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Northern Coalfields Limited
(A Miniratna Company)
(A subsidiary of Coal India Limited)

Materials Management Department



CIN- U10102MP1985GOI003160

An ISO: 9001, ISO: 14001 & OHSAS: 18001 Certified Company

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Phone: 07805- 266388, (FAX) 266640 email: gmmm@ncl.gov.in website : www.nclcil.in

RATE CONTRACT

Ref. No. 63816994 /317A1075

Date: 9th April 2018

To

M/s Balmer Lawrie & Co. Limited
SBU: Greases & Lubricants Division
P-43, Hide Road Extn.
Kolkata – 700 088

By Speed Post/Regd. Post

Vendor Code: - B 0050

Sub: Rate Contract for supply of different grades of Lubricants & Greases to various projects of Northern Coalfields Limited.

Ref: i) Our Tender No. NCL/SGR/MMD/317A1075/67 dated 09.10.2017, opened on 08.11.2017, for conclusion of Rate Contracts for supply Lubricants & Greases (Tender ID : 2017_NCL_80604_1).
ii) Your offer submitted online vide Bid ID: 239223 dated 06/11/2017 & subsequent shortfall/confirmatory documents submitted online.

Dear Sirs,

With reference to the above, we are pleased to enter into a Rate Contract with you for supply of different grades of Lubricants & Greases to various Projects of Northern Coalfields Limited situated in the state of Madhya Pradesh and Uttar Pradesh as per prices indicated against each item at Annexure-I and in accordance with the terms & conditions detailed hereunder:

- 1. Duration of Contract:-** The Rate Contract will remain valid for a period of two years from the date of its issue .
- 2. Basis of Price:-** The Rate Contract prices are based on Base Oil prices of IOC N100 and IOC N460 applicable for the August 2017 – October 2017 and are inclusive of Packing, Forwarding, Freight and Transit Risk Insurance charges etc. on F.O.R. Destination basis.
- 3. Price Variation:-**The Rate Contract prices are variable based on Base Oil prices of IOC N100 and IOC N460 (as per prices circulated by M/s IOC Limited) without any ceiling limit as per the PVC formula as detailed below:-

The RC prices shall be revised (escalation /reduction) on quarterly basis, which will be worked out on the basis of the quarterly average of the Base Oil prices of IOC N100 and IOC N460 as per price circulated by M/s IOC ruling in the quarter prior to the month of price revision.

The price variation shall be worked out based on the following formula:

$$P1 = Pq + (B1-Bq)$$

Where P1 = Price of finished product applicable for a quarter in Rs/Ltr. or Rs/Kg, as the case may be.

Pq = Price of finished products as mentioned in Annexure-I of this Rate Contract in Rs/Ltr or Rs/Kg based on the quarterly average of the Base oil prices of IOC N100 and IOC N460 as per Prices circulated by M/s IOC ruling in the quarter prior to the month of tender opening.

B1 = The quarterly average of the combined Base oil prices of IOC N100 and IOC N460 Rs/Ltr or Rs/Kg, Ex-Kolkata as per Prices circulated by M/s IOC ruling in the quarter prior to the month of price revision.

Bq = The quarterly average of the combined Base oil prices of IOC N100 and IOC N460 Rs/ltr or Rs/Kg, Ex-Kolkata as per prices circulated by M/s IOC ruling in the quarter prior to the month of tender opening.

Base oil price for drums will be taken into consideration.

For Example:

As the tender is submitted in the month of November 2017, average base oil price in drum of last quarter i.e., Aug' 2017 to Oct' 2017 shall be taken as reference, i.e., Bq.

For supplies made in quarter April' 2018 to June 2018, price applicable will be calculated as per the following formula:

$$P1 = Pq + (B1-Bq)$$

P1 = Price applicable for quarter April' 2018 to June 2018

Pq = Basic Prices as per Annexure-I of this Rate Contract.

B1 = Average price of Base Oil in Drum during the preceding Quarter i.e., Jan'2018 to March 2018

Bq = Average price of Base Oil in Drum during the Quarter i.e. Aug' 2017 to Oct' 2017 (As month of tender opening is November'2017)

B1 Item wise will be as under:- % of base oil constituent IOC N100 in the specific item x (multiplied by) quarterly average of the Base oil prices of IOC N100 as per prices circulated by M/s IOC ruling in the quarter prior to the month of price revision + (plus) % of base oil constituent IOC N460 in that specific item x (multiplied by) quarterly average of the Base oil prices of IOC N460 as per Prices circulated by M/s IOC ruling in the quarter prior to the month of price revision.

Bq itemwise will be arrived as under:- % of base oil constituent IOC N100 in the specific item x (multiplied by) quarterly average of the Base oil prices of IOC N100 as per Prices circulated by M/s IOC ruling in the quarter prior to the month of tender opening + (plus) % of base oil constituent IOC N460 in the specific item x (multiplied by) quarterly average of the Base oil prices of IOC N460 as per Prices circulated by M/s IOC ruling in the quarter prior to the month of tender opening.

For determining the price all items are classified based on 5 levels as below:

		Percentage <u>IOC N100</u>	Percentage <u>IOC N460</u>
Up to ISO VG 100	Level 1	100	0

ISO VG 101 to 150	Level 2	70	30
ISO VG 151 to 220	Level 3	50	50
ISO VG 221 to 320	Level 4	20	80
ISO VG > 320	Level 5	0	100

You shall furnish such price circular monthly/quarterly basis of M/s IOC well in advance to this office before commencement of the quarter of revision. Price circular of M/s IOC month wise pertaining to quarter prior to the month of tender opening duly self-authenticated shall also be submitted by you to facilitate issue of price revision by this office for payment by the Paying Authority accordingly.

The prices of Base Oil IOC N100 and IOC N460 as circulated by M/s IOC shall be on Ex-Kolkata basis per litre in Drums.

4. **PRICE CERTIFICATE:-** You are required to submit following certificate along with your bill(s) :

“The prices charged by us under this bill is the lowest and is the same as applicable to other Government Departments/ Undertakings/ Other Organizations. ”

5. **RATE CONTRACT:-** The quantity to be procured during the currency of the Rate Contract is not fixed and the same will be drawn by the DDO's based on their actual requirement from time to time “on as and when” required basis.

6. **GST/Input Tax credit:** GST shall be payable extra at actuals at legally applicable rate at the time of supply on Basic Price, which is presently applicable as GST@ 18% on which Input Tax Credit shall be availed by NCL. You will issue invoice as per the GST Act to avail Input Tax Credit by NCL.

If there is any statutory increase in the rates of taxes & Duties during the extended Delivery Period (beyond stipulated delivery period), NCL shall not pay increase in the Taxes and Duties and shall be borne by you and in case there is any decrease, the same shall be passed on to NCL.

Firm shall submit Auditor’s Certificate along with the bill confirming that refund/ credit, if any, obtained against GST shall be passed on to Northern Coalfields Ltd.

09. **SECURITY DEPOSIT:-** Exempted being a Govt. of India Enterprises.

10. **PACKING:-** Packing of all the materials shall conform to the requirements of the carrier.

The lubricant shall be supplied in new, unused, non-returnable barrels of standard size, i.e. 210 ltrs for Lube & 182 Kg for grease or nearer to this capacity barrels packed in sealed condition and distinctively marked specifying the net weight and grade with name of the firm. Proper care should be taken during transportation as per standard trade practices to withstand rigors of transport to prevent any loss/damage/pilferage of the contents in transit.

11. **DELIVERY PERIOD:-** Within 30 days from the date of receipt of order placed by DDOs of Areas of NCL . You should maintain sufficient stock of lubricants of various grades covered under the RC at your lube depot to meet our urgent requirement. In case of exigencies, DDOs may ask to supply within shorter delivery period after obtaining consent from you.

12. **DIRECT DEMANDING OFFICERS & PAYING AUTHORITY:-** This Rate Contract will be operated by the Direct Demanding Officers and payment to be made by the Paying Authority of the concerned consignee (DDO), as per the details given in Annexure-II.

13. MODE OF DISPATCH:- The material will be delivered by Road Transport only. Road permit ,if required shall be obtained from the Consignees .

14. WARRANTY:- You will be fully responsible for the manufacturer’s warranty in respect of the quality of the product. You shall have to submit a certificate that your products are exactly as per NIT requirement and if the product is found to be of inferior quality, you shall replace the entire product supplied and also bear any loss incurred by way of using the products in our machines.

You shall be responsible for any defect that may develop under the conditions provided for by the contract and under proper use, arising due to poor quality of materials and workmanship. You shall have to replace the inferior quality products and such replacement shall be made by you at ‘No Cost to Northern Coalfields Limited’. The replaced product should be supplied on FOR destination basis.

Warranty replacement should be completed within a reasonable period maximum within one month from the date of claim at no cost to NCL, up to Consignee’s end. All cases of warranty replacements will be decided on the basis of joint inspection of the failed product held between the user's representative and the manufacturer's representative

15. INSPECTION:- Materials under supply shall be of the best quality and workmanship and shall be in accordance with the specification laid down in the supply order.

NCL also reserves its right to carry out initial inspection at yours works before dispatch by deputing authorized representative.

i) Pre-Despatch inspection: NCL reserves its right to carry out pre-dispatch inspection of material by Third Party including stage inspection and destructive testing, if necessary, at your works, as per methodology. For pre-dispatch inspection, if any desired by the DDOs, the inspection fee @ 1 (one percent) of total consignment value (i.e., inclusive of taxes) to be paid by you and the same may be billed to Northern Coalfields Ltd., along with supply bills with proof of payment to the inspecting party for reimbursement. In case materials are rejected on 1st inspection, all charges including lodging, TA, inspection fee etc., for subsequent inspection shall be borne by you. You will provide all facilities to carry out necessary “tests” as required.

The Purchaser or its authorised representative shall have the right to inspect and/or to test the goods to confirm their conformity with the contract and in case any inspected/tested goods fail to perform to the specifications, the purchaser may reject them and you shall either replace the rejected goods/make or alterations necessary to meet the specifications free of cost to the purchaser. The material will be inspected at final destination. However, manufacturers standard test certificates indicating conformation to the specifications of the order should be submitted in advance .

ii) Final inspection of materials will be carried out at the consignee’s end.

16. PAYMENT TERMS:-100% payment shall be released within 21 days of receipt and acceptance of materials at site by the consignee or submission of bills complete in all respects, whichever is later. The payment shall be made by “Electronic Fund Transfer” (EFT) or e-payment. You are requested to indicate EFT No. and other relevant details in your bill(s). All payments (in Indian Rupees) will be made by the concerned Paying Authority of NCL.

17. BANKER’S NAME AND ACCOUNT NO:- The project wise Banker’s details for payment through RTGS is as per enclosed Annexure-III.

18. SUBMISSION OF BILLS:-

A. Following documents may be submitted to the Consignee:

- i) Consignment Note.
- ii) Delivery Challan in original.
- iii) One copy of the bill.

- iv) CGST/SGST/IGST **duty paying** documentary evidence, wherever mentioned
- v) Warranty/Guarantee Certificate/Inspection Report wherever required.
- vi) Manufacturers test certificate
- vii) Lowest Price Certificate.
- viii) Any other documents specified in the Supply order.

B. Following documents should be submitted to the Paying Authority:

- i) 100% bill in triplicate duly stamped and pre-receipted.
- ii) CGST/SGST/IGST **Duty paying** documentary evidence, wherever mentioned
- iii) Copy of the consignment Note
- iv) Warranty/Guarantee Certificate/Copy of the Inspection Note wherever required.
- v) Lowest Price Certificate.
- vi) Any other documents specified in the Supply order.

19. TESTING OF LUBES:- Each consignment should carry manufacturer's test report and guarantee certificate for quality assurance to be submitted alongwith Challans for each supply. NCL reserves its right to draw joint samples anytime of the consignment to be received at our end at its discretion. Two samples of oil will be drawn jointly by the customer and supplier and testing will be done by NCL for one sample and other sample will be preserved by CMC, NCL. The test report will be submitted by CMC to consuming Area DDO & SO (Excvt) with a copy to HOD of Excavation Department for further needful action at their end if any. In case the test report indicates inferior quality of oil, no payment will be made for inferior quality of oil and NCL authorities may take such other action as deemed fit.

In case of any dispute of test result, the preserved sample at CMC will be sent to Govt. approved Test House by CMC for testing and cost involved in testing will be borne by the supplier. Report of such approved test house will be submitted to HOD of Excavation Department for taking further needful action on the basis of the report.

20. DELAYED DELIVERY AND LIQUIDATED DAMAGES:- In the event of failure to deliver the stores within the stipulated date/period in accordance with the specifications mentioned in the supply order and in the event of breach of any of the terms and conditions mentioned in the supply order, NCL shall have the right:-

- a) To recover from you, as agreed liquidated damages a sum not less than 0.5% (half percent) of the price of any store which you have not been able to supply as aforesaid for each week or part of a week during which the delivery of such stores may be in arrears limited to 10% (ten percent). Where felt necessary, the limit of 10% can be increased to 15% at the discretion of Head of Material Management Division of NCL
- b) To purchase elsewhere after due notice to you on your account and risk, the stores not supplied or others of a similar description without cancelling the supply order in respect of consignment not yet due for supply. OR
- c) To cancel the supply order or a portion thereof and if so desired to purchase the stores at your and risk and cost and also -
- d) To extend the period of delivery with or without penalty as may be considered fit and proper. The penalty, if imposed shall not be more than the agreed liquidated damages referred to in clause (a) above.
- e) Whenever, under this contract, a sum of money is recoverable from and payable by you, NCL shall be entitled to recover such sum by appropriating in part or in whole by deducting any sum or which at any time thereafter may become due to you in this or any contract should this sum be not sufficient to cover the full amount recoverable, you shall pay NCL on demand the remaining balance. You shall not be entitled to any gain on any such purchase.

21. PRICE FALL CLAUSE:- You have to undertake that you have not supplied / is not supplying similar product/systems or subsystems at a price lower than that offered in the present Bid in respect of any other Ministry / Department of the Government of India or PSU and if it is found at any stage that similar product / Systems or Subsystems was supplied by

you to any other Ministry / Department of the Government of India or a PSU at a lower price, then that very price, with due allowance for elapsed time, will be applicable to the present case and the difference in the cost would be refunded by you to the us.

22. IDENTIFICATION MARK: Each drum shall be marked with the following:-

- a) Manufacturers name or trade mark
- b) Quantity in Liters/Kgs
- c) The Word NCL Embossing/Printing/Painting.
- d) Batch No and date of manufacturing

23. STATEMENT OF THE ORDER RECEIVED AND MATERIAL SUPPLIED:-

You are required to submit a statement in duplicate by the 5th of every month to this office showing the supply order indicating the position as on the last date of previous month on the proforma given below.

Sl No	Supply order No.	Quantity ordered	Qty. supplied during the month	Qty. balance to be supplied

24. RISK PURCHASE:- In the event of your failure to deliver the stores within the stipulated date/period of the Rate Contract / supply order, or in the event of breach of any of the terms and conditions mentioned in the Rate Contract/ supply order, NCL has the right to purchase stores (lubricants/greases) from elsewhere after due notice to you at your risk and cost. In the event of your failure as detailed above, the cost as per risk purchase exercise may be recovered from the bills against any supplies pending in NCL and also in any other Subsidiary companies/Coal India Ltd.

25. JURISDICTION OF COURT:- Any dispute arising out of this Rate Contract will be subject to the Jurisdiction of Singrauli Court (M.P) only.

This Rate Contract is the sole repository of the Northern Coalfields Limited and shall also be governed by all the provisions of CIL Purchase Manual -2004 (with latest addendum/amendments) as well as the "General Terms and Conditions of Supply of stores " issued along with our NIT as Annexure-F unless otherwise stipulated in this Rate Contact.

26. ARBITRATION: In the event of any dispute or difference relating to the interpretation and application of the provisions of the contracts, such dispute or difference shall be referred by either party for Arbitration to the sole Arbitrator in the Department of Public Enterprises to be nominated by Secretary to the Govt. of India in-charge of the Deptt. of Public Enterprises. The Arbitration and Conciliation Act, 1996 shall not be applicable to arbitration under this clause. The award of the Arbitrator shall be binding upon the parties to the dispute, provided, however, any party aggrieved by such award may take further reference for setting aside or revision of the award to the Law Secretary, Department of Legal Affairs, Ministry of Law & Justice, Govt. of India. Upon such reference, the dispute shall be decided by the Law Secretary or the Special Secretary/Additional Secretary, when so authorized by the Law Secretary, whose decision shall bind the parties finally and conclusively. The Parties to the dispute will share equally the cost of arbitration as intimated by the Arbitrator.'

27. INTEGRITY PACT:- The Integrity Pact signed & submitted by you along with offer shall remain valid & applicable against this contract (copy enclosed as Annexure-IV).

The Rate Contract is concluded with this acceptance. We enclose two copies of the Rate Contract, one of which should be returned to us within 15 days duly stamped and signed by you as a token of acceptance of this Rate Contract, or else it will be construed that you have accepted the Rate Contract.

Encl:- Annexure-I : List of items with Price, Off-take Value & PVC Level.

Annexure-II : List of DDOs and Paying Authority.

Annexure-III : Bankers details for payment through RTGS

Yours faithfully,

(M.M. Sarewar)
Chief Manager (MM)

(A.K. Mohanty)
General Manager (MM)/P

Copy to:-

The Chief Vigilance Officer, NCL, Singrauli.

The Depot Officer, Regional Stores/Area Finance Manager, Jhingurda/ Bina/ Kakri/ Khadia/
Dudhichua/Jayant/CWS Jayant/Nigahi/Amlohri/Block-B/ K'Shilla.

The General Manager/ SO (Excv.), Jhingurda/ Bina/ Kakri/ Khadia/ Dudhichua/ Jayant/ CWS
Jayant/ Nigahi/ Amlohri/ Block-B/ K'Shilla.

The General Manager (Finance.)I/C, NCL, Singrauli.

The General Manager (Excv.)/HOD, NCL, Singrauli.

The General Manager (Stores)/HOD, NCL, Singrauli.

The General Manager (MM), CCL/BCCL/ ECL/SECL/ WCL/ MCL/ NEC/ CMPDIL, Ranchi
Sri Sewa Ram, IAS (Retd.), 660, Sector – 26, Panchkula, Haryana – 134116.

Sri J.K. Khanna, IPS (Retd.), A-102, Sector - 55, Noida -201307.

This issues with the approval of Board of Directors of NCL in its 226th meeting held at Delhi
on 26.03.2018.

Chief Manager (MM),
NCL, Singrauli

General Manager (MM)/P
NCL, Singrauli

NORTHERN COALFIELDS LIMITED
MM DEPT: SINGRAULI

Sl. No	Brand of Items/ Description	Grade/classification/standard/specification	Basic Rate/Kg	Level for PVC
1	Wheel Bearing HD	Grade-Grease WB, Standard- Meets IS-10647-1983 Reaffirmed-1993 ,	74.00	2
2	Graphite Grease	Grade- Grease graphited	149.00	2

Chief Manager (MM),
NCL, Singrauli

General Manager (MM)/P
NCL, Singrauli

N.B:-

1. Depot Officers are advised to place orders against the approved and concurred Indents/MBs as per above prices within the following Off-take limit. However, payment shall be admitted as per price variation vide clause 3 in the manner stated therein :

Project	Tentative Off-take value for 02 Years (in Rs.)
Amlori	63568.96
Bina	Nil
Block-B	Nil
CWS , Jayant	15892.24
Dudhichua	639984.80
Jayant	511128.80
Jhingurda	63568.96
Kakri	319348.12
Khadia	351991.64
Krishnashilla	Nil
Nigahi	894690.16
Sub Total	2860173.68
10% off-take value reserved under GM(Exv)/HOD	286017.37
Total	3146191.05

2. The above project wise off-take limit is based on the RC price, which may vary as per the price to be revised and circulated as per the Price variation Clause No. 3 of this Rate Contract

Chief Manager (MM)
NCL, Singrauli

General Manager (MM)/P
NCL, Singrauli

Annexure- II

S.No	Name of the Consignee/ Direct Demanding Officer	Paying Authority
1	The Depot Officer, Northern Coalfields Limited., Blok B , P.O. Gorbi Colliriy , Dist. Singrauli (M.P) – 486 890	Area Finance Manager ., Blok- B , P.O. Gorbi Colliriy , Dist. Singrauli (M.P) – 486 890
2	The Depot Officer, Regional Stores, Jhingurda , NCL, PO Jhingurda Colliery, Dist: Singrauli: M.P – 486 889	The Area Finance Manager, NCL, PO Jhingurda Colliery, Dist. Sidhi: M.P – 486 889
3	The Depot Officer, Regional Stores, Bina , NCL, PO Bina Colliery, Dist: Sonebhadra: U.P – 231220	The Area Finance Manager, NCL PO Bina Colliery, Dist: Sonebhadra: U.P – 231220
4	The Depot Officer, Regional Stores, Jayant, NCL, PO Jayant Colliery, Dist: Singrauli: M.P – 486 890	The Area Finance Manager, NCL, PO JayantColliery, Dist. Sidhi: M.P – 486 890
5	The Depot Officer, Regional Stores, Kakri , NCL, PO Bina Colliery, Dist: Sonebhadra U.P – 231220	The Area Finance Manager, NCL, PO Bina Colliery, Dist. Sonebhadra: U.P – 231220
6	The Depot Officer, Regional Stores, Khadia , NCL, PO Khadia Colliery, Dist: Sonebhadra: U.P – 231222	The Area Finance Manager, NCL, PO Khadia Colliery, Dist. Sonebhadra U.P – 231222
7	The Depot Officer, Regional Stores, Dudhichua NCL, PO Khadia Colliery, Dist: Sonebhadra: U.P – 231222	The Area Finance Manager, NCL, PO Dudhichua Colliery, Dist. Sonebhadra U.P – 231222
8	The Depot Officer, Regional Stores, Amlohri, NCL, PO Amohri Colliery, Dist: Singrauli: M.P – 486887	The Area Finance Manager, NCL, PO Amlohri Colliery, Dist. Sidhi M.P – 486 887
9	The Depot Officer, Regional Stores, CWS, NCL, PO Jayant Colliery, Dist: Singrauli: M.P – 486890	The Area Finance Manager, CWS Jayant NCL, PO Jayant Colliery, Dist. Sidhi M.P – 486890
10	The Depot Officer, Regional Stores, Nigahi , NCL, PO Nigahi Colliery, Dist: Singrauli: M.P 486 889	The Area Finance Manager, NCL, Nigahi PO Nigahi Colliery, Dist. Sidhi M.P – 486 889

MPGSTIN No. 23AABCN4884H1ZE &
UPGSTIN No. 09AABCN4884H1Z4

Chief Manager (MM),
NCL, Singrauli

General Manager (MM)/Pur,
NCL, Singrauli