

Hheavy Engineering Corporation Ltd is taking a giant stride towards automating its procurement process so as to bring in more transparency & efficiency towards the same taking into factor all the guidelines and the policy of Heavy Engineering Corporation Ltd as well as the security features complying to IT Act, 2000 & CVC guidelines. **This will start in 1st week of July'10.**

1. Introduction

E-Tendering is the purchasing of goods and services using the internet. It automates and integrates the buyer and supplier processes leveraging the internet. It automates the complete procurement process right from tender preparation to purchase order, invoicing and electronic payment. E-Tendering has the capability to drive transparency, deliver large cost reduction and process efficiency throughout the tendering process of any corporation.

The objective of the project was to bring e-Tendering into action and invoke a fair and transparent environment for vendors.

The project falls under the G2B (government-to-businesses) category, and the primary stakeholders are suppliers and the corporation itself (i.e., HEC).

The scope of the project encompassed the creation and implementation of the e-tendering application for the activities of HEC,Ranchi. The application's main focus was to automate most of the tasks involved in the entire tendering cycle. Some of the key activities that the system automates and integrates are as follows:

:Pre-Tendering	Tender publication and communication
Supplier registration Tender document generation NIT creation	NIT publication on the web Tender communication through e-mails Sale of tender document Issue of corrigendum
Tender processing	Virtual tender opening
Bid status tracking Filling of bids by suppliers Submission of bids by suppliers Receipt of bids in electronic tender box	Tender opening and evaluation Preparation of comparative statement (CST) Generation of management information system (MIS) reports

2.Objective

In addition to compliance with CVC guidelines, the primary objective of the project was to create a favourable image of the organization by improving transparency and accountability in the public procurement process. This in turn should motivate suppliers to participate and empower officials of the organization to cut down the cost and bring internal efficiency and economy by using automation of the complex manual activities. The system should introduce a paperless environment in the organization by covering end-to-end activities in the tendering process and yet provide enough control over planning and management of different tendering activities. The following is the summary of objectives for the project.

2.1. Compliance with the government regulations

2.2. Increase in efficiency and productivity

2.3. Transparency and accountability in the process

2.4. Expanding the accessibility of Tender Notice / advertisement

2.5. Speed up the process

2.6. Vendor relationship management

2.7. Cost savings for supplier and sourcing agency

2.8. Improved communication

The proposed solution offers substantial benefits to the suppliers

- ✚ **Information** on all the tenders is available at one place to the suppliers, so that they can decide, which tenders they need to participate in. Email alerts are sent to the registered suppliers whenever a tender of their interest is published on the Marketplace
- ✚ **Reduction in the transaction cost** as the requirement of unnecessary trips to the department and communication to find the required information gets eliminated
- ✚ **Reduction in stationery cost** as the supplier/contractor no longer needs to submit bulky multiple copies of his bid in the paper form. Now he submits his bid online and uploads the scanned copies of all the documents and certificates required to be submitted by him.
- ✚ **Real time availability of tender status** – After online bid submission, the supplier/contractor can know the status of his bid online. He need not visit the office of the department repeatedly for the same.
- ✚ E-Procurement system allows the supplier/contractor to **modify his bid** till the tender bid submission closing time specified by the department.
- ✚ **Increased reach** as the supplier has access to all the procurement requests of all the departments on the E-Procurement Marketplace. Leads to reduction in sales and promotion costs for the supplier
- ✚ **Increased comfort factor** that things are being handled in a transparent manner
- ✚ **Supplier empowerment** - With e-Procurement Solution, small and medium suppliers will get an opportunity to participate in tenders in a fair and fearless manner. They no longer have to worry about being discriminated or their bids being tampered with. They can now purchase and participate in tenders sitting in their offices

3. Conclusion

As a part of pilot implementation, HEC will be processing its tenders through the eProcurement System. HEC also envisages to come up an automated materials management system which would work with the eProcurement system in an integrated manner.