	CIL's response to the Clarifications / Suggestions of prospective bidders during Pre-Bid conference held on 14.03.2023 against tender no. CIL/C2D/ Cart Expl & Accs/2023-25/390 dated 04.03.2023				
SI	Clause ref.	NIT Clause	Prospective bidder suggestions	CIL comments	
1	Sec I IFB EMD	50 Lakhs	Firm A: Reduce from 50 Lacs to Rs.10.0 lacs Firm B: Reduce from 50 Lacs to Rs.10.0 lacs	Not agreed, EMD of 50Lakhs is as per provisions of Purchase Manual 2020 No Change in NIT	
2	Sec II ITB 6Cii Note	Note: This certificate, as per format enclosed as Annexure – 9, will have to be submitted separately in respect of each of the quoted items and uploaded in "COMMERCIAL DOCS".	Firm C: Kindly confirm whether we have to prepare local content certificate product wise or item wise, as in Format of Local Content Certificate, it is mentioned Product Wise and in Clause 6.C of II-ITB it is mentioned Item Wise	The local content certificate is required for each quoted product against each line item.	
3	Sec II ITB Clause 21.7	Price variation during Contract period: A. The RC price for cartridge explosives i.e. LD and permitted explosives shall be revised on monthly basis based on the price variation formula indicated below: Pr = Po (0.15 +0.10 x Clr/Clo + 0.65 x ANr/ANo + 0.10 x HSDr/HSDo) where, Pr = Revised price as on the date of price revision. Po = Base price as on base date. Clr = All India Consumer Price Index (AICPI) for industrial workers [All India (2)] on a date three (3) months prior to the date of price revision, as available on RBI website (www.rbi.org.in). Clo =All India Consumer Price Index for industrial workers [All India (2)] on a date three	Firm C: We once again request you that 1) Fix Component in PVC formula should be 0.10 in place of 0.15. 2) AN Component in PVC formula should be 0.70 in place of 0.65. The Ammonium Nitrate Cost Component in manufacturing has increased as compared to other linked with CPI and HSD. Firm B: Pr = Po (0.05 +0.10 x CIr/Clo + 0.70 x ANr/ANo + 0.15 x HSDr/HSDo) 1. Present AN% given in PVC formulae is not exactly as per formulations of explosives.	No Change in NIT	

(3) months prior to the base date, as available on RBI website (www.rbi.org.in).

ANr = Price of Ammonium Nitrate on a date 5 days prior to the date of price revision.

ANo = Price of Ammonium Nitrate (AN), as on base date.

The price of AN shall be simple average price of the ex-works AN (100% Melt) price of Rashtriya Chemicals & Fertilizers Limited (RCF) (Rs/MT) & Gujarat Narmada Valley Fertilizers & Chemicals Ltd (GNFC) (Rs/MT) valid on the particular dates (base date & revision date).

HSDr = Retail Selling Price of Diesel in Kolkata, as available on the website of Petroleum Planning & Analysis Cell, MoPNG (www.ppac.gov.in), on a date 5 days prior to the date of price revision.

HSDo = Retail Selling Price of Diesel in Kolkata, as available on the website of Petroleum Planning & Analysis Cell, MoPNG (www.ppac.gov.in), as on base date.

- The base price for any item shall be the RC price to be finalized against this tender
- The base date for 1st revision shall be date of the reverse auction.
- The revised price/indices of each month shall be the base price/indices for next monthly revision of explosives.
- All indices shall be measured from the respective dates as mentioned above.
- The first price revision for explosives shall take

2. Present HSD% of 10% is not truer indicator for the complete oil % and transportation cost

There is Mathematical Error in the Formula, which is not considering the True impact of Price changes of Ammonium Nitrate, Due to global scenario, During steep Hike/ Downfall, the Present formula does not cover full impact of changes

		place on the 1st day of a month following completion of 1 month from the reverse auction date ignoring part of the month in which reverse auction conducted. Subsequent revision shall take place exactly after every 1 month (Ex: If reverse auction date is 10.10.2023 then the first price revision will be on 1.12.2023 for Explosives). • The price revision for explosives shall not have any ceiling.		
4	Sec II ITB Clause 21.7	 B. The RC price of accessories i.e. items other than LD, Permitted explosive and Cast Booster (PETN-TNT) shall be revised on quarterly basis based on the price variation formula indicated below: Pr = Po (0.15 +0.85 x Clr/Clo) where Pr, Po, Clr & Clo have meanings as above. The base price for any item shall be the RC price to be finalized against this tender The base date for 1st revision shall be date of the reverse auction. For accessories, the revised price/indices of each quarter shall be the base price/indices for next quarterly revision. All indices shall be measured from the respective dates as mentioned above. The first price revision for accessories shall take place on the 1st day of a month following completion of 3 months from the reverse auction date ignoring part of the month in which reverse auction conducted. Subsequent revision shall take place exactly 	Firm B: We Request to Revise the weightage of TNT in the PVC Formula from 35% to 50% As per Composition , TNT 50% is used for Production of Cast Booster	No Change in NIT

		after every 3 months (Ex1: If reverse auction date is 10.10.2023 then the first price revision will be on 01.02.2024 for Explosives Ex2: If reverse auction date is 01.10.2023 then the first price revision will be on 01.01.2024 for Explosives). • The price revision for accessories shall not have any ceiling.		
5	Sec II ITB Clause 31	Quantity variation: CIL / subsidiaries reserve the right to increase/decrease the ordered/allocated quantity to the extent of (+/-) 40% (Forty percent) of the RC quantity keeping in view the actual need of the subsidiary companies. In exigencies, the quantity may be increased even beyond 40% (Forty percent), limited to the PESO License capacity, with the specific approval from CIL. Bidders shall be required to accept the order for such higher/lower quantity at the same terms, conditions and price during the validity of the running contracts. Note: Since CIL / subsidiaries reserve the right to increase the ordered/allocated quantity to the extent of (+) 40% (Forty percent) of the RC quantity, the bidders shall ensure PESO license capacity to meet 140% of their quoted quantity during the currency of the RC (If not already available).	Firm C: Whether the Bidder will be penalised if it could not arrange 140% license from PESO. Firm B: CIL/ Subsidiaries should reserve the right to increase/decrease the ordered/allocated quantity to the extent of (+/-) 20% of the RC Quantity. For any requirement above 20%, Supplier should be mutually agreed for higher quantities.	Bidder is required to cater to the requirement of subsidiaries upto 140% of the offered quantity. It shall be the bidder's responsibility to have the required PESO license for the same. No Change in NIT
6	Sec III GCC Clause 20	Liquidated Damages	Firm A: This clause should be deleted Damages caused to CIL are well covered in Delivery Supply Performance Clause 5 of Section IV — Special Conditions of Contract. Hence Levy of Liquidated Damages will create double penalty for the same	LD will be levied on delayed supply whereas penalty for non-achievement of on delivery performance is on non-supplied quantity.

		mistake of vendor. The same may be avoided. RE-11 should be cancelled on monthly. Firm B: Damages caused to CIL are well covered in Delivery Supply Performance Clause 5 of Section IV — Special Conditions of Contract. Hence Levy of Liquidated Damages will create double penalty for the same	The LD clause is a standard clause which is applicable to all tenders. No change in NIT
		mistake of vendor. The same may be avoided. RE-11 should be cancelled on monthly	
7	Sec IV SCC Clause 2 Security Deposit Bank Guarantee Sub clause 2.4	Firm A: RC holders shall be required to deposit Bank guarantee for 3% of the average BASIC value of both the years of contract, which shall be valid for 27 months from the date of issue of RC in the prescribed format The input tax credit of GST has been already availed by the purchaser. It is also requested that BG shall be released within 3 months of completion of supplies. Firm B: RC holders shall be required to deposit Bank guarantee for 3% of the average BASIC value of both the years of contract, which shall be valid for 27 months from the date of issue of RC in the prescribed format since input tax credit of GST has been already availed by the purchaser.	Bank Guarantee for 3% of the average value of both the years of contract shall be on value inclusive of GST and not on basic. No change in NIT
		It is requested that BG shall be released within 3 months of completion of supplies.	SDBG can be released only after receipt of NOC, However efforts are being taken to ensure release of BG as soon as possible.

8	Sec IV SCC Delivery Schedule Clause 9.4	It would be mandatory for the RC holder to maintain 90% delivery performance to be evaluated on two monthly basis for all RC items at each of the consignee subsidiary company. The two monthly delivery performance shall be evaluated by each consignee subsidiary company separately on the basis of RE-11 issued in a particular 2 monthly period and actual quantity supplied against the same, The delivery performance of RE-11 generated in a particular 2 monthly period, for which the scheduled delivery period falls in the next 2 monthly period, shall not be accounted for in that particular 2 monthly period. The delivery performance of such RE-11 with spill over delivery period shall be accounted only in the next 2 monthly period in which the delivery is to be made as per schedule. In case the requirement changes after issuance of RE-11, the delivery performance shall be evaluated on the basis of actual quantity supplied against the revised requirement for a particular month, if any, intimated to supplier in writing through letter, fax, email of Unit Manager or Licensee or Issuer of RE-11. 9.5 In case the two monthly delivery performance	Firm C: We once again request you that It should be evaluated on Quarterly basis. Firm A: Delivery performance evaluation should be on quarterly basis The distances are more from factory to subsidiaries. Sometimes we receive allocations last week of the particular month. It is always happening in NECL and eastern sector subsidiaries	No Change in NIT
5	Delivery Schedule Clause 9.5 & 9.6	for any of the RC items falls below 90% at any of the subsidiary company, as per report, duly signed by representative of subsidiary company and RC holder, for every percentage reduction /	We once again request you that Penalty should be levied maximum 10% as applicable in the existing RC.	No Change in NIT

		drop (rounded off to nearest two decimal points) in delivery performance from 90%, equal percentage of the non-supply value (without GST) of that item in that two monthly period shall be deducted from the bills of the supplier by the concerned subsidiary company. This will be applicable for shortfall in delivery performance from 90% upto 50%. Thus, there will be maximum 40% penalty on the non-supply value towards non-achievement of delivery performance. 9.6 In case the two monthly delivery performance for any of the RC item falls below 50%, maximum monetary penalty of 40% of the non-supply value (without GST) of that item in that two monthly period will be imposed apart from reserving CIL's right to rescind/short close the RC for the subsequent period for that particular item in the relevant subsidiary where the shortfall occurs and the balance RC quantity thereof, may be purchased from any of the existing RC holders or empaneled "Reserve RC holders".	Firm A: Maximum penalty on non-supply value towards non achievement of delivery performance should be maximum of 10%. 40% maximum penalty is too high for non-achievement of the delivery performance. Since the prices are very competitive and reverse auction prices. Firm B: Maximum Penalty on Non supply value towards non-achievement of delivery Performance should be Maximum 20%. 40 % Maximum Penalty is too high for non-achievement of the delivery performance.	
10	Sec IV SCC Clause 13 Price Fall Clause	Price Fall Clause	Firm A: Price fall clause should be applicable within a period of 3 months from the date of order. The PFC clause is to be restricted to the supplier on whom it has been invoked. It should not be passed on to parallel RC holders. So apart from defaulting RC holder, all other parties should not be made scape	No change in NIT

			goats. CIL will only 10 to 20% of our license capacity it is not justified and it will be showing the domination position. Firm B: Price fall clause period should be only up to 6 months from the commencement contract period.	
11	Sec VI TSS Random test Clause 5	5. Random test A) TESTING BY CMPDIL 5.1 The consignee subsidiary company shall conduct a monthly random test of the explosives & accessories supplied by the supplier through CMPDIL as per SOP approved by CMPDIL. 5.2 The limits of technical parameters for random test are given in the NIT under a separate annexure titled 'Product Specifications and Random Test Parameters' and shall also be mentioned in the RC. 5.3 The testing charges shall be borne by CIL/ Subsidiaries for carrying out the testing. 5.4 The random test shall be conducted every month in each subsidiary. The authorized representative from CMPDIL shall decide/choose the required number of samples randomly in each month from any magazine and Subsidiary/Area/Magazine official authorized for the purpose will issue such selected random samples to CMPDIL for the purpose of testing. The above selected random samples shall be drawn and tested on the same day at mine in presence of representatives of subsidiary and the supplier. Subsidiaries shall inform the supplier in	Firm B: In hole VOD measurement for Cartridge should be done. Down the hole under confirmed conditions, using Digital VOD meter.	It may be noted here that the unconfined VOD of explosives is an intrinsic parameter of the product depicting its actual strength based on its composition. However, under confined condition the determined VOD shall be of extrinsic nature and will vary based on the Blast hole diameter, confinement, length of the hole, presence of cracks if any and water content, the bedding plane, joint set and other in situ geotechnical features. Moreover, the lower limit and upper limits for the confined VOD has to be determined based on R&D studies in the observations of a database for at least two years. Accordingly, unconfined VOD determination during Random sampling and testing has been adopted. No Change in NIT

advance in writing through Mail/fax/letter about the random test and preserve the copy for future reference. Test result shall be finalized even in absence of supplier's representative, if the representative failed to appear despite prior intimation to supplier or if the representative refuses to sign the Test Result. Subsidiaries shall inform CMPDIL regarding the monthly allocation being made to suppliers for calculation of no. of samples to be tested in a particular month with an ultimate aim of achieving batch wise testing of cartridge explosives and accessories. Upon receipt of allocation, CMPDIL will communicate to Subsidiaries with the product wise nos of samples to be tested in particular month. It shall be the responsibility of Subsidiary / Areas to earmark the required no. of samples for the above testing purpose.

5.5 The Sample shall be treated as "Not Meeting Standards" (NMS) in random test if it does not meet any of the criterion specified under "acceptable standards" in Annexure-2

Penalty levied on the total supply value (without GST) of explosives and accessories supplied in that month shall be @ 1% for 1 NMS/Failed sample, @3% for 2 NMS/Failed samples, @5% for 3 NMS/Failed samples, @7% for 4 NMS/Failed samples and @10% for 5 or more NMS/Failed samples, and shall be deducted from the bills of the supplier by the concerned subsidiary company in every month.

During Random sampling, sample values should also consider the actual blast results. If Actual Blast results is good/satisfactory and the Sampling results does not match Specifications, sample should not be treated as failed.

Maximum penalty Levied on the total supply value (without GST) of the Explosives & accessories should be 5% for 5 or more Non Meeting Standards (NMS/ Failed sample) for total quarterly supply basis for that Particular Project of the subsidiary.

Reason: Present system of 10% deduction is too high for survival of the suppliers under the present random sampling system.

Firm A:

Penalty levied on the total supply value (without GST) of accessories should be levied on failed samples as follows

0% for 2 nos NMS/failed 1% for 3 Nos NMS/failed 3% for 5 Nos NMS/failed Random sampling is a random process and is being conducted to ensure the quality of the products supplied as per the provided specification in Section VII Annexure 2.

Ultimate aim of explosives testing is to cover batch wise testing of explosives. Random testing is being done by CIL & CMPDIL without any financial burden to suppliers

No change in NIT

There is danger to men/mine and machinery when poor quality explosives are used in mines. The ill effect of the same on the health of the mine is immeasurable. If the parameters are within acceptable limits there will be no deduction due to random test penalty clause.

No Change in NIT

As the Random testing will be done on a monthly basis, the deductions due to poor quality of explosives shall be done on monthly supply values and the testing

			5% for 5 Nos or more NMS/failed	being a random process in a month the existing provision is justifiable. No Change in NIT
12	Sec VI TSS Sample Quantity for Random Tests Clause 6 A b	A. Testing by CMPDIL [All sample quantities are to be calculated based on Subsidiary allocation by CIL on a particular supplier on annual basis]. a. Permitted Explosives and Large Dia Explosives: One sample to be taken for the first 200 tonnes and subsequently for every 300 tonnes, one additional sample is taken. For example, a supplier whose annual allocation for permitted / LD explosives is 1600 tonnes, a total of six (1+1400/300= 6) samples is suggested. b. Detonating Fuse: One (1) sample for every one lakh mtrs. c. Detonators (CED, CDD): One (1) sample for every 2.5 lakh nos. d. Cast Booster: The number of samples to be tested will be 2 samples per month for Cast Booster (Emulsion) and 1 sample per month for Cast Booster (PETN). e. Nonel (Non-Electric Initiation System / Detonator): One (1) sample for every 1.0 lakh mtrs.	Firm A: One (1) sample for every 5 lakh mtrs. The volume of Nonels are more Firm B: Presently, For Explosives for every 300 MT, One sample, For Nonel & DF, for every 1 Lakh meter 1 sample criteria is given We Request, For Explosives for every 500 MT one sample, For DF & Nonel, for every 10 Lakh meter, only one sample has to be taken.	As monthly Random testing is proposed in this tender, the monthly distribution of samples will be very less. However, as the requirement of Nonel and DF is huge the samples determined are sufficient for ensuring the batch wise testing. However, it may be noted that Clause C of Random Test ensures that only one sample shall be tested from a single batch by either CMPDIL or CIL. RC holders to ensure the batch reference in invoice for identification during storage. No Change in NIT

		 f. Cord Relay / MS Connector: One (1) sample for every 2.5 lakh nos. g. Electronic Detonator: One (1) sample for every 25,000 nos. No. of samples to be tested in a contract year shall be equally distributed (as far as practicable) amongst the months of the year. 		
13	Sec VI TSS Sample Quantity for Random Tests Clause 6.2	Standard Operating Procedure (SOP) for random testing is available in CIL website viz. www.coalindia.in which is uniformly applicable in all CIL subsidiaries and NEC. Any future update in the SOP by CMPDIL/ CIL will also be applicable to RC holders/ Reserve RC holders during the RC period.	Firm C: Amended SOP should be available before Tender submission Due date	It was explained during the meeting that the revised SOP shall soon be made available on the website. Further any future update in the SOP by CMPDIL/ CIL will be uploaded in website and also be applicable to RC holders / Reserve RC holders during the RC period.
14	Sec VI TSS Technical service Clause 7.2 Para 2	In case of 'Electronic Detonator', there must be one technical representative available during Blasting Operations with logger and other necessary gadgets and manpower should be planned accordingly.	Firm C: This Condition may be applicable for Electronic Detonators & Not for Electronic Detonators — Factory Set	The condition of representative is only where logger and blaster is required. However, it is pertinent to mention that it is the responsibility of the firm to extend training of the entire workforce of allocated Project/Area/Subsidiary for use of Blasters of Factory Set ED. Further, the periodical maintenance, calibrations, repair, replacement and back-up arrangement is the responsibility of vendor allocated. The vendor has to ensure that no mine is affected due to non-functioning of blasters of Factory set ED.

15	Sec VI TSS	Mine wise benchmark PFs may be reviewed by the	Firm C:	No Change in NIT
	Powder Factor Clause 11.6	CMD of the Subsidiary Companies in consultation with CMPDIL on Financial Year basis, during the tenure of the contract, if the PF deduction/bonus at such mines exceeds 20% of the price of explosives. The revised PF, if any, shall apply during the tenure of the contract.	We once again request you that the word "may be" to be replaced by "will be". This will remove ambiguity in the decision-making process and allow bidders to provide a firm price.	
		The supplier has to lodge claim within three months of completion of the relevant year in case the deduction exceeds 20% of the price of the explosives. The claim of the supplier shall be settled by subsidiary company by the succeeding three months of the claim. Claim made by the suppliers after the above period, shall not be entertained.		
		If bonus exceeds 20% of price of explosives, the Sub. Co. shall initiate review immediately after completion of the relevant year.		
16	Sec VI TSS Performance & penalty Clause 12.1	The mine-wise achievement of powder factor should not be less than the benchmark powder factors specified in the RC. The method of calculating the achieved powder factor shall be by the same method by which benchmark powder factors are calculated. For every percentage decrease in powder factor of Coal/OB compared to the benchmark powder factors as provided in the RC, same percentage deduction of the price (without GST) of explosives shall be made.	Firm C: Kindly Confirm that the benchmark powder factor is average powder factor for all the mine benches i.e. Top to bottom mine The Powder Factor deduction should not be applicable if the top benches is being blasted with any other type of explosives.	The BMPF is fixed avg of different benches using the same method of excavation. It is not avg. of all the benches using different method of excavation. Thus existing practice shall continue. No Change in NIT
17	Sec VI TSS Performance	As per clause no 12.2, For achievement of Powder Factor between 100% to 105% of the benchmark,	Firm B: For Achievement of Powder Factor between 95% to	The poor quality of explosives has negative impacts on productivity,
	& penalty	ractor between 100% to 100% of the benchmark,	100% of the benchmark, there should be no deduction.	production and health of HEMMs. 95%

	Clause 12.2	there will be no Bonus	It is rare for any single vendor including PSU vendors in achieving 100% of Benchmarked PF, due to the very occurrences of Geographical patterns. Hence a tolerance of +/- 5% on PF to be given.	benchmarking is not acceptable. Moreover, BMPFs are the actual achieved PFs by RC holders during the last year that can be achieved. Lowering the benchmark in comparison to the already achieved PF's is not acceptable. However, sufficient provisions has been provided for review of BMPF in case of exigencies. No Change in NIT
18	Sec VII Annexure-2 Product specifications and random test parameters	1.4.2 Detonators (CDD) Delay timing - As specified by the Manufacturer ±5 ms 1.6 Nonel (Non Electric Initiation System / Detonator) As specified by the Manufacturer (± 10 ms for long delay & ±5 ms for connectors).	Firm A: To increase from ±5 ms to ±10 ms for CDD (Detonators) To increase from ±10 ms to ±20 ms for long delay and ±5 ms to ±10 ms for connectors Catching of delay timing in open conditions will always vary.	There is no logic in reason suggested. The precise delay is required to obtain the better blast performance, safety and minimize blast induced effects. The tolerance prescribed for random testing is sufficient and need not to be enhanced further. No Change in NIT
19	Extra freight		Firm A: We request to kindly provide the freight difference for NECL. NECL distance is more and waiting period is very high due to security reasons	No Change in NIT
20	Grievance redressal mechanism	_	Firm A: CIL should constitute a committee of senior officers for grievance redressal mechanism to take quicker decisions related with RC. Firm B: CIL should make a committee of senior officers for grievance Redressal mechanism to take quicker decisions related with RC.	Grievances are handled separately and not in the ambit of NIT. No Change in NIT

21	Van detention	-	Firm B:	Not agreed. This is an operational issue at
			CIL should plan for immediate Van unloading, according	field level. Subsidiaries are being
			schedules & indents should be planned. For higher van	sensitised to ensure immediate
			detentions CIL should pay detention charges to the	unloading from vans on their arrival at
			supplier	magazines.
				No Change in NIT