



OFFICE OF THE CHIEF GENERAL MANAGER/CONTRACTS & I.E
CORPORATE OFFICE, NEYVELI – 607801

CIRCULAR

Circular No.: CGM/Conts./Contracts Manual/2021-2

Date: 25.01.2021

Sub: Contracts Manual- Review and squeezing of time-lines for tender processing, Modification in decrement value in Reverse Auction, Cost of Tender Document and Contract Closure condition etc. – Reg.

Competent Authority has accorded approval for the following changes in the Contracts Manual Clauses for implementation:

- i. to revise the time-lines of the related Processes & Procedures mentioned in the Contracts Manual, and to include time-lines under New Tendering System (Revised Guidelines & Procedures) and EOI (Expression of Interest) routes, including such tenders which are under processing;
- ii. to modify the 'Bid Decrement' value in Reverse Auction, by adding additional stages of decrement values for high value tenders;
- iii. to modify the 'Cost of Tender Documents' for Volume-I and II;
- iv. to rename "Press Tender Enquiry" in Volume-II as "Domestic Competitive Bidding";
- v. to include 12 nos. of certificates related to closure of contracts (for Project Contracts)

The above changes are enclosed as **Annexure** for necessary compliance.

K. Sabrine
25/01/2021
Chief General Manager/Contracts & IE

Chief General Manager / Contracts
NLC India Ltd., Corporate Office
Neyveli.

Encl: Annexure

To:
All Unit Heads / Project Heads
Copy to TS to CVO/FDs/CMD
Copy to Executive Director/Mines/Thermal/HR
Copy to Intranet

ANNEXURE

Modification/ Replacement to be incorporated in Contracts Manual:

1.0 Time Schedule for DCB/ICB(GTE) and LTE/STE:

The existing timelines for tender processing in Volume-I of Contracts Manual, Chapter-2 Clause-5: for DCB/ ICB and LTE/ STE is replaced by the following three tables (Table-1, Table-2 & Table-3):

- i. Timelines for tenders processed under New Tendering System (Revised Procedure as per circular Dt:07.11.2018) through ICB/DCB and for tenders processed through LTE/STE mode.

Table-1

Sl. No	Activity	Timeline in Days for each activity			
		ICB	DCB	LTE	STE
1	Receipt of approval in complete shape including Tender documents.	0	0	0	0
2	Issue of Notice Inviting Bid (NIB) or Sending Tender Enquiry to Bidders for LTE/STE	5	5	5	5
3	Sale of Tender Documents, Submission of Bids & opening of 1 st Cover	50	30	25	25
4	Recommendation of Tender Committee for shortlisting of bidders on Qualification Requirements(QR).	45	45	NA	NA
5	Recommendation of Tender Committee for shortlisting of bidders on Techno-Commercial aspects	25	25	25	NA
6	Approval of Competent Authority for shortlisting of bidders on QR & Techno Commercial aspects.	10	10	10	NA
7	Price cover opening, price evaluation, Reverse auction, end user verification, and Recommendation of Tender	35	35	25	NA

	Committee for Placement of Order. (Other than STE)				
8	Evaluation on techno-commercial aspects, price evaluation & Justification and Recommendation of Tender Committee for Placement of Order (For STE only).	NA	NA	NA	30
9	Approval of Competent Authority for placement of order	20	20	10	10
10	Total No. of Days	190	170	100	70

- ii. Timelines for tenders of complex nature and where standard techno-commercial conditions could not be firmed up and floated through ICB/DCB mode.

Table-2

Sl. No.	Activity	Timeline in Days for each activity	
		ICB	DCB
1	Receipt of approval in complete shape including Tender documents.	Zero Date	Zero Date
2	Issue of NIB	9	9
3	Sale of tender Documents, Submission of Bids & Opening of Part-1	50	30
4	Recommendation of Tender Committee for shortlisting of bidders on QR	55	55
5	Recommendation of Tender Committee for shortlisting of bidders on Techno-Commercial aspects.	32	32
6	Approval of Competent Authority for shortlisting of bidders on QR & Techno Commercial aspects.	22	22
7	Price Cover opening, Reverse Auction, Price evaluation, and Recommendation of Tender Committee for Placement of Order	22	22
8	Approval of Competent Authority for placement of order	20	20
9	Total No. of Days	210	190

iii. Timelines for tenders processed on Expression Of Interest (EOI) basis.

Table-3

Sl. No.	Activity	Timeline in Days for each activity	
		ICB	DCB
1	Receipt of approval in complete shape including Tender documents.	Zero Date	Zero Date
2	Issue of NIB	5	5
3	Sale of tender Documents, Submission of Bids & Opening of Part-1	35	25
4	Recommendation of Tender Committee for shortlisting of bidders on QR	55	55
5	Approval of Competent Authority for shorting of bidders on QR	20	20
6	Issue of Tender specification to the bidders shortlisted on QR	4	4
7	Techno-commercial bid submission & opening	35	25
8	Recommendation of Tender Committee for shortlisting of bidders on Techno-Commercial aspects	32	32
9	Approval of Competent Authority for shortlisting of bidders on Techno Commercial aspects.	22	22
10	Price Cover opening, Reverse Auction, Price evaluation and Recommendation of Tender Committee for Placement of Order	22	22
11	Approval of Competent Authority for placement of order	20	20
12	Total No. of Days	250	230

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1.1 The process w.r.t obtaining end user verification in New Tendering System (Revised Procedure as per circular Dt:07.11.2018) is modified as below:

Clause	As Existing	Amended/ Modified as
Chapter-3 Cl.3.7 (x and xi) in Volume I of Contracts Manual	x) Based on the price ranking, the end user verification/confirmation of the PQR documents submitted by bidder, who offered the lowest price in the reverse auction (RL1 bidder) or the R1 bidder (in case of no RA/nonparticipation in RA/ no reduction in RA) shall be carried out.	x) Based on the price ranking the end user verification/confirmation of the PQR documents submitted by bidder, who offered the lowest price in the reverse auction (RL1 bidder) or the R1 bidder (in case of no RA/nonparticipation in RA/ no reduction in RA) shall be obtained and for all other bidders including the eliminated H1 bidder, if any, end user confirmation will be sought simultaneously.
	xi) In case, the documents of the bidder who offered lowest price (RL1/R1) are found to be false/incorrect, the next lowest bidder's offer in their order of price ranking including eliminated H1 bidder if any, will be verified till a successful bidder is identified.	xi) In case, the documents of the bidder who offered lowest price (RL1/R1) are found to be false/incorrect, the next lowest bidder's offer in their order of price ranking including eliminated H1 bidder if any, will be evaluated on obtaining end user verification till a successful bidder is identified.

1.2 The process w.r.t obtaining end user verification for tenders of Complex in Nature and where standard Techno-Commercial conditions could not be firmed up is modified as below:

Sl.No	Clause	As Existing	Amended/ Modified as
1	Chapter-3 Cl.3.8 , Para 1 in Volume I of contracts Manual	To categorize and float Tenders under this Category, approval of Functional Directors concerned shall be obtained. Only Off-line Tenders will be issued in this Category.	To categorize and float Tenders under this Category, approval of Functional Directors concerned shall be obtained. Off-line/ On-line Tenders will be issued in this Category.

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2	Chapter-3 Cl.3.8 , Para 2 in Volume I of contracts Manual	The end user verification / confirmation for PQR credentials/ documents shall be obtained in respect of all bidders and the approval of Competent Authority for the shortlisting of bidders on QR shall be obtained before Technocommercial evaluation.	<p>(i) After the TC recommendation on QR shortlisting (pending end user verification), the bidders may be called for techno-commercial discussions in which it has to be clearly informed that "The bidders will be qualified for Price cover opening subject to confirmation/ verification from the end-user as per QR conditions" and that participating in techno-commercial discussions doesn't mean that they are qualified for price cover opening.</p> <p>(ii) The end user verification / confirmation for QR credentials/ documents will be obtained parallelly with Techno-commercial process and has to be completed in respect of all the bidders before techno-commercial shortlisting.</p> <p>(iii) Separate TC meeting shall be conducted as follows: (a) for shortlisting of bidders on EMD/Bid Guarantee, Integrity Pact (if applicable) & PQR conditions (b) for shortlisting of bidders on PQR (after end user confirmation) and Techno-commercial aspects.</p> <p>(iv) Based on the TC recommendations, single note shall be initiated to get approval of the competent authority for shortlisting of bidders on PQR & Techno-commercial aspects as per the extant Delegation of Powers.</p>
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2.0 DECREMENT VALUE FOR REVERSE AUCTION (RA):

Existing Decrement value as per Chapter-16, ANNEXURE 24, Cl.6 (A) in Volume-I of Contracts Manual and subsequent circular Dt: 07.12.2019 is **replaced** as follows:

Estimate value of tender (in Rs.)	Bid Decrement (in Rs.)
From Rs 50 Lakhs to below Rs 75 Lakhs	Rs 15,000/- & its multiples
From Rs 75 Lakhs to below Rs 1 Crore	Rs 20,000/- & its multiples
From Rs 1 Crore to below Rs 5 Crore	Rs 25,000/- & its multiples
Rs 5 Crore to below Rs 10 Crore	Rs 50,000/- & its multiples
Rs 10 Crore to below Rs 100 Crore	Rs 5,00,000/- & its multiples
Rs 100 Crore & above	Rs 10,00,000/- & its multiples

3.0 COST OF TENDER DOCUMENTS:.

Existing value of cost of tender documents in Chapter-3 Cl.6 in Volume-1 of Contracts manual and in Chapter-20, Cl.4.1 in Volume-II of Contracts Manual, are **replaced** as follows:

Estimate value of tender	Tender Cost
Upto Rs. 8 Crore	Rs.100/- per Lakh subject to maximum of Rs.2,000/-
Above Rs. 8 Crore and upto Rs. 20 Crore	Rs.3,000
Above Rs. 20 Crores and upto Rs. 100 Crore	Rs.10,000
Above Rs. 100 Crore	Rs.20,000

4.0 CHANGE IN NOMENCLATURE:

The nomenclature "Press Tender Enquiry" in Volume I, II & III of Contracts Manual is amended as "Domestic Competitive Bidding".

In line with the above the following clauses are amended:

Sl. No.	Clause	As Existing	Amended as
1	Vol.I, Chapter-3 Cl.4.1	The complete details of NIB will be available in the tender documents (sample at Annexure 1 & 2 of Chapter 16) and only basic details will be available in the press publication (sample at Annexure 3 of Chapter 16).	The complete details of NIB will be available in the tender documents (sample at Annexure 1 & 2 of Chapter 16)
	Vol.I, Chapter-3 Cl.5.4	After the NIB appears in the Press / ITJ / NLCIL's Web Site and CPPP, it shall be checked by the Dealing Officer and the "Press cutting" kept in the file.	Deleted

2	Vol.I, Annexure-3, Pg No.112	Fly Slip to PRO for Tender Publication	The entire Annexure-3 is Deleted
3	Vol.II, Chapter-20 Cl.3.3	After the NIT appears in the Press, it shall be checked by the Dealing Officer and the "Press cutting" kept in the file after attesting with his signature in token of checking.	Deleted
4	Vol.II, Chapter-20 Cl.10.3- Open Tender Enquiry	If the tender value is upto Rs. 25 Lakhs and open to all, it is Open Tender Enquiry. Tender Notices will be hosted in NLCIL Website / CPPP and to be displayed in Notice Board of all Units. Advertisement in Press is not necessary.	If the tender value is upto Rs. 25 Lakhs and open to all, it is Open Tender Enquiry. Tender Notices will be hosted in NLCIL Website / CPPP and to be displayed in Notice Board of all Units.

5.0 **PROCEDURE FOR CONTRACT CLOSURE:**

The following 12 certificates to be issued by the concerned departments/ Contractor for effecting the contract closing activity for **Project Contracts** in addition to the extant 'NO CLAIM CERTIFICATE FROM THE CONTRACTOR' are included in Chapter-13, Cl.2.5 (New Clause) of Volume-I of contracts Manual.

CHECKLIST

Project Name:	
Contract No:	
Prepared By:	Date:
Contractor:	
Contact Telephone /E-mail:	

Certificate No	Description	Applicability		
Certificate no -01	Final amendment to contract	Yes	No	n/a
Certificate no -02	Drawing receipt	Yes	No	n/a
Certificate no -03	Quality document receipt	Yes	No	n/a
Certificate no -04	Q & M Manual receipt	Yes	No	n/a
Certificate no -05	Scope completion	Yes	No	n/a
Certificate no -06	Liquidated damages/Price Reduction for delay	Yes	No	n/a
Certificate no -07	Equipment performance shortfall	Yes	No	n/a
Certificate no -08	Material reconciliation	Yes	No	n/a
Certificate no -09	Payment reconciliation	Yes	No	n/a
Certificate no -10	Labour payment & statutory requirement	Yes	No	n/a
Certificate no -11	Completion of warranty period	Yes	No	n/a
Certificate no -12	Return of Bank Guarantee	Yes	No	n/a
Certificate no -13	No Claim Certificate	Yes	No	n/a

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CERTIFICATE NO - 01
PROFORMA OF CERTIFICATE OF FINAL AMENDMENT TO THE CONTRACT
(TO BE ISSUED BY CORPORATE CONTRACT DIVISION)

NAME OF PACKAGE:

LETTER OF AWARD:

CONTRACT NO:

NAME OF CONTRACTOR:

This is to certify that amendments have been issued to the aforesaid contract as per the details mentioned below:

- 1.
- 2.
- 3.
- 4.

This is to certify further that Amendment No.....
dated..... is the last amendment issued.

Date:
Place:

Signature:
Name:
Designation:

CERTIFICATE NO– 02
PROFORMA FOR DRAWING RECEIPT CERTIFICATE
(TO ISSUED BY ENGINEERING DIVISION)

NAME OF PACKAGE:

LETTER OF AWARD:

CONTRACT NO:

NAME OF CONTRACTOR:

PROJECT:

This is to certify that we have received all the drawings which were to be submitted by the contractor in requisite number along with the reproducible as detailed in Annexure. Enclosed herewith, as per provisions stipulated in the above-mentioned LOA/contract.

Date:

Place:

Signature:

Name:

Designation:

CERTIFICATE NO – 03
PROFORMA FOR QA DOCUMENT RECEIPT CERTIFICATE
(TO BE ISSUED BY QUALITY ASSURANCE – ERECTION DIVISION)

NAME OF PACKAGE:

LETTER OF AWARD:

CONTRACT NO:

NAME OF CONTRACTOR:

Project:

This is to certify that the QA documents as per the list enclosed, in respect of the above-mentioned LOA/Contract has been received in line with provision of the contract.

Date:

Place:

Signature:

Name:

Designation:

CERTIFICATE NO - 04
PROFORMA FOR O&M MANUAL RECEIPT CERTIFICATE
(TO BE ISSUED BY ENGINEERING DIVISION)

NAME OF PACKAGE:

LETTER OF AWARD:

CONTRACT NO:

NAME OF CONTRACTOR:

PROJECT:

This is to certify that we have received from the Contractor all the necessary O & M Manuals in requisite number including the list of spare parts along with the names of vendors in respect of the above LOA/Contract. The consolidated list of such manuals received is enclosed along with the distribution as marked on the list.

Date:

Place:

Signature:

Name:

Designation:

CERTIFICATE NO - 05
PROFORMA FOR SCOPE COMPLETION CERTIFICATE
(TO BE ISSUED BY SITE ERECTION)

NAME OF PACKAGE:

LETTER OF AWARD:

CONTRACT NO:

NAME OF CONTRACTOR:

PROJECT:

1.0 This is to certify that the scope of the above Contract has been completed in line with the Contract read in conjunction with the following documents:

1. Final Amendment No. _____ [As per Certificate No.01]

2. Approved drawings including site run piping schemes, if any,

3. Approved Bill of Materials

4. Material Dispatch Clearance Certificate[s]

5. Measurement Book

6. As Built Drawings

7. Any other documents [specify]

2.0 It is further certified that the following have been supplied, as per the details given in the Contract Documents and the same have been taken over by NLCIL.

1. Mandatary Spares

2. Recommended Spares

3. Special Tools & Tackles

Date:

Place:

Signature:

Name:

Designation:

CERTIFICATE NO - 06
PROFORMA FOR LIQUIDATED DAMAGES/PRICE REDUCTION FOR DELAY CERTIFICATE
(TO BE ISSUED BY SITE ERECTION)

NAME OF PACKAGE:

LETTER OF AWARD:

CONTRACT NO:

NAME OF CONTRACTOR:

PROJECT:

This is to certify the issue regarding liquidated damages/ price reduction for delay as per the provisions of clause _____ of the above contract/LOA has been resolved with the approval of the Competent authority vide reference _____[copy enclosed].

Date:

Place:

Signature:

Name:

Designation:

Note: In respect of cases where LD for delay is settled by Corporate Contract Division [CCD], this certificate will be issued by CCD and where LD for delay is settled by the site, the same will be issued by the concerned Site.

CERTIFICATE NO - 07
PROFORMA SHORTFALL IN EQUIPMENT PERFORMANCE CERTIFICATE
(TO BE ISSUED BY ERECTION DIVISION FOR SITE PERFORMANCE TEST AND BY QA FOR SHOP TEST)

NAME OF PACKAGE:

LETTER OF AWARD:

CONTRACT NO:

NAME OF CONTRACTOR:

PROJECT:

This is to certify that the following shortfall in equipment performance as compared to the guaranteed parameters have been assessed and agreed to with the contractor in respect of the above-mentioned LOA/Contract.

Sl. No.	Guaranteed parameter	Guaranteed Value	Assessed value	Shortfall, if any.	Liquidated damages Annual
1	2	3	4	5	6

Further, it is also confirmed that liquidated damages for shortfall in equipment performance in respect to above items, have been recovered fully from the Contractor and no other dues are outstanding for shortfall in equipment performance.

Date:

Place:

To be counter signed by site accounts:

Date:

Place:

Signature:

Name:

Designation:

Signature:

Name:

Designation:

CERTIFICATE NO - 08
PROFORMA OF "MATERIAL RECONCILIATION" CERTIFICATE
(TO BE ISSUED BY SITE ERECTION)

NAME OF PACKAGE:

LETTER OF AWARD:

CONTRACT NO:

NAME OF CONTRACTOR:

PROJECT:

This is to certify that the materials issued to the Contractor in respect of the above mentioned LOA/Contract have been, reconciled with the stipulations under the Contract documents and no other recovery of material is pending with the Contractor.

Date:

Place:

Signature:

Name:

Designation:

To be Counter Signed by site Stores.

Date:

Place:

Signature:

Name:

Designation:

CERTIFICATE NO - 09
PROFORMA OF "PAYMENT RECONCILIATION" CERTIFICATE
(TO BE ISSUED BY SITE ACCOUNTS)

NAME OF PACKAGE:

LETTER OF AWARD:

CONTRACT NO:

NAME OF CONTRACTOR:

PROJECT:

This is to certify that all the payments released to the contractor in respect of the above-mentioned LOA/Contract have been reconciled with the provisions of the Contract documents and statement of accounts and or other Certificates of Contractor. It is observed that there are no recoveries pending under any of the items listed overleaf.

Date:

Place:

Signature:

Name:

Designation:

Enclosure to Certificate No - 09

The list of recoveries and claims as advised by site Erection Department should include all recoveries and claims on any account whatsoever, including the following:

1. Liquidated damages/ Price reduction for delay.
2. Liquidated damages for shortfall in performance as observed during shop-testing [by inspection dept.]
3. Liquidated damages for shortfall in performance as observed during performance guarantee tests conducted at site and other site tests.
4. All recoveries / Claims on account of variations / deviations to scope of Contract permitted or otherwise taken place during execution of the Contract as listed in Certificate No. 05 for Contract closing [Certificate by site Erection for Contract closing].
5. Recoveries on account of reconciliation of payments made under the contract.
6. All the claims against the Contractor regarding clearance of materials from site and vacation of the premises allotted for site office, stores.
7. All claims in respect of Training / Transportation / Accommodation / Services provided by site in respect of above LOA / Contract.
8. Recoveries on account of settlement of insurance claims.
9. Recoveries on account of reconciliation of materials issued to the Contractor.

10. All recoveries on account of demurrage, transportation, insurance premiums etc. and other recoveries as informed by T&CC group on account of port clearance, transportation etc.
11. All recoveries on account of wastage and scrap.
12. All recoveries / claims [if any] on account of maintenance of equipments.
13. All recoveries / claims [if any] on account of price variation.
14. All recoveries / claims [if any] on account of statutory dues paid on behalf of the Contractor by NLCIL.
15. Royalty charges.
16. All recoveries / claims [if any] on account of hiring out of NLCIL's plant and equipment.
17. All recoveries / claims [if any] on account of water and electricity charges, if applicable.
18. Any recoveries / claims against specific instructions.

CERTIFICATE NO - 10
PROFORMA OF CERTIFICATE REGARDING LABOUR PAYMENTS AND STATUTORY
REQUIREMENTS
(TO BE FURNISHED BY CONTRACTOR)

NAME OF PACKAGE:

LETTER OF AWARD:

CONTRACT NO:

NAME OF CONTRACTOR:

PROJECT:

This is to certify that the we have made all labour payments including PF Liabilities in respect of the above-mentioned LOA / Contract and no other payments in this regard is pending from us. No recoveries are pending from the Contractor under any of the items advised by Site Erection Department as listed overleaf.

Further we confirm that all Statutory requirements have been complied with by us and in case any default is reported against us, we shall be solely responsible for the same.

Date:

Place:

Signature:

Name:

Designation:

CERTIFICATE NO - 11
PROFORMA OF CERTIFICATE FOR COMPLETION OF WARRANTY PERIOD
[TO BE ISSUED BY SITE ERECTION]

NAME OF PACKAGE:
LETTER OF AWARD:
CONTRACT NO:
NAME OF CONTRACTOR:
PROJECT:

This is to certify that the warranty period for the above mentioned LOA / Contract has been completed in line with the provisions of the Contract.

Date:
Place:

Signature:
Name:
Designation:

CERTIFICATE NO-12
PROFORMA OF "CERTIFICATE FOR RETURN OF BGs / INDEMNITY BONDS ETC."
(TO BE ISSUED BY SITE ACCOUNTS/ CONTRACTS DIVISION)

NAME OF PACKAGE:

LETTER OF AWARD:

CONTRACT NO:

NAME OF CONTRACTOR:

PROJECT:

INSTRUMENT No:Dt.....Value for

.....

Issuing Authority..... Place.....

This is to certify that all the "Bank Guarantee / Indemnity bonds / Insurance policies / Collaborator's or Associate's Guarantee received for the above-mentioned LOA / Contract have been returned in original to the Contractor.

Date:

Place:

Signature:

Name:

Designation: