


<p><b>सेंट्रल कोल्फील्ड्स लिमिटेड</b> (कोल इंडिया की अनुषांगी, एक मिनी रत्न कम्पनी) दरभंगा हाउस, राँची-834029 <b>संविदा प्रबंधन प्रकोष्ठ (सी.एम.सी).</b> फोन: 0651-2360219, फैक्स: 0651-2361120 ई-मेल: gmcml.ccl@coalindia.in वेबसाइट: <a href="http://www.centralcoalfields.in">http://www.centralcoalfields.in</a></p>		<p><b>CENTRAL COALFIELDS LIMITED</b> (A Miniratna Subsidiary Company of Coal India Limited) Darbhanga House, Ranchi 834 029 <b>Contract Management Cell (CMC)</b> Ph: 0651-2360219, Fax: 0651-2361120 Email : gmcml.ccl@coalindia.in Website <a href="http://www.centralcoalfields.in">http://www.centralcoalfields.in</a></p>
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Ref. No. GM (CMC)/ SOP/ 2017/ 2134

Date: 29.11.2017

To,  
The General Manager,  
Barka Sayal, Argada, NK, Rajhara, M & A, Piparwar,  
Rajrappa, Kuju, Hazaribagh, B & K, Dhori, Kathara

**Sub: Standard Operating Procedure for application of penal provisions as per Contract Management Manual**

Dear Sir,

Please find attached herewith the duly approved Standard Operating Procedure for penal provisions in bid document as per Chapter 3 of CMM (as per Annexure I) and the Standard Operating Procedure for penal provisions in bid document as per Chapter 6 of CMM (as per Annexure II).

You are advised to adhere the above operating procedure in compliance to the provisions in the bid document with immediate effect.

However, the above SOP will be reviewed time to time, if felt necessary after getting feedback from Area General Managers, for amendment as per requirement. Other relevant guidelines in the respective manuals are to be followed as given therein.

It has been advised that for any omission of the contractor in relation to their responsibility towards execution of allotted work with full satisfaction of Area management, a proposal with proper justification should be initiated by the Unit/ Area to either engage a parallel contractor on risk and cost basis or for cancellation of the contract to safeguard the production performance of the Company for competent approval.

Yours faithfully,

  
GM (CMC)

**Copy for kind information to:**

1. The Director (Fin), CCL, Ranchi.
2. The Director (Tech) (Oprn), CCL, Ranchi.
3. The Director (Tech) (P&P), CCL, Ranchi.
4. The Director (Per), CCL, Ranchi.
5. The GM/ TS to CMD, CCL, Ranchi

**Copy to:**

1. The General Manager (Oprn), CCL, Ranchi.
2. The General Manager (Fin), CCL, Ranchi.
3. The General Manager (System), CCL, Ranchi – for uploading the SOP on Company's portal
4. The Company Secretary, CCL, Ranchi – in compliance to the instruction no. CS/ BM/ 446/ 2017/ 1023 dated 01.09.2017 and for circulation to all Board members.
5. Board File

ANNEXURE I

**SOP for Penal provisions in Bid Document as per Chapter 3 of CMM**

Sl. No.	Nature of Default by Bidder/ Contractor	Provision Clause No.	Provision - Detail	Standard Operating Procedure (SOP)
1	For submission of false document/ information in bid	Clause 9 of Undertaking of NIT	<p><b>Clause 9 of Undertaking.</b> If any information and document submitted is found to be false/ incorrect at any time, department may cancel my/our Bid and action as deemed fit may be taken against me/us, including termination of the contract, forfeiture of all dues including Earnest Money and banning/ delisting of our firm and all partners of the firm from participating in future tenders for a minimum period 12 months.</p> <p><b>e-tender Portal User Agreement</b></p> <p>1. That all the information being submitted by me/us is genuine, authentic, true and valid on the date of submission of tender and if any information is found to be false at any stage of tendering or contract period I/We will be liable to the following penal actions apart from other penal actions prescribed elsewhere in the tender document.</p> <p>Cancellation of my/our bid/contract(as the case may be)</p> <p>Forfeiture of EMD</p> <p>Punitive action as per tender document</p>	As per provision.
2		e-tender Portal User Agreement		
3	For withdrawal of bid after the end date of bid submission	Clause 26 of NIT	<p>For withdrawal of bid after the end date of bid submission, the bidder will have to make a request in writing to the Tender Inviting Authority. Withdrawal of bid may be allowed <b>till issue of LOA</b> with the following provision of penal action:</p> <p>a. The <b>EMD will be forfeited</b> and</p> <p>b. The <b>bidder will be debarred for 1(One) year</b> from participating in tenders in CCL from issue of such order.</p> <p>Note: In case of the penalty of debarring to partnership or JV firm, it (the penalty) will be applicable to the bidder as well as all the partners.</p> <p>14.5 The Bid Security/Earnest Money may be forfeited:</p> <p>a. if the Bidder withdraws the Bid after Bid opening during the period of Bid validity / extended period of validity with mutual consent.</p> <p>Additionally the company reserves the right to debar such defaulting contractor from participating in future bids for a minimum period of 12(twelve) months.</p>	As per provision.
4		Clause 14.5 of ITB		

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5	When L1 bidder is a defaulter upon verification of documents	Clause 15 (A) (viii) (ix) of NIT	<p>15 (A) viii. If the techno-commercial acceptability of L-1 bidder is established upon verification of uploaded documents and short fall documents (if so required), the case shall be considered by the tender committee for further action. If the L-1 bidder happens to be defaulter upon verification, the documents of the next lowest bidder shall be downloaded for evaluation and short fall documents shall be obtained if required. This process continues sequentially till techno-commercially acceptable L-1 is established.</p> <p>15 (A) (ix). The bidders defaulting on account of above shall be liable to pay the following penalties :</p> <table><thead><tr><th>Sl.</th><th>Situation</th><th>Penal</th></tr></thead><tbody><tr><td>(i)</td><td>L-1 bidder is a defaulter</td><td>Forfeiture of 100% of EMD</td></tr></tbody></table> <p>Note: *The penal provisions shall be applicable in CCL. ** The penal provisions will be squarely applicable to all those firms whose documents are examined on account of treating them as L-1 successively.</p>	Sl.	Situation	Penal	(i)	L-1 bidder is a defaulter	Forfeiture of 100% of EMD	As per provision.
Sl.	Situation	Penal								
(i)	L-1 bidder is a defaulter	Forfeiture of 100% of EMD								
6		Clause 17 (e) of NIT	<p>17 (e). In case the L-1 bidder fails to submit requisite documents online as per NIT or if any of the information/declaration furnished by L-1 bidder online is found to be wrong by Tender Committee during evaluation of scanned documents uploaded by bidder, which changes the eligibility status of the bidder, then his bid shall be rejected and EMD of L-1 bidder will be forfeited.</p>							
7	For failure to sign the Agreement	Clause 14.5 of ITB	<p>14.5 The Bid Security/Earnest Money may be forfeited:</p> <p>b. in the case of a successful Bidder, if the Bidder fails within the specified time limit to:</p> <p>(i) sign the Agreement;</p> <p>Additionally the company reserves the right to debar such defaulting contractor from participating in future bids for a minimum period of 12(twelve) months.</p>	As per provision.						
8	When the successful Bidder fails within the specified time	Letter of Bid	<p><b>Letter of Bid:</b> Should this bid be accepted, we agree to furnish Performance Security within 28 days of issue of letter of acceptance. In case of our failure to abide by the said provision Central Coalfields Ltd. shall, without prejudice to any other right or remedy, be at liberty to cancel the letter of acceptance/ award and to forfeit the Earnest Money and also debar us from participating in future tenders for a minimum period 12 months.</p>	As per provision.						

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9	limit to furnish the required Performance Security/ Security Deposit and Additional Performance Security, if required.	Clause 14.5 of ITB	14.5 The Bid Security/Earnest Money may be forfeited: b. in the case of a successful Bidder, if the Bidder fails within the specified time limit to: (ii) furnish the required Performance Security/ Security Deposit. Additionally the company reserves the right to debar such defaulting contractor from participating in future bids for a minimum period of 12(twelve) months. 4.2 Failure of the successful bidder to comply with the requirement of submission of performance security within 28 days of issue of LOA shall constitute sufficient ground for cancellation of the award of work and forfeiture of the bid security. Additionally the company reserves the right as follows: “(i) All such defaulting parties, who fail to deposit Performance Guarantee or Security deposit in time shall be blacklisted/de-barred for participating in future tenders for a period of 3(three) years. (ii) In addition, all such individual firms/ companies/ associates / JVs who are the persons as defined in section 40A(2)(b) of the Income Tax Act 1961 of such blacklisted/debarred party, wherein the words “assessee” to be replaced with the words “blacklisted / debarred party” shall also remain blacklisted/debarred for a period of 3(three) years. (iii) In case a party has been blacklisted/debarred and it is found that such blacklisted party or any person as mentioned in clause (ii) above has already participated in a tender which is yet to be awarded, the same participant shall not be considered and shall be rejected forthwith.”	
10		Clause 4.2 of GTC of Conditions of Contract		
11	For default in commencing the execution of the work within the prescribed period	Letter of Bid	<b>Letter of Bid:</b> Should this bid be accepted, we agree to commence the work within 10 days of issue of letter of acceptance. In case of our failure to abide by the said provision Central Coalfields Ltd. shall, without prejudice to any other right or remedy, be at liberty to cancel the letter of acceptance/ award and to forfeit the Earnest Money and also debar us from participating in future tenders for a minimum period 12 months. 6.1 If the contractor, without reasonable cause or valid reason, commits default in commencing the execution of the work within the aforesaid date, the company shall without prejudice to any other right or remedy, be at liberty, by giving 15 days' notice in writing to the contractor to commence the work, failing which to forfeit the earnest money deposited by him. Additionally, the company will reserve the right to debar such defaulting Contractors from participating in future Tenders for a minimum period of one year.	When the contractor, without reasonable cause or valid reason, commits default in commencing the execution of the work within specified
12		Clause 6.1 of GTC of Conditions of Contract		time of ten days and after expiry of 15 days written notice. <b>Note: Decision of Area GM regarding the reasonableness of cause of delay shall be final.</b>

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13	For failure to comply with the required progress in terms of the agreed time and progress chart or to complete the work and clear the site	<p>Clause 6.2 of GTC of Conditions of Contract</p> <p>6.2 In the event of the contractor's failure to comply with the required progress in terms of the agreed time and progress chart or to complete the work and clear the site on or before the contract or extended date of completion, he shall without prejudice to any other right or remedy available under the law to the company on account of such breach, shall become <b>liable to pay penalty as under:</b></p> <p>If the average daily progress of work during the calendar months is less than the stipulated rate indicated in the detailed tender notice, penalty as detailed below will be levied.</p> <p>i. If the average daily progress of work executed during the calendar month is more than 80% and less than 100% of stipulated rate of progress, penalty equal to 10% of the contract value of the short fall in work shall be levied.</p> <p>ii. If the average daily progress of work executed during the calendar month is less than 80% of stipulated rate, penalty equal to 20% of contract value of the short fall in work shall be levied.</p> <p>iii. The aggregate of the penalties so levied shall not exceed 10% of the total contract value.</p> <p>Penalties will be calculated every month and withheld. The contractor shall be allowed to make up the shortfall in the succeeding three months within the stipulated time of completion. Once the shortfall is fully made up, the so withheld penalty will be released.</p>	As per provision.
14	For poor performance	<p>Clause 9 (a) of GTC of Conditions of Contract</p> <p>Company shall, in addition to other remedial steps to be taken as provided in the conditions of contract be entitled to <b>cancel</b> the contract in full or in part, if the contractor</p> <p>a) makes default in proceeding with the works with due diligence and continues to do so even after a notice in writing from the Engineer in charge, then on the expiry of the period as specified in the notice.</p>	<p>This clause will be applicable to the defaulting contractor for their default during the execution of contract after giving 15 days notice to the defaulting contractor</p> <p>(i) For the contracts of <u>more than three years</u>, if the average monthly performance of the contractor during <u>four consecutive months</u> is <u>less than 60%</u> of stipulated rate of progress as per agreement;</p>

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			(ii) for the contracts of <u>upto</u> <u>three</u> years, if the average monthly performance of the contractor during <u>three</u> consecutive months is <u>less</u> than 60% of stipulated rate of progress as per agreement; (iii) if the contractor makes default by stopping the work and does not restart the work even after repeated requests within <u>one month</u> from the date of stoppage.
15	For breach in compliance of contract	Clause 9 (b) of GTC of Conditions of Contract	Company shall, in addition to other remedial steps to be taken as provided in the conditions of contract be entitled to cancel the contract in full or in part, if the contractor; b) commits default/breach in complying with any of the terms and conditions of the contract and does not remedy it or fails to take effective steps for the remedy to the satisfaction of the Engineer in charge, then on the expiry of the period as may be specified by the Engineer in charge in a notice in writing.
			As per provision.
16	For failure to complete the work or items of work with individual dates of completion	Clause 9 (c) of GTC of Conditions of Contract	Company shall, in addition to other remedial steps to be taken as provided in the conditions of contract be entitled to cancel the contract in full or in part, if the contractor; c) fails to complete the work or items of work with individual dates of completion, on or before the date/dates of completion or as extended by the company, then on the expiry of the period as may be specified by the Engineer in charge in a notice in writing
			As per provision.

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17	For offering or giving any gift	Clause 9 (d) of GTC of Conditions of Contract	Company shall, in addition to other remedial steps to be taken as provided in the conditions of contract be entitled to cancel the contract in full or in part, if the contractor; d) shall offer or give or agree to give any person in the service of the company or any other person on his behalf any gift or consideration of any kind as an inducement or reward for act/acts of favour in relation to the obtaining or execution of this or any other contract for the company	As per provision.
18	For obtaining a contract using non bonafide method	Clause 9 (e) of GTC of Conditions of Contract	Company shall, in addition to other remedial steps to be taken as provided in the conditions of contract be entitled to cancel the contract in full or in part, if the contractor; e) obtains a contract with the company as a result of ring tendering or other non-bonafide method of competitive tendering	As per provision.
19	For transferring the work without prior approval	Clause 9 (f) of GTC of Conditions of Contract	Company shall, in addition to other remedial steps to be taken as provided in the conditions of contract be entitled to cancel the contract in full or in part, if the contractor; f) Transfers sublets, assigns the entire work or any portion thereof without the prior approval in writing from the Engineer-in-charge. The Engineer-in charge may be giving a written notice, cancel the whole contract or portion of it in default.	As per provision.

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20	On cancellation or termination of the contract as per clauses 9 (a) to 9 (f) and 9.1 (a) to (c )	Clause 9.2 of GTC of Conditions of Contract	<p>9.2 On cancellation of the contract or on termination of the contract, the Engineer-in-charge shall have powers:</p> <p>a. To take possession of the site and carry out balance work through any other agency.</p> <p>b. After giving notice to the contractor to measure up the work of the contractor and to take such whole or the balance or part thereof, as shall be unexecuted out of his hands and to give it to another contractor or take up departmentally, to complete the work. The contractor whose contract is terminated shall not be allowed to participate in future bidding for period of minimum twelve months. In such an event, the contractor shall be liable for loss/damage suffered by the employer because of action under this clause and to compensate for this loss or damage, the employer shall be entitled to recover higher of the following:</p> <p>i. Forfeiture of security deposit comprising of performance guarantee and retention money and additional performance security, if any, at disposal of the employer.</p> <p>Or</p> <p>ii. 20% of value of incomplete work. The value of the incomplete work shall be calculated for the items and quantities remaining incomplete (as per provision of</p>	As per provision.
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			<p>agreement) at the agreement rates including price variation as applicable on the date, when notice in writing for termination of work was issued to the contractor. It is being clarified that the above liability is over and above the penalties payable by the contractor on account of shortfall in quantities as per provision of clause 6. The amount to be recovered from the contractor as determined above, shall, without prejudice to any other right or remedy available to the employer as per law or as per agreement, will be recovered from any money due to the contractor on any account or under any other contract and in the event of any shortfall, the contractor shall be liable to pay the same within 30 days. In case of failure to pay the same the amount shall be debt payable. In the event of above course being adopted by the Engineer-in-charge, the contractor shall have no claim to compensation for any loss sustained by him by reasons of his having purchased materials, equipment or entered into agreement or made advances on any account or with a view to the execution of work or performance of the contract. And in case action is taken under any of provision aforesaid, the contractor shall not be entitled to recover or to be paid any sum for any work thereof or actually performed under this contract unless and until the engineer-in-charge has certified in writing the performance of such work and value payable in respect thereof and he shall only be entitled to be paid the value so certified. The need for determination of the amount of recovery of any extra cost/expenditure or of any loss/damage suffered by the company shall not however arise in the case of termination of the contract for death/demise of the contractor as stated in 9.1(d).</p>
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19/11/16

			10. CARRYING OUT PART WORK AT RISK & COST OF CONTRACTOR:10.1 If the progress of the work or of any portion of the work is unsatisfactory, the Engineer-in-Charge, <b>after giving the contractor 15 days' notice in writing, without cancelling or terminating the contract</b> , shall be entitled to employ another Agency for executing the job or to carry out the work departmentally or contractually through tendering / limited tendering process, either wholly or partly, debiting the contractor with cost involved in engaging another Agency or with the cost of labour and the prices of materials, as the case may be. The certificate to be issued by the Engineer-in-Charge for the cost of the work so done shall be final and conclusive and the extra cost, if any, shall be borne by the contractor. However, when this clause is invoked, any other penalty will not be applicable other than on account of shortfall in quantities as per clause 6.2. The value of the work taken away shall be calculated for the items and quantities taken away at the agreement rates including price variation as applicable on the date, when notice in writing for taking away part work was issued to the contractor. The contractor, from whom part work is being taken out, shall not be allowed to participate in the tendering process if any. In the event of above course being adopted by the Engineer-in-charge, the contractor shall have no claim to compensation for any loss sustained by him by reasons of his having purchased materials, equipment or entered into agreement or made advances on any account or with a view to the execution of work or performance of the contract.	This clause will be applicable to the defaulting contractor for their default during the execution of contract after giving 15 days notice to the defaulting contractor (i) for the contracts of <u>more than three years</u> , if the average monthly performance of contractor during <u>four consecutive months</u> is less than 90% of stipulated rate of progress as per agreement; (ii) for the contracts of period <u>upto three years</u> , if the average monthly performance of contractor during <u>three consecutive months</u> is less than 90% of stipulated rate of progress as per agreement.
21	For unsatisfactory progress of the work or of any portion of the work	Clause 10.1 of GTC of Conditions of Contract		
22	For plying of trucks on unspecified route	Clause 6.0 of STC of Conditions of Contract	Contractor's trucks should ply only on specified route/roads. In case plying of the trucks on any other route/road become necessary due to any reason, prior approval for the same shall be taken by the contractor from the Project Officer/General Manager. In case of violation of this provision, <b>penalty may be imposed on the contractor and/or the contract terminated.</b>	As per provision.
23	For shortage of coal received at unloading end	Clause 18.00 of STC of Conditions of Contract	18.00 In case the trucks are being weighed both at the loading end as well as unloading end, the figures of weighment at both the ends shall be reconciled every month in respect of each contractor and if there is any shortage of coal received at the unloading end, the value of coal found short, will be deducted at double the then prevailing rate including all royalty, cess, from the security deposit of the transporting contractor(s) concerned or otherwise, specifically mentioned in work order/agreement.	As per provision.

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24		Clause 23.01 of STC of Conditions of Contract	23.01 (i) If the demurrage of wagons occurs due to less availability of coal at the siding because of less transportation of coal, the contractor transporting coal shall be held responsible and liable for the same and the demurrage charges incurred shall be recovered from him. (ii) If the demurrage is due to failure on the part of two or more coal transporting contractors the demurrage charges shall be apportioned by the General Manager/Project Officer, amongst the concerned contractors as he considers appropriate and his decision in the matter shall be final and binding on each of these contractors.	
25	For demurrage of rakes	Clause 23.02 of STC of Conditions of Contract	23.02 (i) If the demurrage occurs due to failure on the part of wagon loading contractor the demurrage charges incurred shall be recovered from the wagon loading contractor. (ii) In case there are two or more contractors for wagon loading, the contractor who has not completed the loading of all the wagons allotted to him within the free loading time, shall be held responsible and liable for the demurrage and demurrage charges for the full rake shall be recovered from him. (iii) In case demurrage of any rake occurs due to failure on the part of two or more wagon loading contractors, demurrage charges for the rake shall be recovered in proportion of the number of wagons allotted to each of them for loading.	As per provision.
26		Clause 23.03 of STC of Conditions of Contract	23.03 (i) If the demurrage of wagons occurs due to failure on the part of the picking and breaking contractor, for not making available adequate quantity of clean and sized coal free from stone/shale/extraneous materials, he shall be liable for the demurrage charges incurred and the same shall be recovered from him. (ii) In case the demurrage occurs due to failure of two more picking/breaking contractors, the demurrage charges shall be apportioned in the manner as shall be considered appropriate by the Project Officer / General Manager and his decision shall be final and binding on each of the concerned contractors. The wagon loading contractor(s) shall be also responsible for cleaning of the siding tracks/between the line and on both sides of the same, levelling of coal loaded into the wagons and lime washing on the top of the same, in respect of the wagons allotted to him/each of them. <b>In case any rake is put on demurrage/any penalty is imposed on the company for failure on these accounts, the same shall be recovered from the contractor/s concerned.</b>	
27	For non - performance of wagon loading contractor	Clause 24.01 of STC of Conditions of Contract		As per provision.

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28	For deployment of inadequate number of payloaders by wagon/ truck loading contractors	Clause 28.00 of STC of Conditions of Contract	28.00 In case a contractor fails to deploy adequate number of pay loaders, the company may, without any reference to the contractor, deploy its own pay loader /s and or make alternative arrangements for loading of the wagons/trucks for which double the wagon/truck loading charges payable to the contract/s, for the quantity loaded by the Company's pay loader /s or extra expenditure incurred by the Company on alternative arrangement made shall be recovered from the contractor.	As per provision.
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**\*\* As per the Board's directive in its 446<sup>th</sup> Meeting held on 03.08.2017, the guidelines applicable uniformly for debarring the contractor for default on their part shall be for a period of three years, wherever the provision for "debarring for a minimum period of twelve months" has been mentioned in the Bid Document. Accordingly, action to be initiated by the Area uniformly in all cases, wherever the provision is applicable as per guidelines in the GTC.**

**\*\* It is suggested that engagement of alternative parallel contractor (2<sup>nd</sup>) for failure of original parallel contractor (1<sup>st</sup>) is not to be done.**

**In case of parallel contract, the performance level and application of provisions in clause 9 (a) above is to be invoked when the performance during three consecutive months is less than 75%, then the contract is to be cancelled and penal provisions for less execution as per GTC will be applicable.**

**\*\* In case of a limited tender, duration of which is more than six months, the application of provisions in clause 9 (a) above is to be invoked when the performance during three consecutive months is less than 75%, then the contract is to be cancelled and penal provisions for less execution as per GTC will be applicable.**

**\*\* In case of parallel contract or limited tender for a duration less than six months action to be taken against the failing contractor as per provisions of GTC.**

Further, the above SOP may be reviewed time to time, if felt necessary after getting feedback from Area General Managers, for amendment as per requirement. Other relevant guidelines in the respective manuals are to be followed as given therein.

For any special situation arising out of unforeseen events beyond the conditions described in the above SOP, Area General Manager, if requires, may submit a proposal for competent approval with proper justification and data.

Apart from the above, for any omission of the contractor in relation to their responsibility towards execution of allotted work with full satisfaction of Area management, a proposal with proper justification should be initiated by the Unit/ Area to either engage a parallel contractor on risk and cost basis or for cancellation of the contract to safeguard the production performance of the Company for competent approval.

However, the above recommendations are to be followed as per the GTC and rules and guidelines issued by the Company from time to time.

The provisions of respective Manuals, rules and guidelines of the Company will prevail upon, in case of any deviation of the above recommendation from the Manuals or rules and guidelines of the Company.

*Handwritten signature*  
24/11/22

# ANNEXURE II

## SOP for Penal provisions in Bid Document as per Chapter 6 of CMM

Sl. No.	Nature of Default by Bidder/ Contractor	Provision Clause No.	Provision - Detail	Standard Operating Procedure (SOP)
1	For submission of false document/ information in bid	Clause 9 of Undertaking of NIT	<p><b>Clause 9 of Undertaking.</b> If any information and document submitted is found to be false/ incorrect at any time, department may cancel my/our Bid and action as deemed fit may be taken against me/us, including termination of the contract, forfeiture of all dues including Earnest Money and banning/ delisting of our firm and all partners of the firm from participating in future tenders for a minimum period 12 months.</p> <p><b>e-tender Portal User Agreement</b></p> <p>1. That all the information being submitted by me/us is genuine, authentic, true and valid on the date of submission of tender and if any information is found to be false at any stage of tendering or contract period I/We will be liable to the following penal actions apart from other penal actions prescribed elsewhere in the tender document. Cancellation of my/our bid/contract(as the case may be)</p> <p>Forfeiture of EMD</p> <p>Punitive action as per tender document</p>	As per provision.
2		e -tender Portal User Agreement	<p>For withdrawal of bid after the end date of bid submission, the bidder will have to make a request in writing to the Tender Inviting Authority. Withdrawal of bid may be allowed <b>till issue of LOA</b> with the following provision of penal action:</p> <p>a. The <b>EMD will be forfeited</b> and</p> <p>b. The <b>bidder will be debarred for 1(One) year</b> from participating in tenders in CCL from issue of such order.</p> <p>Note: In case of the penalty of debarring to partnership or JV firm, it (the penalty) will be applicable to the bidder as well as all the partners.</p>	As per provision
3	For withdrawal of bid after the end date of bid submission	Clause 26 of NIT	<p>14.5 The Bid Security/Earnest Money may be forfeited:</p> <p>a. if the Bidder withdraws the Bid after Bid opening during the period of Bid validity / extended period of validity with mutual consent.</p> <p>Additionally the company reserves the right to debar such defaulting contractor from participating in future bids for a minimum period of 12(twelve) months.</p>	
4		Clause 14.5 of ITB		

12/11/17

5	When L1 bidder is a defaulter upon verification of documents	Clause 15 (A) (viii) (ix) of NIT	<p>15 (A) viii. If the techno-commercial acceptability of L-1 bidder is established upon verification of uploaded documents and short fall documents (if so required), the case shall be considered by the tender committee for further action. If the L-1 bidder happens to be defaulter upon verification, the documents of the next lowest bidder shall be downloaded for evaluation and short fall documents shall be obtained if required. This process continues sequentially till techno-commercially acceptable L-1 is established.</p> <p>15 (A) (ix). The bidders defaulting on account of above shall be liable to pay the following penalties :</p> <table><thead><tr><th>Sl.</th><th>Situation</th><th>Penal Provisions</th></tr></thead><tbody><tr><td>(i)</td><td>L-1 bidder is a defaulter</td><td>Forfeiture of 100% of EMD</td></tr></tbody></table> <p>Note : *The penal provisions shall be applicable in CCL. ** The penal provisions will be squarely applicable to all those firms whose documents are examined on account of treating them as L-1 successively.</p>	Sl.	Situation	Penal Provisions	(i)	L-1 bidder is a defaulter	Forfeiture of 100% of EMD	AS per provision.
Sl.	Situation	Penal Provisions								
(i)	L-1 bidder is a defaulter	Forfeiture of 100% of EMD								
6		Clause 17 (e) of NIT	<p>17 (e). In case the L-1 bidder fails to submit requisite documents online as per NIT or if any of the information/declaration furnished by L-1 bidder online is found to be wrong by Tender Committee during evaluation of scanned documents uploaded by bidder, which changes the eligibility status of the bidder, then his bid shall be rejected and EMD of L-1 bidder will be forfeited.</p>							
7	For failure to sign the Agreement	Clause 23.3 of NIT	<p>23.3 The Agreement will incorporate all agreements between the Employer and the successful Bidder within 28 days following notification of award along with the letter of Acceptance and / or Work Order issued by department.</p> <p>In case of failure to enter in to agreement within specified period or extended period on the request of the bidder, if any, the department in addition to other penal measures as per clause 14.5 of ITB shall be at liberty to debar the selected bidder from participating in future Bids for at least 12 months.</p>							
8		Clause 14.5 of ITB	<p>14.5 The Bid Security/Earnest Money may be forfeited:</p> <p>b. in the case of a successful Bidder, if the Bidder fails within the specified time limit to:</p> <p>(i) sign the Agreement;</p> <p>Additionally the company reserves the right to debar such defaulting contractor from participating in future bids for a minimum period of 12(twelve) months.</p>	As per provision.						

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9	When the successful Bidder fails within the specified time limit to furnish the required Performance Security/ Security Deposit	Letter of Bid	<p><b>Letter of Bid:</b> Should this bid be accepted, we agree to furnish Performance Security within 28 days of issue of letter of acceptance and commence the work within 30 days of issue of letter of acceptance. In case of our failure to abide by the said provision Central Coalfields Ltd. shall, without prejudice to any other right or remedy, be at liberty to cancel the letter of acceptance/ award and to forfeit the Earnest Money and also debar us from participating in future tenders for a minimum period 12 months.</p> <p>14.5 The Bid Security/Earnest Money may be forfeited:</p> <p>b. in the case of a successful Bidder, if the Bidder fails within the specified time limit to:</p> <p>(ii) furnish the required Performance Security/ Security Deposit.</p> <p>Additionally the company reserves the right to debar such defaulting contractor from participating in future bids for a minimum period of 12(twelve) months.</p> <p>4.2 Failure of the successful bidder to comply with the requirement of submission of performance security within 28 days of issue of LOA shall constitute sufficient ground for cancellation of the award of work and forfeiture of the bid security.</p> <p>Additionally the company reserves the right as follows:</p> <p>“(i) All such defaulting parties, who fail to deposit Performance Guarantee or Security deposit in time shall be blacklisted/de-barred for participating in future tenders for a period of 3(three) years.</p> <p>(ii) In addition, all such individual firms/ companies/ associates / JVs who are the persons as defined in section 40A(2)(b) of the Income Tax Act 1961 of such blacklisted/debarred party, wherein the words “assesse” to be replaced with the words “blacklisted / debarred party” shall also remain blacklisted/debarred for a period of 3(three) years.</p> <p>(iii) In case a party has been blacklisted/debarred and it is found that such blacklisted party or any person as mentioned in clause (ii) above has already participated in a tender which is yet to be awarded, the same participant shall not be considered and shall be rejected forthwith.”</p> <p><b>Letter of Bid:</b> Should this bid be accepted, we agree to commence the work within 30 days of issue of letter of acceptance. In case of our failure to abide by the said provision Central Coalfields Ltd. shall, without prejudice to any other right or remedy, be at liberty to cancel the letter of acceptance/ award and to forfeit the Earnest Money and also debar us from participating in future tenders for a minimum period 12 months.</p>	
10	When the successful Bidder fails within the specified time limit to furnish the required Performance Security/ Security Deposit	Clause 14.5 of ITB		As per provision.
11	When the successful Bidder fails within the specified time limit to furnish the required Performance Security/ Security Deposit	Clause 4.2 of GTC of Conditions of Contract		
12	When the successful Bidder fails within the specified time limit to furnish the required Performance Security/ Security Deposit	Letter of Bid		When the contractor, without reasonable cause or valid reason, commits default in commencing the execution of the work within specified time

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13	prescribed period	Clause 6.1 of GTC of Conditions of Contract	<p>6.1: If the contractor, without reasonable cause or valid reason, commits default in commencing the execution of the work within the aforesaid date, the company shall, without prejudice to any other right or remedy, be at liberty, by giving 15 days' notice in writing to the contractor to commence the work, failing which to forfeit the Earnest Money deposited by him. In addition, the department shall be at liberty to debar the selected bidder from participating in future Bids for at least 12 months.</p>	<p>of thirty days and after expiry of 15 days written notice.</p> <p><b>Note: Decision of Area GM regarding reasonableness of cause of delay shall be final.</b></p>
14	For failure to comply with the required progress in terms of the agreed time and progress chart or to complete the work and clear the site	Clause 6.2 of GTC of Conditions of Contract	<p>6.2 In the event of the contractor's failure to comply with the required progress in terms of the agreed time and progress chart or to complete the work and clear the site on or before the date of completion of contract or extended date of completion, he shall without prejudice to any other right or remedy available under the law to the company on account of such breach, shall become liable to pay for liquidated damage as under :</p> <p>a) If the progress of work during the calendar month is less than the stipulated quantity indicated in the agreed work schedule/tender notice (quantity-wise), penalty as detailed below will be levied.</p> <p>i) If the progress of work executed during the calendar month is less than 100% and more than 80% of agreed work schedule (quantity-wise), amount withheld shall be equal to 10% of the contract value of the short fall in work.</p> <p>ii) If the progress of work executed during the calendar month is up to 80% of agreed work schedule (quantity-wise), amount withheld shall be equal to 20% of contract value of the short fall in work.</p> <p>Amount for shortfall in quantity will be calculated every month and withheld. The contractor shall be allowed to make up the shortfall within the financial year. Once the shortfall is fully made up within the financial year the withheld amount will be released. However, if shortfall is not made up within the financial year, withheld amount shall be converted into penalty.</p> <p>Where contract closes before completion of financial year, shortfall is to be made up within the contract period only.</p> <p>iii) The aggregate of the penalties so levied shall not exceed -</p> <p>a) 10% of the annualized contract value in a year for contracts of duration more than 1 year and</p> <p>b) 10% of the total contract value / revised contract value, whichever is less, for the entire contracted work.</p>	<p>As per provision.</p>

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15	For poor performance	Clause 9 (a) of GTC of Conditions of Contract	<p>Company shall, in addition to other remedial steps to be taken as provided in the conditions of contract, be entitled to <b>cancel</b> the contract in full or in part, if the contractor</p> <p>a) makes default in proceeding with the works with due diligence and continues to do so even after a notice in writing from the Engineer in charge, then on the expiry of the period as specified in the notice.</p>	<p><b>This clause will be applicable for the default made by contractor during the execution of contract after giving 15 days notice to the defaulting contractor.</b></p> <p>(i) Action will be taken as per clause 9 (b) of GTC of Conditions of Contract.</p> <p>(ii) if the contractor makes default by stopping the work and does not restart the work even after repeated request within one month from the date of stoppage.</p>
16	For poor performance	Clause 9 (b) of GTC of Conditions of Contract	<p>Company shall, in addition to other remedial steps to be taken as provided in the conditions of contract be entitled to cancel the contract in full or in part, if the contractor;</p> <p>b) fails to achieve a monthly agreed quantity of 75% (Seventy five percent) for a period of 6 (six) consecutive month or for cumulative period of six months within any continuous period of 18 (eighteen) months, save and except to the extent of non-availability caused by i) a Force Majeure event or ii) an act of omission of company, not occurring due to any default of the contractor.</p>	As per provision.
17	For breach in compliance of contract	Clause 9 (c) of GTC of Conditions of Contract	<p>Company shall, in addition to other remedial steps to be taken as provided in the conditions of contract be entitled to cancel the contract in full or in part, if the contractor; c) commits default/breach in complying with any of the terms and conditions of the contract and does not remedy it or fails to take effective steps for the remedy to the satisfaction of the Engineer-in-charge, then on the expiry of the period as may be specified by the Engineer-in-charge in a notice in writing.</p>	As per provision.
18	For failure to complete the work or items of work with individual dates of completion	Clause 9 (d) of GTC of Conditions of Contract	<p>Company shall, in addition to other remedial steps to be taken as provided in the conditions of contract be entitled to cancel the contract in full or in part, if the contractor;</p> <p>d) fails to complete the work or items of work with individual dates of completion, on or before the date/dates of completion or as extended by the company, then on the expiry of the period as may be specified by the Engineer-in-charge in a notice in writing.</p>	As per provision.

*(11/12)*

19	For offering any gift or consideration	Clause 9 (e) of GTC of Conditions of Contract	Company shall, in addition to other remedial steps to be taken as provided in the conditions of contract be entitled to cancel the contract in full or in part, if the contractor; e) shall offer or give or agree to give any person in the service of the company or to any other person on his behalf any gift or consideration of any kind as an inducement or reward for act/acts of favour in relation to the obtaining or execution of this or any other contract for the company.	As per provision.
20	For obtaining a contract using non bonafide method	Clause 9 (f) of GTC of Conditions of Contract	Company shall, in addition to other remedial steps to be taken as provided in the conditions of contract be entitled to cancel the contract in full or in part, if the contractor; f) obtain a contract with the company as a result of ring tendering or other non-bonafide method of competitive Bidding.	As per provision.
21	For transferring the work without prior approval	Clause 9 (g) of GTC of Conditions of Contract	Company shall, in addition to other remedial steps to be taken as provided in the conditions of contract be entitled to cancel the contract in full or in part, if the contractor; g) Transfers, sublets, assigns the entire work or any portion thereof without the prior approval in writing from the Engineer-in-charge. The Engineer-in charge may give a written notice; cancel the whole contract or portion of it in default.	As per provision.

*11/11/18*

22	On cancellation or termination of the contract as per clauses 9 (a) to 9 (g) and 9.1 (a) to (c )	Clause 9.2 of GTC of Conditions of Contract	<p>On cancellation of the contract or on termination of the contract, the Engineer-in-charge shall have powers:</p> <p>a. To take possession of the site and carry out balance work through any other agency.</p> <p>b. To give the contractor or his representative of the work 7 (seven) days notice in writing for taking final measurement for the works executed till the date of cancellation or termination of the contract. The Engineer-in-Charge shall fix the time for taking such final measurement and intimate the contractor in writing. The final measurement shall be carried out at the said appointed time notwithstanding whether the contractor is present or not. Any claim as regards measurement which the contractor is to make shall be made in writing within 7 (seven) days of taking final measurement by Engineer-In-charge as aforesaid and if no such claim is received, the contractor shall be deemed to have waived all claims regarding above measurements and any claim made thereafter shall not be entertained.</p> <p>c. After giving notice to the contractor to measure up the work of the contractor and to take such whole or the balance or part thereof, as shall be unexecuted out of his hands and to give it to another contractor or take up departmentally, to complete the work. The contractor whose contract is terminated shall not be allowed to participate in future bidding for period of minimum twelve months.</p> <p>In such an event, the contractor shall be liable for loss/damage suffered by the employer because of action under this clause and to compensate for this loss or damage, the employer shall be entitled to recover higher of the following:</p> <p>i) Forfeiture of security deposit comprising of performance guarantee and retention money and additional performance security, if any, at disposal of the employer.</p> <p>Or</p> <p>ii) 20% of value of incomplete work. The value of the incomplete work shall be calculated for the items and quantities remaining incomplete (as per provision of agreement) at the agreement rates including price variation as applicable on the date, when notice in writing for termination of work was issued to the contractor.</p>	As per provision.
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12/11/22

			<p>It is being clarified that the above liability is over and above the penalties payable by the contractor on account of shortfall in quantities as per provision of clause 6.</p> <p>The amount to be recovered from the contractor as determined above, shall, without prejudice to any other right or remedy available to the employer as per law or as per agreement, will be recovered from any money due to the contractor on any account or under any other contract and in the event of any shortfall, the contractor shall be liable to pay the same within 30 days. In case of failure to pay the same the amount shall be debt payable.</p> <p>In the event of above course being adopted by the Engineer-in-charge, the contractor shall have no claim to compensation for any loss sustained by him by reasons of his having purchased materials, equipments or entered into agreement or made advances on any account or with a view to the execution of work or performance of the contract. And in case action is taken under any of provision aforesaid, the contractor shall not be entitled to recover or to be paid any sum for any work thereof or actually performed under this contract unless and until the engineer-in-charge has certified in writing the performance of such work and value payable in respect thereof and he shall only be entitled to be paid the value so certified.</p> <p>The need for determination of the amount of recovery of any extra cost/expenditure or of any loss/damage suffered by the company shall not however arise in the case of termination of the contract for death/demise of the contractor as stated in 9.1(d).</p>	
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21/11/18

23	For unsatisfactory progress of the work or of any portion of the work	Clause 10.1 of GTC of Conditions of Contract	<p>10. CARRYING OUT PART WORK AT RISK &amp; COST OF CONTRACTOR:10.1</p> <p>If the progress of the work or of any portion of the work is unsatisfactory, the Engineer-in-Charge, after giving the contractor 15 days' notice in writing, without cancelling or terminating the contract, shall be entitled to employ another Agency for executing the job or to carry out the work departmentally or contractually through tendering / limited tendering process, either wholly or partly, debiting the contractor with cost involved in engaging another Agency or with the cost of labour and the prices of materials, as the case may be. The certificate to be issued by the Engineer-in-Charge for the cost of the work so done shall be final and conclusive and the extra cost, if any, shall be borne by the contractor. However, when this clause is invoked, any other penalty will not be applicable other than on account of shortfall in quantities as per clause 6.2.</p> <p>The value of the work taken away shall be calculated for the items and quantities taken away at the agreement rates including price variation as applicable on the date, when notice in writing for taking away part work was issued to the contractor. The contractor, from whom part work is being taken out, shall not be allowed to participate in the tendering process if any.</p> <p>If the expenses incurred by the department is less than the amount payable to the contractor at his agreement rates, the difference shall not be payable to the contractor.</p> <p>In the event of above course being adopted by the Engineer-in-charge, the contractor shall have no claim to compensation for any loss sustained by him by reasons of his having purchased materials, equipments or entered into agreement or made advances on any account or with a view to the execution of work or performance of the contract.</p>	<p>This clause will be applicable for the default made by contractor during the execution of contract after giving 15 days notice to the defaulting contractor.</p> <p>(i) For the contracts of more than 3 years, if the average monthly performance of contractor during <u>four consecutive months</u> or <u>for cumulative period of four months within any continuous period of twelve months</u> is less than 90% of stipulated rate of progress as per agreement,</p> <p>(ii) For the contracts of period upto 3 years, if the average monthly performance of contractor during <u>three consecutive months</u> or <u>for cumulative period of three months within any continuous period of six months</u> is less than 90% of stipulated rate of progress as per agreement.</p>
24	For plying of trucks on unspecified route	Clause 6.0 of 4 (B) (I), (II) of STC of Conditions of Contract	<p>Contractor's dumper/tipping truck should ply only on specified routes/ roads. In case, plying of the dumper/tipping truck on any other route/ road become necessary, due to any reason, prior approval for the same shall be taken by the contractor from the Project Officer/ General Manager. In case of violation of this provision penalty may be imposed on the contractor and/ or the contract terminated.</p>	As per agreement.

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25	For shortage of coal received at unloading end	Clause 16.00 of 4 (B) (II) of STC of Conditions of Contract	16.00 In case the trucks are being weighed both at the loading end as well as unloading end, the figures of weight at both the ends shall be reconciled every month in respect of each contractor and if there is any shortage of coal received at the unloading end, the value of coal found short, will be deducted at double the then prevailing rate including all royalty, cess, from the security deposit of the transporting contractor(s) concerned or otherwise, specifically mentioned in work order/agreement.	As per provision.
26		Clause 21.01 of 4 (B) (II) of STC of Conditions of Contract	21.01 (i) If the demurrage of wagons occur due to less availability of coal at the siding because of less transportation of coal, the contractor shall be held responsible and liable for the same and the demurrage charges incurred shall be recovered from him. (ii) If the demurrage is due to failure on the part of two or more coal transporting contractors the demurrage charges shall be apportioned by the General Manager/ Project Officer, amongst the concerned contractors as he considers appropriate and his decision in the matter shall be final and binding on each of these contractors.	
27	For demurrage of rakes	Clause 21.02 of 4 (B) (II) of STC of Conditions of Contract	21.02 (i) If the demurrage occurs due to failure on the part of contractor the demurrage charges incurred shall be recovered from the contractor.(ii) In case there are two or more contractors for wagon loading, the contractor who has not completed the loading of all the wagons allotted to him, within the free loading time, shall be held responsible and liable for the demurrage and demurrage charges for the full rake shall be recovered from him.(iii) In case demurrage of any rake occurs due to failure on the part of two or more wagon loading contractors, demurrage charges for the rake shall be recovered in proportion of the number of wagons allotted to each of them for loading.	As per provision.
28		Clause 21.03 of 4 (B) (II) of STC of Conditions of Contract	21.03 (i) If the demurrage of wagons occurs due to failure on the part of the picking and breaking contractor, for not making available adequate quantity of clean and sized coal free from stone/ shale/ extraneous materials, he shall be liable for the demurrage charges incurred and the same shall be recovered from him. (ii) In case the demurrage occurs due to failure of two or more picking/ breaking contractors, the demurrage charges shall be apportioned in the manner as considered appropriate by the Project Officer/ General Manager and his decision shall be final and binding on each of the concerned contractors.	

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29		Clause 22.01 of 4 (B) (II) of STC of Conditions of Contract	22.01 The contractor, if allowed to load wagon, shall be also responsible for cleaning of the siding tracks/ between the line and on both sides of the same, leveling of coal loaded into the wagons and lime washing on the top of the same, in respect of the wagons allotted to him/ each of them. In case any rake is put on demurrage/ any penalty is imposed on the company for failure on the accounts, the same shall be recovered from the contractor/s concerned.	As per provision.
30	For poor performance of wagon loading contractor	Clause 22.02 of 4 (B) (II) of STC of Conditions of Contract	22.02 In case any derailment of wagons occurs due to non-cleaning of the tracks by the contractor, if allowed to load wagon, the charges/ penalties for the same levied by the Railways as also the demurrage charges for the same shall be recovered from the defaulting contractor (s).	As per provision.
31		Clause 22.03 of 4 (B) (II) of STC of Conditions of Contract	22.03 All such charges/ penalties shall be apportioned between the defaulting contractors, as the General Manager thinks fit and reasonable and his decision in all the above cases shall be final and binding on the contractors concerned.	As per provision
32	For shortfall in receipt of coal at destination	Clause 5 (h) of 4 (C) of STC of Conditions of Contract	h) Regulations in payment for Coal: The volumetric quantities of coal shall be calculated in accordance with prescribed guidelines in above para. The same shall be converted in ton and shall be reconciled with the quantity dispatched as per weighment of Railway / Truck receipts. Payment will be made on the lesser of the quantities as determined by the above modes. The conversion factor / specific gravity for the specified seam of coal will be worked out and shall form the basis of conversion. In reconciliation, if the quantity of coal delivered by the contractor at the destination is found to be less than the quantity measured at the place of work, the contractor shall be liable to pay penalty for the variation in quantity upto 2% (two percent) at the rate of prevailing sale price of the said grade of coal and pay a penalty at double the aforesaid sale price for the quantity beyond / exceeding the variation of 2% (two percent).	As per provision

**\*\* As per the Board's directive in its 446<sup>th</sup> Meeting held on 03.08.2017, the guidelines applicable uniformly for debarring the contractor for default on their part shall be for a period of three years, wherever the provision for "debarring for a minimum period of twelve months" has been mentioned in the Bid Document. Accordingly, action to be initiated by the Area uniformly in all cases, wherever the provision is applicable as per guidelines in the GTC.**

**\*\* It is suggested that engagement of alternative parallel contractor (2<sup>nd</sup>) for failure of original parallel contractor (1<sup>st</sup>) is not to be done.**

**In case of parallel contract, the application of provisions in clause 9 (a) above is to be invoked when the performance during three consecutive months is less than 75%, then the contract is to be cancelled and penal provisions for less execution as per GTC will be applicable.**

17/11/20

**\*\* In case of a limited tender, duration of which is more than six months, the application of provisions in clause 9 (a) above is to be invoked when the performance during three consecutive months is less than 75%, then the contract is to be cancelled and penal provisions for less execution as per GTC will be applicable.**

**\*\* In case of parallel contract or limited tender for a duration less than six months action to be taken against the failing contractor as per provisions of GTC.**

Further, the above SOP may be reviewed time to time, if felt necessary after getting feedback from Area General Managers, for amendment as per requirement. Other relevant guidelines in the respective manuals are to be followed as given therein.

For any special situation arising out of unforeseen events beyond the conditions described in the above SOP, Area General Manager, if requires, may submit a proposal for competent approval with proper justification and data.

Apart from the above, for any omission of the contractor in relation to their responsibility towards execution of allotted work with full satisfaction of Area management, a proposal with proper justification should be initiated by the Unit/ Area to either engage a parallel contractor on risk and cost basis or for cancellation of the contract to safeguard the production performance of the Company for competent approval.

However, the above recommendations are to be followed as per the GTC and rules and guidelines issued by the Company from time to time.

The provisions of respective Manuals, rules and guidelines of the Company will prevail upon, in case of any deviation of the above recommendation from the Manuals or rules and guidelines of the Company.

11/1/20