a part or vice versa;
E. Through the internal or external expert costing agencies; and
F. As a last resort, rough assessment from the opportunity cost of not using this item at all.
4. These methods are not mutually exclusive and can be supplemented with escalations to cater

from inflation, price increases of raw materials, labour energy, statutory changes, price indices, and so on, to make them usable in conditions prevailing currently. In case of foreign currencies, the rate should be reduced to a common denomination of Indian Rupees.

REVISION OF ESTIMATES BEFORE PRICE BID OPENING/RE-ENQUIRY:

It has to be ensured by the Indentor as to whether revision of estimate is required or not before price cover opening or for issue of re-enquiry and if required, it shall be done by the Indentor with the approval of the competent authority and made available to the Tender committee before price cover opening. According to the revision of estimates is to be done as follows:

- If the estimate is based on previous purchase order rates, estimate is to be updated based on the relevant latest available price indices and other guidelines issued as above.

- If the estimate is based on budgetary offer and if the budgetary offer is currently valid, estimate updation is not required. The original estimate can be adopted as such. If the validity of the budgetary offer is over, estimate may be updated with the latest available relevant indices from the date of expiry of validity of the budgetary offer.

- If there is no indication of validity in the budgetary offer, the same can be considered as valid for 6 months from the date of the offer for estimate purposes. In order to avoid unnecessary delay, all the updated estimates are to be made ready to process parallelly along with the proposal of techno-commercial short listing and it should be made available to the tender committee in sealed cover before price cover opening.

In case PTE resulted into single offer, the revision of estimate if required, approval is to be obtained from the competent authority as per LTE delegation. All revision/updation of estimates shall be made only up to the original scheduled date of Tender opening.

If re-enquiry is recommended for part or full quantity due to higher price over the estimate/less competition, fresh indent has to be raised for such quantities retaining the original estimate. However, if estimate requires revision based on market conditions, fresh estimate with justification may be furnished. The estimate for each item shall be rounded off to the nearest Rupees.

ADMINISTRATIVE APPROVAL:

The delegation of powers of the company defines the level of Competent Authority who can accord administrative approval for the proposed purchase depending on the estimate value of specific purchase and the mode of tendering. Accordingly, administrative approval for procurement is to be obtained from the competent authority concerned with financial concurrence based on the relevant Delegation of Powers.

In case more than one supply source is required for the indented item, with proper justification, specific administrative approval shall be obtained from the concerned Competent Authority as per delegation of powers. The splitting of quantity shall be in the ratio of 70:30. However, for any deviation approval of concerned FDs will be obtained.

PURCHASE REQUISITION:

Once the final authority approves the Indent, it gets converted as Purchase Requisition (PR). The PR will then be available online to the concerned purchase section in MM Department, based on the subhead for generating Tender Enquiry.

Types of Indent handled in OLIMMS are;

- Regular Indent
- Price Agreement Indent
- Rate Contract Indent

Indents are raised by Indent Initiators of user departments through OLIMMS. In the Indent, the following details shall be given.

- Subhead
- Mode of tender-STE / LTE / Open Tender-DTE/GTE
- Material Code
- Material Description
- Duly authenticated technical specification
- Approved drawings
- Quantity Required
- Technical factor
- Proprietary Article Certificate (PAC) in case of STE
- Pre-Qualification Requirements in case of Open Tender
- Basis for estimate with estimate working sheet
- Delivery Schedule
- Test Certificate
- Requirement of GGW / CBG
- Inspection Clause (NLCIL/Third Party Inspection Agency with scope of inspection)

The threshold limit for utilizing the TPIA is for the purchase of estimate value of Rs.10 Lakhs and above and if exemption from TPI is required, it shall be with the approval of Unit Head of Indentor.

The scope of TPI for purchase of materials of any lesser estimate value belowRs.10 Lakhs, shall be with the specific approval of Unit Head of Indentors. TPI are exempted for any estimate value of certain purchase of materials such as Steel, Furnace Oil, Diesel, Petrol, Lubricants, Chemicals etc. which are procured from Public Sector Enterprise with the approval of Unit Head of Indentors.

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- List of Vendors
- Budget type
- Erection/Installation, Commissioning and Testing.
- Attachments-Approval Note, Technical specification, scope of supply and Drawings etc.,
- Quality plan
- Any other details if required.

SCRUTINY OF PURCHASE REQUISITIONS

Purchase Requisitions shall contain important details such as below and the same shall be checked by the concerned Purchase Section for processing the tender/enquiry.

a) If the material is of OEM / PROPRIETARY in nature, Proprietary Article Certificate (PAC) and full address of the supplier.\

b) Basis of Estimate with working sheet duly authenticated.

c) List of Vendors.

d) Type of Bank Guarantee and specific period of warranty required in case of CBG.

e) Wherever required, sufficient copies of duly authenticated drawings.

f) For Issue of Press Tender, approved Pre-qualification requirements.

g) Detailed technical specifications duly authenticated, questionnaire, and special conditions wherever required.

h) Information regarding test certificate, third party inspection or any other special requirement specified by Indentor.

i) Delivery Schedule

j) Scope of supply and erection & commissioning, if any.

k) Any new firm, if recommended by the Indentor shall be with the approval of not below the level of GM of the concerned Unit with due justification.

After scrutiny of the purchase requisition and other required details, if the purchase requisition is found to be in order, the purchase section will generate enquires. Otherwise, the PR will be returned to the Indentor specifying the shortfall.

MODE OF TENDERING:

A tender enquiry is an act of requesting the probable suppliers/ sellers/vendors, inviting their detailed offer /quotation for the materials required by the purchaser. Depending on the nature of materials, value of purchases, urgency, competitiveness, etc., different modes of tenders are followed as outlined below:

On receipt of Purchase Requisition, the Purchase Branch shall make Time bound arrangements for issue of enquiry for the purchase of materials as per the Purchase Requisition. Generally, purchase shall be made in one of the following ways:
i. Single Tender Enquiry (STE)
ii. Limited Tender Enquiry (LTE)
iii. Press Tender Enquiry (PTE) (Domestic and Global Tender)

SINGLE TENDER ENQUIRY:

A STE means issue of tender/enquiry to only single vendor, irrespective of the value of the tender. It is imperative that the purchase on Single tender basis shall be made with detailed justification in its support with the approval of Competent Authority and Finance concurrence.

This method of enquiry is resorted to, where it is clearly established that items required are available only from one manufacturer (proprietary in nature/OPM/OEM) or supplier or source and no other alternative material/source is acceptable. Apart from the above, Procurement from a single source may be resorted to in the following circumstances:

(i) It is in the knowledge of the user department that only a particular firm is the manufacturer of the required goods.
(ii) In a case of emergency, the required goods are necessarily to be purchased from a particular source and the reason for such decision is to be recorded and approval of competent authority obtained.
(iii) For standardization of machinery or spare parts to be compatible to the existing sets of equipment (on the advice of a competent technical expert and approved by the competent authority), the required item is to be purchased only from a selected firm.

All Single Tender Enquiries shall be processed under Single Cover system, where technical, commercial and price offers are submitted in a single cover. Issue of Single Tender Enquiry should be curtailed. Continuous efforts may be made to identify and develop alternate sources by placing trial order/Press notification etc., If alternate sources could not be identified in such cases, then the reasons thereof shall be recorded in the administrative approval note.

LIMITED TENDER ENQUIRY:

An LTE is a tender which is issued to more than one vendor for getting competitive offers. Limited Tender Enquiries shall be resorted to, when the estimated value of purchase is upto

Rs.25 Lakhs.

PTE /open tender is the preferred options. LTE is an exception. LTE is to be issued only to the manufacturers or suppliers pertaining to the material. Previous suppliers, the defaulters of previous enquiries with valid reasons for non-participation must be considered with the approval of Unit Head. Interested firms after floating the enquiry, if applied, can be sent with enquiries with the consent of Indentors. To avoid too many orders of small values, LTEs containing multiple low valued items of same or similar in nature shall be processed on package basis, wherever possible.

LTE shall generally be issued to vendors as described below:

1. Established sources/vendors, whose products are established as proven in NLCIL‟s context.

2.Vendors registered with MM for the subject items with the inclusion of maximum number of vendors in the LTE list.

3. The newly registered vendors for the same/similar item is to be considered for the LTE list in consultation with the user departments.

4. Care should be taken to identify and select the right/genuine suppliers during selection to avoid non participation and resulting into STEs.

5. Wherever limited sources available efforts shall be taken to identify and develop new vendors.

6. Normally, particular make of an item shall not be specified. In case of unavoidable circumstances considering criticality and safety point of view, adequate justification and competent authority's approval are required for specifying particular make(s).

7. Where there are limited known sources and repeated poor response to LTEs, issue of DTE/GTE may be considered to have more and additional sources for such items.

INCLUSION/SELECTION OF NEW FIRMS FOR LTE:

The Indentor can recommend for inclusion of new firms for issue of LTE with justification in the prescribed format along with the indent based on;

a. Successful and satisfactory completion of trial order/s issued on the firm for the same item by the Indentor. (or)

b. The firm qualified on PQR and Techno-Commercial conditions in the Open Tender Enquiry shall be included. (or)c. Firms registered with NLCIL with similar/ same product shall be considered for inclusion in the enquiry.

LTE can also be issued to the foreign manufacturer and their Authorized Dealer/Agent in India with a condition that either the Agent or the Manufacturer directly could bid in a tender, but not both. The same applies to an Indian Agent/Dealer representing an Indian manufacturer. In case both submit the offer, the offer of the manufacturer will alone be considered.

The estimated value of the PR and the No. of firms for issuing enquiries are as below.

For value upto Rs.5 Lakhs	Not less than 4 firms
Above Rs. 5 Lakhs and upto Rs.20 Lakhs	Not less than 7 firms
Above Rs.20 Lakhs	Not less than 10 firms

This should be the general pattern and the list of firms shall be approved by the competent authority of indenting department as per DOP. If the No. of firms is restricted to less than the prescribed, the same should be justified by the Indentor in the workflow /offline approval note. In MM Department, for issuing enquiry to less than prescribed no. of firms, approval of Unit Head/MM shall be obtained.

PRESS TENDER ENQUIRY:

For high value purchases of estimated value more than Rs.25 Lakhs, Press Tender Enquiries shall be resorted to, in order to get more competitive offers through wide publicity drawing the attention of vendors.

Press tender enquiries are classified into two categories viz.,

1. Domestic Tender Enquiry (DTE) and
2. Global Tender Enquiry (GTE) (International Competitive Bidding). Bidders shall participate in Domestic tenders by submitting offers in Indian Currency.In respect of Global Tender Enquiries, both Indian and Foreign bidders can participate and foreign bidders submit their offers in foreign currency. Domestic Tender Enquiries are resorted to when sufficient competition is existing within the country.

Global Tender Enquiries may be resorted to:

- where no source or only limited sources are available in the country
- where it is felt that suppliers have formed a cartel.
- if the cost of the material is likely to be cheaper to get it from abroad.

The Indentors shall clearly spell out in the administrative approval note, as to whether domestic or global tender enquiries is to be processed. The Press Tender enquiries with complete bid documents will be hosted on the NLCIL website for the purpose of downloading by the suppliers to participate in the tenders. Press Tender shall be processed under Two cover system only. In case of procurement of specific nature and complex items/ equipment, a suitable provision is to be kept in the tender document for a pre-bid meeting for clarifying issues and clearing doubts, if any, about the specification of the items/equipment and other terms and conditions mentioned in the tender document.

WAIVER OF PRESS TENDER ENQUIRY:

The waiver of Press Tender Enquiry shall not be resorted to unless otherwise it is absolutely necessary. If LTE / STE is resorted to, dispensing with Press Tender, Strong and adequate justification / reasons are to be recorded in the proposal for the approval of competent authority as per DOP to waive Press tender. Under any one the following circumstances, the waiver of Press Tender may be considered:

1. If the number of proven sources are limited and known.
2. If the requirement is so urgent that it cannot wait for procurement through Press Tender Enquiry

PREPARATION OF TENDER ENQUIRIES:

This chapter deals with contents of tender document. The tender document needs to be meticulously prepared setting out the requirements in clear terms, so that the bidder clearly understands without any ambiguity.

DOCUMENTS TO BE ACCOMPANIED WITH TENDER ENQUIRIES (STE/LTE/PTE):

The following documents/conditions shall normally form part of the enquiries, wherever applicable.

1. General standard terms and conditions of the enquiry (followed in MM).
2. Special conditions, if any. (as given by the indentor)
3. Technical specifications including, drawing, testing requirements, quality, etc…
4. Quantity and delivery schedule.
5. Technical questionnaire, if any
6. Commercial questionnaire, if any.
7. Loading factors, if necessary.
8. Import related clauses for import purchases.
9. Pre-Qualification Requirements, in case of Press Tender.
10. Price schedule format.
11. Deviations format, if any.
12. Third Party Inspection condition, if applicable.
13. Affidavit & Integrity Pact, if applicable.
14. Any other documents as warranted.

All the important clauses as brought out above need to be incorporated in the tender documents so as to fully safeguard the interest of NLCIL and for evaluation of bids in a transparent manner.

All STEs shall be processed in Single Cover system i.e., to receive technical, commercial and price in the same cover.

TWO COVER SYSTEM OF TENDERING:

All LTEs & PTEs shall be processed in Two Cover System as per the modified tendering system.
FOR LTE TENDERS:
Cover-I: Containing the details of EMD/Bid-guarantee (if applicable), Integrity Pact (if applicable)

and Techno-commercial offer and any other documents required as per the Tender conditions. Cover-II shall contain only the price, indicating the prices. Any other conditions other than specified in the price schedule will not be considered.

FOR PTE TENDERS:
Cover-I:
(A) The bidder shall be asked to submit
(i) The details of payment of cost of tender documents,
(ii) EMD / Bid-Guarantee Amount &
(iii) Affidavit (as per format enclosed) in Cover-I of the offer. Any offer without the payment of cost of Tender Documents, EMD / Bid-Guarantee amount shall be rejected.

(B) In case of off-line tenders, the bidder shall be asked to submit the Affidavit as per the NLCIL format given in the tender enquiry, in a plain paper/letter head of bidder, duly attested by Notary Public, along with their offers. If the Affidavit is not furnished by the bidder with the offer or if the Affidavit furnished is in a format not in line with NLCIL format or having any other discrepancy / deficiency, an opportunity shall be given to the bidders to furnish the same in the required format within a maximum time limit of 15 days from the date of issue of letter to bidder. In case, if the bidder fails to submit the correct Affidavit as per the NLCIL format, even after giving a chance as above, the bidder's offer need not be considered further.

(C) In case of on-line tenders, the bidders shall be asked to submit digitally signed Affidavit as per the NLCIL format given in the tender enquiry, while submitting their on-line bids. In this case, notarization of Affidavit by Notary Public and obtaining the Affidavit in hard copy, are not required and need not be insisted. In case of any discrepancy / deficiency, in the Affidavit submitted online, a chance shall be given to the bidders to furnish the corrected Affidavit off-line by giving a maximum time limit of 15 days from the date of issue of letter to bidders. In case, if the bidder fails to submit the corrected Affidavit as per the NLCIL format, even after giving a chance as above, the bidder's offer need not be considered further.
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Cover-II: shall contain the Prices only.
The text of the NIT and tender documents shall be processed by concerned purchase section and approved by Unit Head/MM or by his authorized executive and publication of the Press Tenders in leading News Papers shall be arranged by the Public Relations Office.

The complete tender documents in respect of all Press Tender Enquiries shall be hosted in the NLCIL‟s website for downloading by the vendors. The NIT shall be containing the following information.

a) Tender reference
b) Pre-qualifying Requirements.
c) Brief scope of supplies and quantity required.
d) Cost of tender documents.
e) Bid guarantee amount.
f) Date and time of receipt of bids and opening.
g) The mode of remittance of tender cost and Bid Guarantee amount.

DUE DATE OF OPENING FOR TENDERS (LTE/PTE):

The tenders shall be opened on the due date of opening indicated in the tender enquiry. Normally, the last date for submission of tenders shall not be extended.

However, if extension of tender opening request(s) is/are received from the firms, the same shall be forwarded to the respective Indentor for their consideration and recommendation for grant of extension or otherwise. If extension is recommended by the Indentor with the approval of Zonal Head/GM/CGM/ED of the indenting department, the due date of opening may be extended accordingly with the approval of Unit Head/MM or executives authorized by Unit Head/MM.

On emergency, including e- procurement, at the last moment if the firm's request is considered for extension, ratification from the Indentor may be obtained accordingly. Sometimes, firms may seek clarifications or raise disputes/doubts before submission of their offer against the tenders. Such clarifications shall be forwarded by the Purchase Department to the respective indentors for their remarks. Based on the remarks furnished by the indentors, reply shall be sent to the concerned firms, well before tender opening date to enable them to submit their offer in time.

If circumstances necessarily warrant postponement of tender opening owing to such issues, the same may also be considered based on Indentors recommendation. If extension is granted, the same shall be invariably communicated in time well before opening the tender to all the vendors to whom STE/LTE enquiries were issued.

In case of Press Tenders, necessary corrigendum shall be hosted in NLCIL website without any delay. A reply shall also be sent to the bidders who sought extension, in time before opening the tender.

If extension request is not considered, the decision shall be communicated to the concerned vendors, well in time before the tender opening date. However, for the purpose of evaluation, the original scheduled date of tender opening will be reckoned with regard to pre-qualification of the bidders.

In order to give equal opportunity to all the bidders and to maintain sanctity of tendering system, it is of paramount importance that any change in the tender term & conditions, specifications and tender opening date etc., be notified to all the bidders. Amendments, if any issued for the tender shall form part of the tender document. In respect of offline tenders, it shall be communicated in advance to enable the bidders to take note of the changes and quote accordingly.

In case of online tenders, date of tender opening alone can be revised, as revision of terms & conditions/specifications in the uploaded tender document cannot be done. For any other changes, re-tender has to be resorted to, after canceling the original tender.

COST OF TENDER DOCUMENTS:

Tender documents shall be on free of cost in the case of STE & LTE. For Press tenders, the cost of tender documents shall be Rs.1,000/-.

Mode of Remittance/Submission for Cost of Tender Documents:
For offline tenders, the cost of the tender documents shall be remitted in the form of crossed Demand Draft drawn on any Scheduled Commercial Bank situated in Neyveli in favour of "NLC India Limited" and payable at Neyveli (OR) in the form of remittance made through RTGS/NEFT to NLCIL‟s Bank Account specified in the tender.

For e-procurement tenders, cost of the tender documents shall be remitted only through RTGS/NEFT and Demand Draft is not acceptable. It shall be clearly indicated in the Notice Inviting Tender (NIT) itself that the cost of tender documents is non-refundable.

BID GUARANTEE:

The primary objective of submission of Bid Guarantee is to establish the earnestness of the bidder so that they do not withdraw, impair or modify the offer within the validity of the bid. It also helps in restricting if not eliminating „speculative‟, frivolous‟ or „wait and see‟ bid.

Since any relaxation regarding submission of Bid Guarantee has financial implications besides giving encouragement to the bidders to submit frivolous bids as indicated above, the terms & conditions shall clearly stipulate that the offers without Bid Guarantee shall be considered as non-responsive and rejected.

For all Press Tender enquiries and Limited Tender enquiries with threshold value above Rs.25 Lakhs, the Bid guarantee clause is applicable as follows, which shall be incorporated in NITs.

UptoRs.50 Lakhs	Rs. 50,000
Above Rs.50 Lakhs upto Rs.100 Lakhs	Rs.1.00 Lakhs
Above Rs.100 Lakhs upto Rs.500 Lakhs	Rs.2.0 Lakhs
Above Rs.500 Lakhs upto Rs.1000 Lakhs	Rs. 5.0 Lakhs
Above Rs.1000 Lakhs upto Rs.1500 Lakhs	Rs.7.50 Lakhs
Above Rs.1500 Lakhs upto Rs.2000 Lakhs	Rs. 12.5 Lakhs
Above Rs.2000 Lakhs upto Rs.5000 Lakhs	Rs. 25.0 Lakhs
Above Rs.5000 Lakhs upto Rs.10000 Lakhs	Rs.50.0 Lakhs

Above Rs.10000 Lakhs with approval of Unit Head / MM, the Bid guarantee amount shall be fixed. However, wherever a higher cost is considered necessary, it may be done with the specific approval of Unit Head/MM explaining the reasons thereof.

Mode of Remittance/Submission for Bid Guarantee:

In case of Offline Tenders: Bidder shall arrange to enclose the Bid guarantee amount along with the quotations in any one of the modes mentioned below:

i) In the form of a Bank Guarantee issued by any Scheduled Commercial Bank (banks not acceptable to NLCIL may be indicated in the tender schedule) in the prescribed format of NLCIL and initially valid for 180 days from the scheduled date of opening of the tender.

a) In case of foreign bidders, the Bank Guarantee furnished by a foreign bank in their letter head is valid.

b) The bank guarantees must be unconditional and should be encashable on making our first claim itself with the Bankers. However Bank Guarantees furnished by the Bankers with changes, if any, with respect to NLCIL‟s format is acceptable, provided it does not affect NLCIL‟s interests and the right to encash the Bank Guarantee.

ii) In the form of a Crossed Demand Draft in favour of NLCIL and drawn on any Bank situated at Neyveli or payable on par at Neyveli.

iii) In the form of remittance made through RTGS/NEFT to NLCIL‟s bank Account specified in the tender.

iv) No other mode of payment is acceptable. Enclosing copy of the Bank Guarantee/DD in the offer and furnishing their originals after the opening shall not be acceptable.
In case of e-procurement tenders: The bid guarantee amount shall be remitted only through RTGS/NEFT as it is online tender and Bank Guarantee & Demand Draft are not acceptable. No interest is payable by NLCIL, on the bid guarantee amount.

Exemption of Cost of Tender documents & Bid Guarantee:

MSE units registered with anyone of the following shall be given Tender Sets free of Cost and exempted from Bid Guarantee / Payment of Earnest Money Deposit (EMD) under Public Procurement Policy MSEs Order 2012, provided the product range mentioned in the certificate(s) is the same or similar to NLCIL requirements.

a) District Industries Centers (DIC)
b) Khadi and Village Industries Commission (KVIC)
c) Khadi and Village Industries Board
d) Coir Board
e) National Small Industries Corporation(NSIC)
f) Directorate of Handicraft and Handloom
g) Any Other body specified by Ministry of MSE
h) Udayog Aadhar Memorandum (UAM)

The certificate should be valid on the date of opening of the bid and should be duly attested by Notary Public/Chartered Accountant. However, traders and agents registered as MSEs are not entitled to avail the above benefits under the Public Procurement Policy.

The offers are liable for rejection if they are not accompanied with a copy of valid registered certificate in case of MSE or proof/ reference for having remitted the Cost of Tender Document & Bid Guarantee by RTGS/NEFT/Demand Draft/Bank Guarantee.
Insurance companies participating in insurance tender, Govt. funded educational institutions, Govt. funded research institutions and Central / State Govt. departments participating in tenders are exempted from Cost of Tender Documents & Bid Guarantee. The bid guarantee shall be forfeited;
1. If the bidder withdraws/modifies/changes/impairs/derogates the bid proposal on his own after the bid is opened within the validity period.
2. Non acceptance of the Letter of Intent /Purchase Order by the bidder when issued within the validity period including extensions, if any.

3. Failure to furnish the valid Contract Performance Guarantee by the bidder.
4. Furnishing of Forged / Bogus documents.
5. On happening of any other contingencies mentioned in the bid documents.

INTEGRITY PACT:

Integrity Pact is a tool developed by Transparency International, an international civil society organization based at Berlin to help Government and Civil Society in fighting corruption in the public contracting. In Dec.2007, NLCIL signed MoU with Transparency International India, the accredited Indian Chapter of Transparency International, for implementing Integrity Pact program in NLCIL to have transparency and most ethical business dealing with the vendors.

All tenders with the estimate value beyond the specified threshold limit as fixed from time to time are covered under Integrity Pact program, as per which the firms should submit the Integrity Pact for the tenders as per the Format. Submission of Integrity Pact format will be a preliminary qualification to participate in the bidding. In case of STEs, where no other sources are available for the indented items, if the vendor does not agree to integrity pact, the reasons for not accepting has to be obtained from the vendor and has to be recorded.

The integrity Pact in respect of a particular tender, shall be operative from the date IP is signed by both the parties till the final completion of the Purchase/Supply. Any violation of the same would entail disqualification of the bidders and exclusion from future business dealings. Along with Integrity Pact, particulars of all IEMs should be mentioned. IEM would have access to all tender documents, whenever required.

PRE-QUALIFICATION REQUIREMENTS (PQR):

The Pre-Qualification requirements for the press tenders should be laid down taking into account the following;
i) Our requirement vis a vis capacity of the bidder, in the required field.
ii) The capacity in terms of appropriate value/quantity in a given period shall be specified, to ensure adequate capability of the bidders.
iii) Experience and past performance of the bidder.
iv) Quality parameters wherever applicable.
v) The PQR shall not be too stringent (or) too lenient to ensure competitiveness without compromising on quality & capability.
vi) Any other relevant requirement.

The PQ requirements shall be vetted by Purchase Department of MM & concurred by Finance departments and approved by the Competent Authority as per Delegation of Power.

In need of changing PQR through corrigendum, sufficient time extension i.e., minimum 15 days should be given for submission of Bid. Based on the past experience, PQR can be modified in successive tenders to improve competitiveness or due to change in requirements besides ensuring that previous suppliers are not getting disqualified.

DELIVERY TERMS:

For all indigenous supplies, the firm should normally be invited to quote their rates on FOR "NLCIL STORES‟ basis. The safe arrival of stores at destination shall be the responsibility of the Supplier.

In exceptional cases, where offers are quoted on Ex-works / FOR Station of dispatch basis:
1. with specific freight and insurance charges, the offers can be accepted. However, the safe arrival of stores at destination shall be the responsibility of the Supplier.
2. with freight and insurance charges to NLCIL‟s account, the offers can be accepted with suitable loading of freight and transit insurance charges with applicable GST. The specific delivery period for supply and for completion of installation/commissioning/testing, if applicable, needs to be incorporated in the Enquiry.

For all imported items, supply on CIF basis shall be followed and in exceptional cases FOB basis shall be accepted.

BANK GUARANTEE:

Bank guarantee is an instrument which is usually executed by a banker on behalf of a supplier against a specific contract guaranteeing the performance / contractual obligations including warranty of the supplier to the purchaser, bound to pay to the buyer a specified amount upon the first claim, in case the supplier fails on contractual obligations. The bank guarantee is obtained to safeguard NLCIL‟s interest in cases of failures of suppliers in executing contractual obligations.

For all tenders with estimate value beyond the specified threshold limit as fixed from time to time (presently Rs.10 lakhs & above) bank guarantee will be applicable. The bank guarantee shall be either for Faithful Performance of the contract [BGFP] (or) for both performance of the contract and warranty [CBG] combined together for suitable period depending on the nature of material indented in NLCIL‟s prescribed format on Rs.80/- nonjudicial stamp paper/e-stamp. However, foreign firms furnishing BG in their Bankers letter head is acceptable.

The Bank Guarantee for Faithful Performance shall have validity to cover the delivery period of the order Plus claim period of 3 months.

Normally, the Combined Bank Guarantee for performance and contract shall have validity for a period of 12 months from the date of commissioning or 18 months from the date of last supply of the materials at NLCIL stores (OR) for a specific period /time limit as prescribed by Indentor based on the material procured, whichever is earlier. The Bank Guarantee shall have a claim period of 3 months.

However, if warranty period is higher, the BG period may also be changed accordingly. Normally, BG is obtained for 10% of the order value. The validity of the Bank Guarantees shall cover the delivery period mentioned in the order as well as warranty period, wherever applicable. The validity is to be carefully monitored and whenever extension of the delivery period is granted, the validity of Bank Guarantee should also be appropriately extended so as to safeguard the NLCIL‟s interest.

In order to enhance the participation of SC/ST vendors in compliance to MSME Act, 50% relaxation on Bank Guarantee value can be considered on SC/ST vendors, i.e., for SC/ST vendors, the BG value shall be 5% of the order value. For the insurance companies participating in the Insurance Tenders are exempted from furnishing Bank Guarantee.

Bank Guarantees through SFMS Platform:

The Bank Guarantee issued by the issuing Bank on behalf of Bidder/Contractor/Supplier in favour of "Name of Company" shall be in paper form as well as issued under the "Structured Financial Management System". The details of beneficiary for issue of BG under SFMS platforms is furnished below:

1. The above particulars are to be incorporated by the issuing bank properly while issuing BG under SFMS mode to avoid any problem in future.

2. The advising bank (SBI Block-2, Neyveli) will send a copy of advice received under SFMS mode to NLC India Limited through their e-mail (sbi.00958@sbi.co.in) to a designated e-mail id of NLC India Limited (i.e.,) bgconfirm@nlcindia.com

Name of Beneficiary & Its details		Beneficiary Bank, Branch& Address	IFSC Code
Name	Unit / Area / Division		
NLC India Limited	Materials Management Comple	State Bank of India, Block-2,	SBIN0000958

GENERAL GUARANTEE FOR WARRANTY (GGW):

The bidder shall furnish a General Guarantee for Warranty in NLCIL‟s prescribed format on a Rs.80/- Non Judicial stamp paper/ e-stamp towards the warranty of the material supplied. The period of warranty shall be for 12 months from the date of commissioning or 18 months from the date of receipt of material at site, (OR) for a specific period /time limit as prescribed by Indentor based on the material procured.

For STE & foreign bidders, GGW can be accepted in their letter head with the approval of Unit Head. The bidder shall guarantee that the materials shall be new and in accordance with the contract documents and be free from defects in design, material, workmanship and performance.

During the warranty period if the material is taken out of services for one week or more for carrying out any repairs/replacements/ modifications the warranty period shall be extended automatically by the period of down time.

Common to Bank Guarantees and General Guarantee for Warranty:

If the Guarantee is not received within the due date or received in a different format, the purchaser shall have the option, either to cancel the order at the risk and cost of the bidder and / or to reject the Bank Guarantee at their discretion.

1. NLCIL will accept Bank Guarantee furnished by Scheduled Commercial Banks.
2. The Payment will be made only on acceptance of BG and/or GGW as the case may be.
3. The warranty period will be as indicated in the Tender Enquiry.
4. All the original Bank Guarantees are to be furnished directly by the bank to NLCIL either by RPAD / Courier and also through SFMS mode.

Detailed guarantee/warranty clause embodying all the safeguards be incorporated in the tender enquiry and the resultant Order. In case of Purchase orders with installation/commissioning clauses, the commencement of guarantee/ warranty should be reckoned only from the date of completion of installation/commissioning.

OFFER VALIDITY:

It is essential that tenders are finalized and contracts are awarded in a time bound manner within original validity of the tender, without seeking further extension of validity and finalization of tender within the stipulated original validity should be ensured. All tenders shall be issued specifying the required offer validity period (minimum 120 days).

In exceptional cases, where the validity period is required to be extended, proper justification and reasoning for such extension of the tender opening date should be brought on records and the bidders should be addressed only with the approval of Unit Head/MM.

GENERAL TERMS AND CONDITIONS FOR ALL TYPES OF ENQUIRY:

a. Amendments, if any issued for the tender shall form part of the *e*-tender.
b. Possession of Class-III Digital Certificate with Organization Name and Enrollment for e-procurement with NLCIL is essential to participate in this Tender. Bids should be authenticated with Digital Signature.
c. Illustrative leaflets giving technical particulars of the materials offered, if any, are to be electronically attached with the bid.
d. Terms and Conditions offered by the bidder in the Techno Commercial bid alone will be considered for evaluation. Bidder's own Terms and Conditions indicated elsewhere will be ignored.
e. Any other conditions which might have been mentioned by the bidder not in conformity with the terms and conditions prescribed will be ignored.
f. Should any bid be incomplete, conditional or obscure or contains irregularities of any kind, it will be rejected.
g. In case the bidder is a Dealer/Distributor/Stockist/Channel Partner, authorized Dealership/ Distributorship/Stockist/Channel Partner Certificate shall be submitted online and a hardcopy of the same shall also be furnished.
h. Once the bid is submitted, the same will not be returned to the bidder.
i. Either the Agent or the manufacturer directly could bid in a tender, but not both. The same applies to an Indian Agent/Dealer representing an Indian manufacturer. In case both submit the bids, the bid of the manufacturer will alone be considered.
j. An Agent representing one manufacturer in a tender will not be allowed to quote on behalf of

another manufacturer along with previous manufacturer in a subsequent tender for the same item.

k. In case, certificates submitted by the bidders is found to be forged one / bogus one, the bidder will not only be disqualified for the tender but also would be debarred / banned for a fixed period from at the discretion of NLCIL from participating in any of the NLCIL‟s tender, besides forfeiting the bid guarantee amount in full.

l. Unilateral revision or withdrawal of bid by the bidder within the subsistence of the validity period of bid shall not be permitted. Violation of this condition shall result in rejection of the bid without notice. In addition to the above such bidder shall also be debarred / banned for a fixed period, at the discretion of NLCIL from participating in any of the NLCIL‟s tender.

m. Unless otherwise specified, the tender will be finalized item wise on L1 basis.

n. In case of tie at the time of evaluation of L1 offer, revised reduced rates from the bidders of tie members will be obtained either through online or in a sealed cover. The revised reduced rates will be considered in evaluating the lowest offer. In case the bidders are declining to offer any revised reduced rates or resulting in tie again even after price reduction, manual lot method will be ultimately followed to decide the L1 bidder.

o. The scope of work shall be on the basis of 'single bidder responsibility' completely covering the item and the scope specified under the specifications and documents attached. For all other details please refer to the technical part of the tender specification.

p. NLCIL reserves the right not to consider the offers from bidders, who are not accepting NLCIL terms and conditions and other conditions imposed by them. However in case, if NLCIL accepts to consider the offers with deviations to normal NLCIL terms and conditions, the necessary loadings on price evaluation will be done as per the standard loading patterns adopted in NLCIL.

q. One Agent cannot represent two Suppliers (or) quote on their behalf in a particular tender. Likewise, one bidder shall not be allowed to quote multiple offers (or) alternatives /options for each item of the tender. Violation of the above will lead to outright rejection of the total offer.

r. If this tender is covered under Integrity Pact Program, entering into this Integrity Pact‟ will be a preliminary qualification to participate in the bidding. The format of „Integrity Pact‟ is enclosed herewith. A scanned copy of the signed Integrity Pact shall be attached with the bid and the Hard Copy of the same shall be sent to the purchaser so as to reach him before the scheduled date and time of tender opening.

PRICES:

The rates shall be indelibly indicated in the price schedule as per format.

a) The prices should be either FIRM or with price variation clause if stipulated in the Tender.

b) Charges for Freight and Insurance shall be quoted and will be reimbursed against documentary evidence. If not quoted, the same will be treated as NIL.

c) Prices shall be clearly shown in figures and words and should be for door delivery at NLCIL stores, Neyveli / Barsingsar. In case of offline tenders (LTE/PTE), the pricesshall not be revealed in

Cover-I (Techno commercial offer).

PRICE VARIATION CLAUSE:

Price variation clause, wherever considered necessary, can be provided in long-term contracts, where the contract/delivery period stipulated in NIT is more than 18 months then, PV clause shall be part of NIT conditions.

TERMS OF PAYMENT:

NLCIL‟s normal payment is "Full payment on acceptance against IRR will be made within 30 days of receipt of materials at Neyveli Stores" or any other payment terms specifically indicated in the tender condition. Exceptions will be considered in case of STEs. „All efforts will be made by NLCIL to effect the payment within the agreed time‟.

For MSE firms:
NLCIL Payment term as above. However, the goods supplied should be either accepted / rejected within a period of 15 days from the date of receipt of material, otherwise it will be deemed to have been accepted.

For orders placed through GeM Portal:
In case of goods, 100% payment will be released within ten (10) days of issue of consignee receipt-cum-acceptance certificate (CRAC) and on-line submission of bills.

Wherever Performance Bank Guarantee is applicable, the supplier shall submit the same in prescribed format, from a scheduled commercial bank to the Buyer within 15 days of award of contract on GeM. The payments to the seller shall become due only after receipt of Performance Bank Guarantee by the Buyer and verification of its genuineness.

In respect of Plant and Equipment items involving Supply, erection, & Commissioning the following payment terms may be followed:

• 80% of the supply portion plus 100% GST to be paid on receipt and acceptance against Inspection cum Receiving Report (IRR).

• Balance 20% of the supply portion plus 100% erection & commissioning charges with applicable GST will be paid after successful erection & commissioning at NLCIL site based on the completion certificate of erection & commissioning furnished by the Indentor.

• If erection & Commissioning is delayed beyond the stipulated period for reasons attributable to NLCIL, then the Balance 20% of the supply portion shall be released against Bank Guarantee for the equivalent amount covering the anticipated erection & commissioning period from NLCIL.

Any other payment Terms, if mutually agreed, appropriate loading shall be made for evaluation purposes. All the statutory levies shall be paid by the supplier to the concerned authorities and NLCIL will reimburse the amount paid against documentary evidence wherever NLCIL has agreed to pay the same.

DELIVERY PERFORMANCE:

The performance of the bidder, who failed to stick to the delivery schedule in earlier orders i.e., unsatisfactory delivery performance, unsatisfactory quality performance including warranty obligations if any shall be taken into account in evaluation of the subject tender.

DELIVERY SCHEDULE:

The delivery schedule is prescribed by the indentor based on the field requirement. The bidder should agree to supply as per the delivery schedule indicated. This period is inclusive of Third Party Inspection if any, or for obtaining test certificates, if any. In case of Purchases of material where there is a defined shelf life, staggered delivery schedule will be adopted.

APPROVAL FOR PLACEMENT OF PURCHASE ORDER:

Approval of the competent authority upto CGM powers shall be obtained online and the approval from Functional Directors and CMD shall be obtained offline for placement of Purchase Orders. While sending files offline to competent authority for approval for placement of Purchase Orders, the purchase proposal check list shall be accompanied with a background note.

For Placement of Orders requiring the approval of Sub Committee of Directors and Board of Directors, the draft note shall be got approved from CMD and then the clean copy of the note shall be submitted.

PURCHASE ORDER GENERATION:

The purchase orders are generated through system generated check lists. Upto the level of unit Head of MM, approval is obtained in system generated check list through pre-defined workflow including finance concurrence.

However, for the purchases approved by Directors, CMD, Sub Committee of Directors and Board of Directors, the approved note shall be attached in the system and thereafter a check list is generated in the system. The unit head of MM will approve such check lists through pre defined work flow in the system to generate purchase order.
As soon as the check list is approved, purchase order automatically gets generated. If any

enclosures are required to be sent along with the P.O. they are uploaded to the P.O.

EXTENSION OF TIME:

a. As soon as it is apparent that the scheduled dates in the Contract cannot be adhered to, the Bidder shall send an application for extension of time to the Purchaser, before the stipulated date.

Should, however, deliveries be made after expiry of contract delivery period without prior concurrence of the Purchaser and be accepted by the Purchaser, such deliveries will not deprive the Purchaser of his right to recover Price Reduction under the Price Reduction Clause. However any supply may be accepted beyond the delivery schedule strictly based on delivery extension obtained from the Purchaser, otherwise NLCIL reserve the right to reject the material and cancel the purchase order at the risk and cost of the Bidder.

b. Without prejudice to the foregoing rights, if such failure to deliver in time as aforesaid is due to any cause beyond the control of the Bidder, such as acts of god, any acts of government, strikes, lockout or other concerted action of workmen, war, hijack, sea piracy, sabotage, riots, civil commotion, police action, revolution, flood, fire, earthquake and epidemic except power cut as mentioned in the force majeure clause, the Purchaser may admit as a reasonable ground for an extension of time (and purchasers decision shall be final) and purchaser may allow such additional time as considered to /justified / by the circumstances of the case, subject to the terms, if any, to be incorporated in a supplementary agreement for the purpose. If and when then Purchaser grants additional time, the Purchase order shall be read and understood, that the terms and conditions contained in the Original Purchase Order, shall remain unaltered. But any increase in prices, taxes etc. occurring beyond the original date of delivery specified in the purchase order will not be accepted and it will be to the bidders account only.

c. In the absence of grant of any extension of time in writing by the Purchaser, it should be deemed that the request for extension has been refused. Any acceptance of performance of the Contract or part thereof at any time, other than that agreed one, shall be deemed to have been made, with notice of intention to claim compensation for any loss occurred by the non–performance of the contract, within the time agreed and shall not tantamount to waiver.

FORCE MAJEURE:

The following shall constitute Force Majeure:
a) Acts of god, any acts of Government and other causes as strikes, lockout or other concerted action of workmen, war, hijack, sea piracy, sabotage, riots, civil commotion, police action,

revolution, flood, fire, earthquake and epidemic. However, power cut shall not constitute Force Majeure conditions.

b) If the bidder suffers delay in the due execution of the contractual obligations due to delays caused by Force Majeure as defined above, the agreed time of completion of the work covered by this contract or the obligations of the bidder shall be extended by such period of force-majeure, provided that on the occurrence of any such contingency, the bidder reports to the purchaser in writing within the agreed delivery period the cause of delay with requisite documentary evidence.
c) The Bidder or the Purchaser shall not be liable for delays in performing his obligations resulting from any Force Majeure cause as referred to and/or defined/above.

The decision of the purchaser whether there is a Force Majeure condition or not and whether extension of time shall be granted or not shall be final.

PRICE REDUCTION CLAUSE:

Time is the essence of the CONTRACT/PURCHASE ORDER. In case of delay in delivery of Material(s)/ Equipment(s)/Service(s) (as the case may be), then, unless such failure is due to Force Majeure or due to PURCHASER'S defaults, total contract price shall be reduced by ½% (Half percent) of the total Contract Price, per week of delay or part thereof, subject to a maximum of 5% (Five percent) of the Total Contract Price, by way of reduction in price for delay and not as penalty.

a) The time schedule for Delivery of Material(s)/Equipment(s)/Service(s) as stipulated in the Contract shall be adhered to on the clear understanding that the Price(s) of the Material(s)/ Equipment(s)/ Service(s) has/have been fixed with reference to the said Delivery date(s).

b) If any delay is anticipated by the Contractor in the delivery of the Material(s)/ Equipment(s)/Service(s) or any of them beyond the stipulated time schedule of Delivery, the CONTRACTOR/SUPPLIER shall forthwith inform PURCHASER in writing of such anticipated delay and of the steps being taken by the Contractor to remove or reduce the anticipated delay, and shall promptly keep PURCHASER informed of all subsequent developments.

c) In case of delay in delivery on the part of CONTRACTOR/SUPPLIER, the invoice value shall be reduced proportionately for the delay and payment shall be released accordingly. If CONTRACTOR/SUPPLIER has raised the invoice for full value, then CONTRACTOR shall issue Credit Note towards the applicable Price Reduction amount.

d) In case, the CONTRACTOR/SUPPLIER does not reduce the invoice value proportionately or does not issue Credit Note as mentioned above, the PURCHASER shall release the payment to the

Contractor after effecting the Price reduction or may deduct the amount so payable by CONTRACTOR/SUPPLIER from any amount falling due to the CONTRACTOR/SUPPLIER or by recovery against the Contract Performance Guarantee/ Security Deposit.

e) The Price Reduction shall be calculated on the basis of total Value of Contract excluding taxes and duties, where such taxes and duties have been shown separately in the Contract.

f) Both CONTRACTOR/SUPPLIER and PURCHASER agree that this is a genuine pre estimate of the loss/damage which the PURCHASER would have suffered on account of delay/breach on the part of the CONTRACTOR/SUPPLIER and the said amount will be payable on demand or said amount will be adjusted from the amount payable to the CONTRACTOR/SUPPLIER without there being any proof of the actual loss/damages having been caused by such delay/breach.

g) The decision of the PURCHASER with respect to applicability of Price Reduction shall be final and binding.

h) If any financial implication arises on PURCHASER due to issuance of invoice without reduction in price or non-issuance of Credit Note, the same shall be to the account of CONTRACTOR/SUPPLIER.

i) The Purchaser may, without prejudice to any method of recovery, deduct the amount of PRICE REDUCTION from any amount due to the Contractor, under this or under any other Contract awarded by the Purchaser in his /their favour.

PRICE REDUCTION CLAUSE FOR PLANT & EQUIPMENT ITEMS:

a) For Supply portion:
Total contract price shall be reduced by ½ % (Half percent) of the total Contract Price, per week of delay or part thereof, subject to a maximum of 5% (Five percent) of the Total Contract Price, by way of reduction in price for delay and not as penalty.
b) For Erection & Commissioning
If delay in erection & commissioning is attributable to the Supplier, Total Erection & Commissioning price shall be reduced by ½ % (Half percent) of the total Contract Price, per week of delay or part thereof, subject to a maximum of 5% (Five percent) of the Total Contract Price, by way of reduction in price for delay and not as penalty.

TEST CERTIFICATE:

In the procurement of items, Test Certificate clause is stipulated by the Indenting Departments for certain items and accordingly the tender may be issued to furnish the same along with the supply as per the test requirement and test certificate clause as below.

1. Original Test Certificate shall be furnished at free of cost with each consignment either from the Laboratories approved by BIS (or) from the Laboratories accredited by NABL.

2. The firm should furnish copy of the following documents from where the Test Certificate is produced.

a. Current valid approval / Accreditation Certificates of the Laboratories &

b. Scope of Certification covering the performed tests on the supplied materials

3. However, NLCIL reserves the right to test the material supplied randomly, if required at CARD (Testing Unit of NLCIL) / MRT Lab (NLCIL) or any other Approved / Accredited Lab and the test result will be binding on the supplier.

ACTIONS FOR NON-COMPLETION OF SUPPLY WITHIN THE DELIVERY SCHEDULE:

The stores shall be delivered within the period stipulated in the order failing which the following clause will apply. Should the bidder fail to deliver the stores or any consignment thereof, within the period prescribed for the delivery, the purchaser shall be entitled at his option.

a. To recover from the bidder as agreed that the total contract price shall be reduced by ½% (Half percent) of the total Contract Price, per week of delay or part thereof, subject to a maximum of 5% (Five percent) of the Total Contract Price, by way of reduction in price for delay and not as penalty. and / or

b. To purchase elsewhere, without notice to the Bidder on account and at the risk and cost of the bidder, the stores not delivered / rejected / not replaced, without cancelling the contract. Should however, in the opinion the Purchaser, such stores, exactly conforming with the specification in the Purchase Order are not readily procurable, the Purchaser shall have the right to purchase the same at the risk and cost of the bidder as aforesaid. The opinion of the Purchaser in the matter of such risk purchase shall be final and binding on the Bidder in respect of the consignment (s) not yet due for delivery. and / or

c. To cancel the contract or a portion thereof and if so desired, to purchase the Stores at the risk and cost of bidder. In the event of action being taken under (b) and/or (c) above, the Bidder shall be liable for any loss, which the Purchaser may sustain on that account. But the Bidder shall not be entitled to any gain on such purchase made against the default. The manner and method of such purchases shall be at the sole discretion of the Purchaser, whose decision will be final and binding on the Bidder. It shall not be necessary for the Purchaser to send a notice of such repurchase to the defaulting bidder. These rights shall be without prejudice to the right of the Purchaser to recover damages for breach of contract by the Bidder and also the right of the purchaser to debar the bidder for future transactions.

d. If the goods are delivered within the stipulated time, but rejected by the Purchaser as not being in conformity with their specification, the bidder shall make replacement of the rejected goods within 30 days of receipt of intimation of such rejection by the purchaser, failing which Price Reduction Clause for the delay in replacement will be levied. If the Bidder fails or neglects to replace the goods even after levying Price Reduction, the purchaser is entitled to initiate action as (c) above.

INSURANCE:

The Bidder shall arrange to secure and maintain Transit Insurance as may be necessary and any loss or damage to the items during handling and transporting till such time the items are delivered at site, shall be to the account of the Bidder. The Bidder shall be responsible for preferring of all claims as applicable and make good at the Bidder 's own cost for the damage or loss by way of replacement of the items damaged or lost. The Bidder shall make all arrangements for replacement of lost or damaged items immediately after the loss or damage comes to the Bidder’s notice without waiting for the settlement of insurance claim. The transfer of title shall not in anyway relieve the Bidder of the above responsibilities during the period of 'contract'.

INSPECTION OF STORES:

The Purchaser reserves the right to inspect the stores either by NLCIL or its nominated Third Party agency at the supplier’s works during the course of manufacture and before dispatch of the Stores. Such inspection of stores at the supplier’s works at the discretion of the Purchaser is without prejudice to their right of inspection, after receipt of stores at NLCIL‟s site.

If the materials are rejected by the third party inspection agency / NLCIL, then the manufacturer or the supplier shall reproduce the corrected or new material again for third party inspection for which the inspection charges shall be recovered by NLCIL from the manufacturer or the supplier from their bills etc.

Any Plant and / or materials which was rejected during inspection at the Purchaser’s Site shall be removed by the supplier within 14 days of receipt of intimation of rejection and it shall be the duty of the supplier to remove them accordingly at their cost. Such rejected plant and/or stores shall lie at the bidder’s risk from the time of such rejection.

If the rejected Plant and/or Materials are not removed within the above stipulated period, the supplier will be given an opportunity to take back the rejected materials within 60 days from the date of Rejection IRR. If the supplier fails to take back the rejected materials even after 60 days from the date of rejection IRR, the Rejected materials will stand forfeited and the supplier shall not have any right to claim.

The Purchaser shall be at liberty to dispose off the same through Auction as Scrap after 60 days from the date of rejection without any further notice to the Supplier and appropriate the sale proceeds against any loss or damages sustained by the Purchaser on account of the breach committed by the Supplier.

Not withstanding the above and without prejudice to the right to initiate Legal proceedings, the Purchaser shall be entitled to recover the dues, if any, by invoking the Bank Guarantee, if any, furnished by the Supplier, and / or adjusting any payment due by the Supplier against any of the pending bills due to the supplier with respect to this or any other Contract/Works awarded by NLCIL.
Approved by CMD Vide Note Dt 08.07.21 & Cir. CGM/MM &Disp./SOP for Rejected Materials/2021 Dt 24.11.2021.

DOCUMENTS FOR PAYMENT:

All payments shall become due and payable to the bidder only after submission and acceptance of following guarantees if applicable.
(1) Combined Bank Guarantee for Contract Performance (CBG) (or) Bank Guarantee for Faithful Performance (FPBG)
(2) General Guarantee for Warranty (GGW)
(3) Test Certificate, Third Party Inspection Report etc. All the payments will be made to the bidder through e-payment only.

RECOVERY OF OUTSTANDING DUES:

It shall be lawful for the purchaser to recover/adjust any amount due and payable by the Bidder/Supplier to NLCIL, from and out of any sum due to the Bidder / Supplier under this or any other orders placed on them.

WAY OF PROCUREMENT PROCESSING:

➜ APPROVAL NOTE
➜ ESTIMATE & DRAWINGS
➜ PURCHASE REQUISITIONS (PR)
➜ PR CHECKLIST

➜ TENDER DOCUMENT
➜ CATALOG CREATION IN GEM PORTAL (OR)
➜ FLOAT CUSTOM BID IN GEM PORTAL
➜ OPEN CUSTOM BID
➜ TECHNICAL BID
➜ FINANCIAL BID
➜ REVERSE AUCTION (RA)
➜ ORDER PLACEMENT IN GEM PORTAL
➜ BANK GUARANTEE
➜ MATERIAL RECEIVED
➜ GOODS RECEIPT NUMBER(GRN)
➜ CONSIGNEE RECEIPT CUM ACCEPTANCE CERTIFICATE (CRAC) IN GEM PORTAL
➜ PAYMENT TO BE MADE

7) PAYMENT TERMS:

Normal Payment: Normal payment terms of NLCIL is, full payment will be made within 30 days after receipt goods at site in good condition & inspection and acceptance against IRR issued by NLCIL. The firmed up payment terms should be stipulated in the Purchase Order. For normal payment terms and payment against Material receipt Certificate, the following documents should be furnished to the concerned Accounts Centre, by the supplier in support of the claim:

➡ GST Invoices.
➡ Proof of freight and Insurance, wherever applicable.
➡ Other certificates as specified in the Purchase Order.