

**COAL INDIA LIMITED**

(A MAHARATNA COMPANY)

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कोल इंडिया लिमिटेड

(एक महारत्न कंपनी)

सामग्री प्रबंधन विभाग

कोल भवन, प्लॉट सं.-ए.एफ.-३, एक्शन एरिया-१ए

न्यू टाउन, राजरहाट, कोलकाता - ७००१५६

फ़ोन: ०३३-२३२४४१२७, फ़ैक्स: ०३३-२३२४४११५

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संक्र० CIL/C2D/PM2020/19

दिनांक- 08.04.2024

**कार्यालय आदेश****Amendment no.5****विषय- Amendment to CIL's Purchase Manual, 2020 (updated till 31.10.2023)**

The following Clauses of CIL's Purchase Manual, 2020 (updated till 31.10.2023) are hereby amended to the following extent:

PM Clause	Existing Provisions	Amended Provisions
6.13.2	<p>When the misconduct and moral turpitude of a firm goes beyond mere performance issues, imposition of a ban on business relations with the firm may be done for a specified period of time, after following the prescribed procedure. The name of the defaulting firm from the list of registered vendors should be removed before submitting the proposal for banning of business. An order for banning passed for a certain specified period shall be deemed to have been automatically revoked on the expiry of that specified period and it will not be necessary to issue a specific formal order of revocation, except that an order of banning passed on account of doubtful loyalty to the country or national security considerations shall continue to remain in force until it is specifically revoked. However, the firm would have to apply afresh for registration with the procuring entities. Banning of business should be considered in the following cases:</p> <p>(i) If the Directors, Proprietors, Employees, Partners or any Representative of the firm is/are found guilty of offences involving any security consideration including loyalty to the State, in connection with business dealings with CIL or its Subsidiaries.</p>	<p>When the misconduct and moral turpitude of a firm goes beyond mere performance issues, imposition of a ban on business relations with the firm may be done for a specified period of time, after following the prescribed procedure. The name of the defaulting firm from the list of registered vendors should be removed before submitting the proposal for banning of business. An order for banning passed for a certain specified period shall be deemed to have been automatically revoked on the expiry of that specified period and it will not be necessary to issue a specific formal order of revocation, except that an order of banning passed on account of doubtful loyalty to the country or national security considerations shall continue to remain in force until it is specifically revoked. However, the firm would have to apply afresh for registration with the procuring entities. Banning of business should be considered in the following cases:</p> <p>(i) If the Directors, Proprietors, Employees, Partners or any Representative of the firm is/are found guilty of offences involving any security consideration including loyalty to the State, in connection with business dealings with CIL or its Subsidiaries.</p> <p>(ii) If the Director, Proprietor or Partner, Manager or any</p>

	<p>(ii) If the Director, Proprietor or Partner, Manager or any Representative of the firm is convicted by a court of law</p> <p>a). under the Prevention of Corruption Act, 1988 or under the Indian Penal Code or any other law for the time being in force for offences involving moral turpitude in business dealings; or</p> <p>b). under the Indian Penal Code or any other law for the time being in force, for causing any loss of life or property or causing a threat to public health as part of execution of a public procurement contract.</p> <p>(iii) Violation / transgression of Integrity Pact.</p> <p>(iv) If there are strong reasons to believe that the Directors, Proprietors, Managers or any Representative of the firm has/have been guilty of or found to be indulging in malpractices / unethical commercial practices such as bribery, corruption, fraud, substitution of tenders, interpolation, etc.</p> <p>(v) If there is strong justification for believing that the proprietor or employee or representative of the firm has been guilty of evasion or habitual default in payment of any tax levied by law; etc.</p> <p>(vi) Willful suppression of facts or furnishing of wrong information, false declaration or manipulated or forged documents by the firm or using any other illegal/unfair means.</p> <p>(vii) Drawing double payment or submitting invoice for double payment for the supply of same materials or carrying out the same job/work.</p> <p>(viii) Supplying defective materials and failure to replace the</p>	<p>Representative of the firm is convicted by a court of law</p> <p>a). under the Prevention of Corruption Act, 1988 or under the Indian Penal Code or any other law for the time being in force for offences involving moral turpitude in business dealings; or</p> <p>b). under the Indian Penal Code or any other law for the time being in force, for causing any loss of life or property or causing a threat to public health as part of execution of a public procurement contract.</p> <p>(iii) Violation / transgression of Integrity Pact.</p> <p>(iv) If there are strong reasons to believe that the Directors, Proprietors, Managers or any Representative of the firm has/have been guilty of or found to be indulging in malpractices / unethical commercial practices such as bribery, corruption, fraud, substitution of tenders, interpolation, etc.</p> <p>(v) If there is strong justification for believing that the proprietor or employee or representative of the firm has been guilty of evasion or habitual default in payment of any tax levied by law; etc.</p> <p>(vi) Willful suppression of facts or furnishing of wrong information, false declaration or manipulated or forged documents by the firm or using any other illegal/unfair means.</p> <p>(vii) Drawing double payment or submitting invoice for double payment for the supply of same materials or carrying out the same job/work.</p> <p>(viii) Supplying defective materials and failure to replace the defective materials even after reasonable extension is given to the firm for rectification/ replacement of the defective materials or carrying out defective/poor quality job, not</p>
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	<p>defective materials even after reasonable extension is given to the firm for rectification/ replacement of the defective materials or carrying out defective/poor quality job, not conforming to specifications of the contract and failure to rectify it within the stipulated time.</p> <p>(ix) If the firm repeatedly and/or habitually resorts to revision of price and terms of offer within the validity period of the tender and/or submission of ambiguous and misleading offers, post tender modifications in order to undermine the decision-making process.</p> <p>(x) Failure to pay legitimate dues to CIL/Subsidiary Companies including dues arising out of Risk Purchase and when CIL and/or its Subsidiary Companies are satisfied that this is not due to any reasonable dispute which would attract proceedings in arbitration or a Court of Law.</p> <p>(xi) Continued and repeated failure to meet contractual obligations.</p> <p>(xii) Canvassing and lobbying to get undue favour from the Company.</p> <p>(xiii) Formation of price cartels with other suppliers/contractors with a view to artificially hiking the prices.</p> <p>(xiv) Non-supply of material, abandonment of works, etc.</p> <p>(xv) Any other misdeed, which may cause financial loss or commercial disadvantage to the Company.</p>	<p>conforming to specifications of the contract and failure to rectify it within the stipulated time.</p> <p>(ix) If the firm repeatedly and/or habitually resorts to revision of price and terms of offer within the validity period of the tender and/or submission of ambiguous and misleading offers, post tender modifications in order to undermine the decision-making process.</p> <p>(x) Failure to pay legitimate dues to CIL/Subsidiary Companies including dues arising out of Risk Purchase and when CIL and/or its Subsidiary Companies are satisfied that this is not due to any reasonable dispute which would attract proceedings in arbitration or a Court of Law.</p> <p>(xi) Continued and repeated failure to meet contractual obligations.</p> <p>(xii) Canvassing and lobbying to get undue favour from the Company.</p> <p>(xiii) Formation of price cartels with other suppliers/contractors with a view to artificially hiking the prices.</p> <p>(xiv) Non-supply of material, abandonment of works, etc.</p> <p>(xv) Any other misdeed, which may cause financial loss or commercial disadvantage to the Company.</p> <p><b>In case a firm is banned under any of the clauses - 6.13.2(i) to (vii) and Clauses 6.13.2 (ix) to (xiii) by a subsidiary company, the firm shall be considered for banning in all subsidiary Companies including CIL(HQ). For banning of the firm across CIL(HQ) and its Subsidiaries, CIL(HQ) will initiate action as per clause - 6.13.5.7 of CIL's Purchase Manual.</b></p> <p><b>In case banning is done against any of the clauses - 6.13.2(viii), (xiv) and (xv) by a subsidiary Company, the banning will be limited to the subsidiary who has done the banning. However, the same can be extended to all other subsidiaries by CIL HQ depending on the conduct</b></p>
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		and performance of the firm in other subsidiaries as per process of clause - 6.13.5.8.
6.13.5.6	<p>During the period of banning, no business dealing can be entered into with the firm by the Subsidiary Company which has issued the banning order. In case banning order is issued by CIL(HQ), it will be applicable for the whole of Coal India. Normally, contracts conclude before the issue of the banning order shall not be affected by the banning order. However, considering the gravity of the offence, the existing ongoing contracts may also be terminated after observing the formalities of termination as stipulated in the existing contracts. The order of banning should specify whether all the existing ongoing contracts are covered under the banning or whether certain existing contracts are excluded from the scope of banning.</p>	<p>During the period of banning, no business dealing can be entered into with the firm by the Subsidiary Company which has issued the banning order. In case banning order is issued by CIL(HQ), it will be applicable for the whole of Coal India. Normally, contracts conclude before the issue of the banning order shall not be affected by the banning order. However, considering the gravity of the offence, the existing ongoing contracts may also be terminated after observing the formalities of termination as stipulated in the existing contracts. The order of banning should specify whether all the existing ongoing contracts are covered under the banning or whether certain existing contracts are excluded from the scope of banning.</p> <p>Once a contracting entity is debarred, it shall be extended to the constituents of that entity, i.e. partners(jointly and severally) in case of joint ventures, all the partners(jointly and severally) in case partnership firm, owner/proprietor in case of proprietorship firm. The names of partners should be clearly specified in the Debarment Order. If such debarred owner/proprietor/partner make/form different firms/entity and attempts to participate in tenders, the same shall not be entertained during the currency of such debarment. In case the contracting entity being debarred is a company then only the company shall be debarred.</p>
6.13.5.7	<p>On receipt of the order of Banning of Business with any firm by any Subsidiary Company, MM Department, CIL (HQ) will examine whether the offence(s) committed by the firm is/are serious enough to warrant Banning of Business across all Subsidiaries of CIL. For this purpose the contracts/supplies with other Subsidiary Companies will have to be examined and recommendations to extend the banning order to other subsidiaries or otherwise will be put up to Chairman, CIL for approval.</p>	<p>In case banning is done by the subsidiary company under any of the clauses -6.13.2(i) to (vii) and Clauses 6.13.2 (ix) to (xiii), the subsidiary company after issue of banning order will send a self – contained note to CIL (HQ) with all relevant documents, for processing of banning of the firm across all subsidiaries including CIL (HQ). MM Department, CIL(HQ) will submit the proposal to Chairman, CIL for according approval for issuing a fresh Show Cause notice to the firm giving</p>

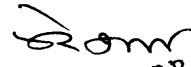
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		21days time to reply, for banning of the firm in CIL and its Subsidiaries.
6.13.5.8	If it is decided to resort to banning of business of the firm with all Subsidiaries, a fresh show cause notice will have to be issued to the firm giving it reasonable time of 21 days to reply. Thereafter, the usual procedure for banning of business is to be followed and a final order is to be issued with the approval of Chairman, CIL.	<p><b>On receipt of the order of Banning of Business with any firm by any Subsidiary Company (in case banning is done under any of Clauses - 6.13.2(viii), (xiv) and (xv)) , MM Department, CIL (HQ) will ascertain the conduct (violation of IP, CIPP etc.) and performance(Product Performance, Non - Delivery etc.) of the firm at other subsidiaries.</b></p> <p><b>In case performance or conduct of the firm is not satisfactory even in one more subsidiary(excluding the one in which the firm is banned), the proposal may be initiated for banning of the firm at other Subsidiaries(including CIL HQ). If it is decided to resort to banning of business of the firm with other subsidiaries (including CIL HQ), a fresh Show Cause notice will have to be issued to the firm giving 21days to reply after approval of Chairman, CIL.</b></p> <p><b>In case it is decided not to extend the banning to other subsidiaries (including CIL HQ), the same should also be put to Chairman, CIL for approval.</b></p>

The Standard Operating Procedure (SOP) in respect of the clause - 6.13.5.8 of CIL's Purchase Manual 2020 (updated till 31.10.2023) is given in Annexure-42.

The new Annexure-42 to CIL's Purchase Manual is enclosed.

  
08/04/24  
(प्रतुल देव शर्मा)

कार्यकारी निदेशक (सामग्री एवं अनुबंध)

संलग्न- उपरोक्तानुसार

वितरण-

1. निदेशक(तकनीकी)/निदेशक(वित्त)/निदेशक(विपणन)/निदेशक(कार्मिक)/निदेशक(बीडी), सीआईएल
2. अ प्र नि, बीसीसीएल/सीसीएल/सीएमपीडीआई/ईसीएल/एमसीएल/एनसीएल/एसईसीएल/डब्ल्यूसीएल
3. निदेशक(तकनीकी)-पी&पी/निदेशक(वित्त)/, बीसीसीएल/सीसीएल/ईसीएल/एमसीएल/एनसीएल/एसईसीएल/डब्ल्यूसीएल
4. मुख्य सतर्कता अधिकारी, सीआईएल

5. कार्यकारी निदेशक (समन्वय)/( मार्केटिंग एंड लॉजिस्टिक्स)/(उत्पादन)/(वित्त)/ (ई एवं ई)/ (भूमि), सीआईएल
6. निदेशक(तकनीकी) के तकनीकी सचिव, सीआईएल
7. महाप्रबंधक, नार्थ ईस्टर्न कोलफील्ड्स
8. महाप्रबंधक(ईईडी)/महाप्रबंधक(ई&एम)/महाप्रबंधक(वित्त)/महाप्रबंधक(सिविल)/महाप्रबंधक(सीएमसी), सीआईएल
9. महाप्रबंधक(सा/प्र)/(वित्त)/(उत्खनन)/(ई&एम), बीसीसीएल/सीसीएल/ईसीएल/एमसीएल/एनसीएल/ एसईसीएल/डब्ल्यूसीएल
10. सा प्र विभाग, सी.आई.एल के सभी अधिकारीगण

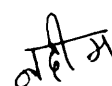


अभिमत

CHAPTER-6  
ANNEXURE-42  
(Clause - 6.13.5.8)

**The Standard Operating Procedure in respect of the clause - 6.13.5.8 of CIL's Purchase Manual 2020 (as updated on 31.10.2023):**

- i. On receipt of the order of Banning of Business with any firm by any Subsidiary Company (in case banning is done under any of Clauses - 6.13.2(viii), (xiv) and (xv)), MM Department, CIL (HQ) will ascertain the conduct (violation of IP, CIPP etc.) and performance(Product Performance, Non - Delivery etc.) of the firm at other subsidiaries.
- ii. For the above Purpose, CIL will download the list of contracts issued by other Subsidiaries from CIL's e-procurement portal and GeM portal in the last five financial years and the current financial year.
- iii. CIL will seek the conduct (violation of IP, CIPP etc.) and performance(Product Performance, Non - Delivery etc.) against the list of contracts issued by other Subsidiaries downloaded from CIL's e-procurement portal and GeM portal in the last five financial years and the current financial year, within 10 days from the receipt of the banning order in CIL(HQ) from Subsidiary Company.
- iv. The Subsidiaries should reply within 10 days from the date of issue of letter by CIL for performance and conduct of the firm. In case subsidiaries do not reply within 10 days, a reminder will be given for submission of reply within another 10 days.
- v. In case reply is not received even after 20 days, the same is to be escalated to Director(Technical) of the subsidiary Company to arrange reply within 10 days. In case the reply is not received even within this time frame, it will be deemed that there is not adverse report against the firm and the performance and conduct of the firm will be deemed to be satisfactory and the case will be processed further.
- vi. The decision for banning of the firm with other Subsidiaries or otherwise, will depend on the performance and conduct of the firm. If the performance or conduct of the firm is not satisfactory even in one more subsidiary(excluding the one in which the firm is banned), the proposal may be initiated for banning of the firm with other Subsidiaries.
- vii. MM Department., CIL on receipt of the reply from Subsidiaries should compile the same and submit its recommendations for issuing Show Cause Notice to the firm for extending the banning of business with other subsidiaries or otherwise for approval of Chairman, CIL within 10 days of receipt of reply from Subsidiaries.
- viii. After receipt of approval of Chairman, CIL to issue Show Cause Notice on the firm for banning of business of the firm, MM department will issue a show cause notice giving 21 days time to the firm for reply.



- ix. After receipt of reply from the firm against Show Cause notice or in the event of no reply is received, MM department will submit the recommendations to Competent Authority for approval within 15 days of the submission of the reply by the firm.
- x. The whole procedure for taking a decision to ban the business of the firm in all subsidiaries of CIL or otherwise, should be done within 120 days of receipt of the banning order at CIL(HQ) from a particular subsidiary which has issued the banning order.

