

# **SYSTEM IMPROVEMENTS**

## **BILL TRACKING SYSTEM**

### **1. BRIEF DESCRIPTION OF THE MEASURE / INITIATIVE**

The new Bill Tracking System has provision for the contractor/vendor to track the bill. Minimizes time delay for processing of bills by generating alert to senior Management.

### **2. BACKGROUND**

CVC vide circular no. 02/04/18 dt.03.05.2018 had suggested system improvement "Online Bill Tracking System should be put in place with provision for alerting higher level of management to enable monitoring, review /intervention in cases of delay."

### **3. IMPLEMENTATION**

CPCL standalone Bill Tracking System (BTS) has been developed by Chennai Petroleum Corporation Limited (CPCL) to improve the bill handling system while making payments to Vendors/Suppliers/Service providers.

In this system, the contractor/vendor has to submit the bill through online system along with details of Bill no., date, WO/PO no., EIC /PMC, Value etc. Once Bill is submitted, a bar code will be generated. The bill system will give success message to the Vendor/Contractor on submission.

The vendor has to take a print out of submitted bill along with generated bar code and submit as hard copy by post or in person. Acknowledgment receipt of bill will generate when bar code is scan by EIC/ PMC.

If Bill is in order, Engineer in charge (EIC) will mark the bill to the concerned officer / craft. If Bill is not in order, the same will be rejected through portal with reasons. Vendor will receive SMS and email with reason for rejection. In system itself, vendor has a facility to correct the bill and re-submit the same.

Finance department acknowledges the hard copy of bill by using a bar code scanner. The email and SMS sent to vendor as acknowledgement of bill are also shown in BTS system.

The processed bills are forwarded to cash section through portal to enable the Cash section to make payment and update the payment details in BTS portal. Vendor will also receive an email and SMS regarding payment.

#### **Alert for delay in payment**

There will be alert from BTS to EIC, after the bill is submitted by vendors / contractor and 10 days before the contractual payment day.

Next alert will be prompted to EIC and Finance on the contractual payment day, if payment is not made.

If the payment is not made even after 10 days of contractual payment day, the alert will be given to next higher authority of EIC

Statement of pending payments after 15 days of contractual payment date, will be sent to the functional Director.

#### **4. IMPACT AND BENEFIT**

The new BTS system minimizes the interaction between the vendors/suppliers with EIC. Timely payment is ensured since the system generates an alert to the Top Management in case of delay.

Vendors/suppliers are able to track the status of the bills.

M/s Arrow Engg., M/s Techsol and M/s A.J.Associates were contacted and their feedback was sought and they have acknowledged the utility of the BTS.

#### **5. POTENTIAL FOR REPLICABILITY**

The BTS can be replicated across all organizations.

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### **MATERIAL GATE PASS E-SYSTEM**

#### **1. BRIEF DESCRIPTION OF THE MEASURE / INITIATIVE**

Returnable material gate pass e-system for proper tracking to ensure the return of materials sent out of refinery for repairs.

#### **2. BACKGROUND**

Material gate pass e-system is available at CPCL for recording the materials that move in and out of Refinery premises for repair, reconditioning etc. At Refinery gate, CISF personnel will check the materials and verifies with the list available in the gate pass. He put material out-seal with date and signature on the pass. When material is received back, again CISF checks the material and verifies with the details in the gate pass and puts material in-seal with date and signature on pass. The same is updated in the system available in Intranet.

System was deficient in permitting the return of material through courier and handed over to the sender directly and the material inward details were not updated in the system as CISF personnel were not aware of the same. Also the tentative return date is not available in the reports generated for higher officials to track the proper return of the materials sent out. When CISF generates the report, a bulk number of materials are shown as pending for return.

#### **3. IMPLEMENTATION**

In order to keep track of materials not returned in time, e-system shall be modified to automatically escalate the pending status of materials by sending alerts to competent authority through e-mail after 7 days is elapsed from the due date of return mentioned in the gate pass. Thus accountability is escalated which improves the effectiveness of the system. Management is implementing the above recommendation

Also, the materials received by courier, is now taken to CISF and the gate pass details are updated as returned.

#### **4. IMPACT AND BENEFIT**

- Due to timely escalation, accountability of CPCL personnel is increased.
- Continuous tracking of the status enables follow up by the concerned personnel for the return of the materials and updation of records.
- Loss of high value materials being not returned is avoided.

#### **5. POTENTIAL FOR REPLICABILITY**

- The above system improvement can be replicated across all organizations.

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### **ELIMINATION OF RESTRICTIVE CONDITIONS IN PQC CRITERIA**

#### **1. BRIEF DESCRIPTION OF THE MEASURE / INITIATIVE**

Elimination of restrictive conditions in PQC criteria to increase competition

#### **2. BACKGROUND**

A CTE type inspection was done on the job awarded for "Rate contract for carrying out repair works of cone roof tanks of diameter less than 35 metres at CPCL"

Only three bidders participated in the open tender floated for the above job and only two bidders were able to meet the PQC condition. Reason for such low participation in such high value tender was scrutinized by Vigilance. It was observed that the PQC given was restrictive that the bidders who have experience in maintenance of cone roof tank type only can participate. Hence bidders who have experience only in maintenance of floating roof tanks which is more complicated could not bid in the tender. With their experience in repair of floating roof tanks they are technically competent to handle repairs in cone roof tanks.

Vigilance recommended that PQC shall be generic to the extent feasible and restrictive conditions shall be avoided to increase competition. Also, it was recommended to avoid the usage of term 'etc' in the PQC, as the same can be interpreted differently by different bidders

#### **3. IMPLEMENTATION**

The above recommendations are implemented.

#### **4. IMPACT AND BENEFIT**

- Increased competition

#### **5. POTENTIAL FOR REPLICABILITY**

- The above system improvement can be replicated across all organizations involved in Oil industry.

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## **IMPROVEMENT IN CONTRACT LABOUR MANAGEMENT SYSTEM**

### **1. BRIEF DESCRIPTION OF THE MEASURE / INITIATIVE**

Improvement in Contract Labour management system for issue of clearance on statutory compliance

### **2. BACKGROUND**

CPCL being the Principal Employer, should ensure compliance of all the statutory provisions of contract labourers such as attendance, ESI, EPF, Labour license etc. by the contractors pertaining to their workmen. The above Contract Labour Management (CLM) activities is being done by a contractor engaged by CPCL under the supervision of a CPCL Officer. Statutory compliance clearance is issued to the contractors executing works in CPCL based on the scrutiny of the relevant documents submitted by the contractors.

System was deficient in handling the requests for statutory compliance clearance by scrutiny of hard copies of the required documents. Acknowledgement of requests for compliance and providing clearance certificates are done by creating a hard copy, then scanned and sent to the contractor by email. System will be more efficient if the scrutiny is done through soft copies instead of hard copies.

### **3. IMPLEMENTATION**

In order to issue the statutory clearances based on soft copies, Vigilance recommended to create an e-portal, with facilities for acceptance of clearance requests, uploading of required documents, raising queries, uploading of replies, issue of clearances etc., The e-portal reports will also help HR to monitor all CLM activities effectively. Management is in the process of creation of an e-portal for the above.

### **4. IMPACT AND BENEFIT**

- Time for processing of clearance requests will get reduced.
- More transparency due to digitalization.
- Record keeping of hard copies avoided, and records are more secure in digital form.
- Better monitoring is possible for HR personnel and EICs of the contracts.

### **5. POTENTIAL FOR REPLICABILITY**

- The above system improvement can be replicated across all organizations.

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