



Northern Coalfields Limited
 (A Govt. of India Enterprise)
 A Subsidiary of Coal India Ltd
 Materials Management Department
 P.O.Singrauli Colliery, Dist.Singrauli(MP) 486889
 Ph: 07805-266606/256261 Fax: 266388/266640
 Website : www.nclcil.in

Ref: No.63616089/116A1074

Date : 04.11.2016

FORMAL ORDER

M/s Energy Efficiency Services Limited, 4th & 5th Floor, IWAI Building, A-13, Sector-1, Noida – 201301 (UP).	<u>Vendor Code –E0237</u> <u>Fax No. 0120-4908099</u> <u>PCC: By Regd. Post.</u>
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Dear Sirs,

Sub : Formal order for Supply of LED Light Fittings

- Ref : 1. Our Letter No.NCL/SGR/MMD/16-17/2029 dated 23.09.2016
 2. Your offer no. EESL/2015-16/SLNP/NCL/4583 dated 26/09/2016
 3. Your Letter no. EESL/2015-16/SLNP/NCL/4583A dated 26/09/2016
and subsequent e-mail/confirmation dated 26.09.2016.

With reference to the above, we hereby place our Formal Supply Order on you for supply of the following materials and building lights. The supply shall be governed by the specification, prices, terms & conditions mentioned hereunder and also unless otherwise specified as per “General Terms & Conditions for Supply of Stores” enclosed as Annexure I.

SCOPE OF SUPPLY

Sl No.	Item Description	Qty (In No.)	Basic Price Ex-Works (Rs per unit)	Extended value (in Rs)
1	LED Street Light Fitting, 120-140W	3097	9000.00	27873000.00
2	LED Street Light Fitting, 190-210W	1789	15000.00	26835000.00
3	LED Street Light Fitting, 70-85W	347	5000.00	1735000.00
4	LED Street Light Fitting, 35-45W	385	3000.00	1155000.00
5	LED Tube Rod 4 ft 16-20W	12020	250.00	3005000.00
6	Pin Type LED Lamp 9W	8624	85.00	733040.00

Total Rs. 6,13,36,040.00

(Rupees Six crore thirteen lakh thirty six thousand forty only)

TERMS & CONDITIONS

1.BASIS OF PRICE: The above Prices are inclusive of Packing, Forwarding and Transit Risk insurance charges etc. on FOR Destination basis for which Freight charges shall be paid extra as indicated in the subsequent clause. The prices shall remain firm till execution of Supply Order. However, payment towards cost of project, M/s EESL's Fee etc. shall be made as per actual, in case actual cost is below the contract Price.

2.EXCISE DUTY: Inclusive @ 5% for which M/s EESL shall provide appropriate Cenvatable documents for Excise Duty on indigenously manufactured items falling under relevant Chapters of Central Excise Tariff, CVD and SAD for imported items falling under relevant Chapter of Customs tariffs to enable NCL to avail CENVAT benefit. For availing CENVAT Credit by NCL, you shall submit copy of CENVATABE INVOICE as per rule ii of CENTRAL EXICE Rule 2002 at the time of supply of material along with the final bill(s) indicating therein Northern Coalfields EEC No, Range, Division and commissionerate along with other details as detailed below:-

Clean Energy Cess Regn No./Excise Regn	Range	Division	Commissionerate
AABCN4884HEM011	Waidhan	Satna	Bhopal

3.CENTRAL SALES TAX : Concessional CST against Form 'C' shall be paid extra at actuals, as legally leviable at the time of supply.

4.FREIGHT CHARGES : Shall be paid extra at actuals or at the rates indicated below whichever is lower against submission of supporting documents for transportation of materials by Road/Rail including Transit Taxes/Toll upto the consignee including loading but excluding unloading charges.

- i) For Item No.1,2,3 & 4 - @Rs.200/- Per Unit
- ii) For Item No. 5 - @Rs.2/- Per Unit
- iii) For Item No. 6 - @Rs.5/- Per Unit

5. EESL PMC charges: Shall be paid extra @ 14% of the value of Item Sl.No 1 to 5 only i.e. Basic Price + concessional CST.
EESL PMC charges are not applicable on item sl.no.6.

6. SERVICE TAX on EESL PMC charges: Shall be paid extra at actuals, as legally leviable at the time of supply which is presently applicable @ 15%. You shall submit service Tax Invoice in prescribed Format as per 4(A) of Service Tax Rule 1994 for availing Input Tax credit by NCL

7.Entry Tax: Shall be paid by NCL directly to MP State Authority at actuals which is presently applicable @ 1%.

8.DELIVERY PERIOD : Within December 2016. First lot should be delivered in November 2016 itself. Early delivery of material shall be appreciated.

9. CONSIGNEE: Depot Officer, Central Stores, Jayant, NCL. Post- Jayant, Dist. Singrauli (MP).

10. PAYMENT TERMS: 100% payment shall be released within 30 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.

11. PAYING AUTHORITY: Area Finance Manager (HQ), CMD’s office, NCL Post – Singrauli Colliery, Dist – Singrauli. PIN -486889 (MP).

12. BANKER’S NAME: ICICI Bank, Connaught Place Branch, New Delhi, Account No. 000705041800, IFSC Code : ICIC0000007, MICR Code : 110229002.

13. SUBMISSION OF BILLS: 100% bill with taxes & duties stamped and pre-receipted shall be submitted in triplicate to the Paying Authority with the following documents:

- (i) Receipted Challan
- (ii) Guarantee/Warranty Certificate
- (iii) Maker’s Test –cum- Inspection Certificate
- (iv) Any other document required as per order duly authenticated.

A set of above documents should be submitted to the consignee as well.

14. PACKING : Consignment should be securely packed & marked as per standard Trade practices/BIS Norms to withstand the rigors of transport to prevent any loss/damage or pilferage in transit and ensure safe arrival at destination. Packing of materials should conform to the requirement of Carrier.

15. MODE OF DESPATCH & ROAD PERMIT

By Road transport only on Door Delivery basis at your risk. Safe arrival of material at consignee’s end will be responsibility of the supplier. In MP no road permit is required as per present rules as NCL is a PSU.

16. LOWEST PRICE CERTIFICATE : You shall submit a certificate on the body of each bill stating that “the price charged by you against this contract is the lowest and is the same as applicable to other Government departments / Undertakings/CIL and its Subsidiaries.”

17. INSPECTION

a) Pre-dispatch Inspection : No pre-dispatch inspection shall be carried out.

b) Final Inspection: Final inspection shall be carried out by the authorized representative of GM(E&M) /NCL HQ after receipt of materials at consignee’s end. The stores found defective or not in accordance with the supply order specification will be rejected and intimated for free replacement within 30 (thirty) days from the date of intimation.

18. LIQUIDATED DAMAGE CLAUSE: In the event of failure to deliver or dispatch the stores within the stipulated date/period in accordance with the samples and/or specification mentioned in the supply order and in the event of breach of any of the terms & conditions mentioned in the supply order, NCL should have the right :

- a) To recover from the successful tenderer as agreed liquidated damages, a sum of 0.5 % (half percent) of the price of any stores which the successful tenderer has 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 the Materials Management Division.
- b. Or to purchase elsewhere after due notice to the successful tenderer on the account and at the risk of the defaulting supplier the stores not supplied or others of similar description without canceling the supply order in respect of the 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 the risk and cost of the defaulting supplier 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 agreed liquidated damage referred to in clause(a) above,
- e. Whenever under this contract, a sum of money is recoverable from and payable to the suppliers, NCL shall be entitled to recover such sum by appropriating in part or in whole for deducting any sum or at any time thereafter may become due to the successful tenderer in this or any contract should this sum be not sufficient to cover the full amount recoverable, the successful tenderer shall pay NCL on demand the remaining balance. The supplier shall not be entitled to any gain on any such purchase.

19. **PRICE FALL CLAUSE:** The price charged for the stores supplied against this order by you shall in no event exceed the lowest price at which you sell or offer to sell the stores of identical description to any other organization during the period of contract. If the supplier at any time during the period of contract reduces the sale price, sells or offers to sell such stores to any other organization at a price lower than the priced chargeable under this contract, the supplier shall forthwith notify such reduction of sale price to the undersigned and the price payable under the contract for stores supplied after the date of coming in force of such reduction in sale price shall stand correspondingly reduced.

20. **WARRANTY/GUARANTEE:** The supplier shall give a warranty/guarantee for satisfactory performance of the supplied materials for a period of 2 years. The LED Street Lights, LED Lamps & LED Tube Rods supplied shall perform to the performance standards as per prescribed IS specifications. In case of faults, EESL shall arrange for free replacement at NCL's Stores for 2 years. The warranty shall be limited to only technical and manufacturing defects. The maintenance of LED systems supplied by EESL will be done by EESL for the entire warranty period of 2 years at NCL Stores for faulty lights brought back to project stores. EESL shall have no responsibility for demonstration of power savings on representative basis for these lights.

The supplier shall be responsible for any defect that may develop under the conditions provided for by the contract and under proper use arising due to technical and manufacturing defects and shall remedy such defect at his own cost when called upon to do so. If it becomes so necessary for the supplier to replace or to renew any defective part, such replacement or renewal shall be made by the supplier 100% free of cost without any extra cost to Northern Coalfields Limited. The new goods should be supplied on FOR destination basis free of cost. Warranty replacement should be completed within a reasonable period maximum within one month from the date of claim up to ultimate Consignee's end. All cases of warranty replacements will be decided on the basis of joint inspection of the failed goods held between the user's representative and the supplier's representative.

21. **JURISDICTION OF COURT** : All disputes are subject to jurisdiction of "Singrauli Court" only.

22. Allocation (For Internal use only):- Project wise allocation shall be given by GM(E&M)/NCLHQ.

The contract is concluded with this acceptance. You are requested to kindly acknowledge receipt and acceptance of order within 10 days from the date of issue of order. In case, no reply is received within the above period, it will be presumed that the order has been accepted by you without any precondition.

All other terms and conditions will be as per the MOU signed between M/s CIL and M/s EESL as well as Agreement signed between M/s NCL and M/s EESL

Encl : 1. General Terms & Conditions for Supply of Stores – Annexure I

Yours faithfully,

For and on behalf of Northern Coalfields Limited,

(D Dhanabalan)
Sr. Manager(MM)

(M A Siddiqui)
Chief Manager(MM)

Copy to:

1. CVO, NCL (HQ).
2. Director (T/Oprn), NCL(HQ), Singrauli
3. GM(E&M)/GM(Stores)/GM(Fin)I/c, GM(Civil) – NCL(HQ), Singrauli
4. Depot Officer, Central Stores, Jayant, NCL. MP.
5. The Area Finance Manager : (HQ), NCL. Singrauli.
6. GMs- Khadia/Bina/Nigahi/CWS/Krishnashila/Amlohri/Dudhichua/Block'B'/Jingurda/ Kakri projects.
7. CMS-NSC Jayant.
8. GM(MM): CIL/ECL/BCCL/CCL/WCL/SECL/MCL/CMPDIL/NEC.

This is issued as per the consolidated requirement submitted by GM(E&M) NCL HQ vide his Note Sheet No. E&M/16/992 dated 20.9.2016 against following Indents having indent Regn. No.116A1074 dt 3.11.2016 with BC Nos. and FC Nos. detailed hereunder:-

Sl. No	Name of Project	Indent No. & Date	BC No./FC No.
1	Kakri	KPR/359 /16-17 dt.31.7.16	2016-17/382/350 AND 366/ consumable spares/ 27 dt.21.8.16 2016-17/382/359/consumable spares/27 dt.14.10.16
2	Jingurda	JPR/206/16-17 dt 15.7.16	JRD/BC/REV/A/C hd. Other stores,E&M/CHP Spares/31-09 &42-19 dt16.9.16
3	Block-B	NIL dt.15.7.16	Block-B/BC/REV/2503/45/17 dt.20.9.16 Block-B/BC/REV/2503/45/19 dt.20.10.16 Block-B/FC/REV/2503/45/19A dt.20.10.16
4	NSC , Jayant	NIL dt. 8.7.16 , 359 dt. 01.08.16	Revenue/16-17/65/53/4002 dt4.8.16 Revenue/16-17/67/66/4002 dt2.9.16 Revenue/16-17/90/3/002503 dt18.10.16
5	Dudhichua	DPR/662/16-17 dt. 08.08.16, DPR/365/16-17 dt. 13.06.16	BC/Rev/2016-17/71/26 other stores dt 17.9.2016 BC/Rev/2016-17/71/15 other stores dt 13.6.16 FC/Rev/2016-17/70/11 other stores dt19.10.2016
6	Amlohri	APR/322/16-17 dt.16.7.16 APR/385/16-17 dt 30.7.16	1138/FA/Other stores/16-17/33 dt 20.7.16 1138/FA/Other stores/16-17/46 dt 18.8.16 1138/FA/Other stores/16-17/15/10/16 dt 15.10.16
7	Bina	BPR/265/16-17 dt 6.5.16 BPR/573/16-17 dt 20.6.16 BPR/1115/16-17 dt 19.9.16	16-17/01/63/09 dt 8.5.16 16-17/01/125/04 dt 4.7.16 16-17/01/103/34 dt 19.9.16 16-17/01/103/34 dt 15.10.16
8	CWS, Jayant	CPR/216/16-17 dt 8.8.16 CPR/704/15-16 dt 29.3.16 CPR/70/16-17 dt 13.5.16	Other Stores/24/43 dt10.8.16 Other Stores/16-17/24/50 dt20.9.16

9	Nigahi	NPR/791/16-17 dt. 16.7.16 NPR/702/16-17 dt. 01.7.16	22/9/Stores/others dt 16.7.16 21/8/Stores/others dt 15.7.16 20/34/Stores/others dt 16.10.16
10	Khadia	KHPR/157/16-17 dt 5.6.16 KHPR/139/16-17 dt 27.5.16	BC(Others) consumable/16-17/59/16 dt 13.7.16 BC(Others) consumable/16-17/59/19 dt 25.7.16 BC(Others) consumable/16-17/59/29 dt 20.10.16
11	NCL HQ	NCL/SGR/16/06 dt. 26.5.16 TA-1619 Dt.7.12.15 NIL dated 30.11.15 NCL/SGR/TA-E&M/Indent/15 dt. 21.4.15 & Sanction Order No.NCL/SGR/E&M/sanction/2015/706 dt.29.8.16 NCL/SGR/E&M/TA/2016/141 dt 4.7.16	HQ/BC/REV/other stores/215/45 dt 20.9.16 HQ/BC/REV/Purchase Repair/216/165 dt 12.8.16 HQ/BC/REV/other stores/214/32 dt 06.8.16 HQ/BC/REV/other stores/214/33 dt 8.8.16 HQ/BC/REV/other stores/214/30 dt 1.8.16 NCL/HQ/C&B/Centralised/BC/other spares/2016-17/07 dt 21.10.16

This has approval of Board of Directors NCL in its 208th meeting held on 03.10.2016 communicated by Company Secretary/NCL vide his note dated 07.10.2016 having Financial concurrence vide FC No. NCL/HQ/FC/2016-17/Other Stores/centralized/16 dt.02.11.2016 for Rs.8,37,77,329.96.

D Dhanabalan
Sr.Manager(MM)

M A Siddiqui
Chief Manager(MM)

ANNEXURE - I

GENERAL TERMS AND CONDITIONS OF SUPPLY OF STORES

1. Definition:

In the interpretation of the Contract and the general and special conditions governing it unless the context otherwise requires:

- i. “**CONTRACT**” means the invitation of tender, instructions to tenderers, acceptance of tender, particulars and the general and special conditions specified in the acceptance of tender and includes a repeat order which has been accepted and acted upon by the supplier.
- ii. The term “**SUPPLIER**” shall mean the person, firm or company with whom the contract is placed and shall be deemed to include the supplier in successors (approved by the Purchaser) representatives, heirs, executors, administrators and permitted assignee as the case may be.
- iii. “**CONTRACT PRICE**” shall mean the sum accepted or the sum calculated in accordance with the price and / or terms accepted by or on behalf of the purchaser.
- iv. The Chairman – cum Managing Director means Chairman – cum Managing Director of Northern Coalfields Limited, Singrauli.
- v. The term **DRAWING** shall mean the drawings, the plans specified in or annexed to the schedule of specification.
- vi. The term “**PURCHASE EXECUTIVE**” shall mean the purchaser or purchaser named in the schedule to the tender, his or their successors or assignees.
- vii. The term "**INSPECTOR**" shall mean any person nominated by or on behalf of the purchaser to inspect supplies, Stores or works under the contract or his duly authorized agent.
- viii. The term "**PROGRESS OFFICER**" shall mean any person nominated by or on behalf of the purchaser to visit supplier's works to ascertain the position of deliveries of stores purchased.
- ix. The term "**MATERIALS**" shall mean anything used in the manufacture or fabrication of the stores.

- x. The term "**PARTICULARS**" shall mean the following :
 - a. Specification
 - b. Drawing
 - c. Sealed pattern denoting a pattern sealed and signed by the inspector
 - d. Certified or sealed sample denoting a copy of the sealed pattern or sample sealed by the purchaser for guidance of the Inspector.
 - e. Trade pattern denoting a standard of the ISI or other standardizing authority of Northern Coalfields Limited and / or a general standard of the Industry and obtainable in the open market.
 - f. Proprietary make denoting the product of an individual manufacturer
 - g. Any other details governing the construction, manufacturer and or supply as existing in the contract.
 - xi. "STORES" means the goods specified in the supply order or schedule, which the contractor has agreed to supply under contract.
 - xii. The term "TEST" shall mean such test or tests as are prescribed by the specification or considered necessary by the Inspector or any agency acting under direction of the Inspector.
 - xiii. The term "SITE" shall mean the place or places named in the "SUPPLY ORDER" or such other place or places at which any work has to be carried out as may be approved by the purchaser.
 - xiv. Works denoting the persons shall include any company or association or body of individuals whether incorporated or not.
 - xv. "WRITING" shall include any manuscript, typewritten or printed statement under or over signature or seal as the case may be.
 - xvi. "UNIT & QUALITY" means the unit and quantity specified in the schedule.
 - xvii. "SUPPLY ORDER" or "PURCHASE ORDER" means an order for supply of stores and includes an order for performance.
2. The delivery of stores shall be deemed to take place on delivery of the stores in accordance with the terms of the contract after approval of stores by the Inspector to:
- i. The consignee at his premises or
 - ii. Where so provided the interim consignee at his premises or
 - iii. A carrier or other persons named in the contract an interim consignee for the purpose of transmission to the consignee.
 - iv. The consignee at the destination station in case of contracts stipulated for delivery stores at destination station.
3. Words in the singular include the plural and vice-versa.
4. Words denoting the masculine gender shall be taken to include the female gender and work persons, shall include any company or association or body of individuals, whether incorporated or not.
5. Terms and expressions not herein defined shall have the meanings assigned to them in the India Sale of Goods Act 1930 or the Indian Contract, 1872 or the General Clauses Act 1897 and as amended in respect of all the Acts as the case may be.

6 **(a) Parties:-**

The Parties to the contract are the supplier and the purchaser named in the schedule or any other specifically mentioned in the contract.

(b) Address to which communications are to be sent- For all purposes of the contract, including arbitration hereunder, the address of the supplier mentioned in the tender shall be the address to which all communications addressed to the supplier shall be sent, unless the supplier has notified a change by a change by a separate letter containing no other communication and sent by registered post acknowledgment due to the head of the office placing the supply order. The supplier shall be solely responsible for the consequence of an omission to notify a change of address in the manner aforesaid.

Any communication or notice on behalf of the purchaser in relation to the contract may be issued to the supplier by Purchase Executive and all such communications and notices may be served on the supplier either by registered post or under certificate of posting or by ordinary post or by hand delivery at the option of such executive.

7. (i). The price quoted shall be either FOR place or Railway station of dispatch, FOR destination. Delivery free to the consignee, FOB or CIF as specified in the invitation to the tender. All offers from countries other than Purchaser's country shall quote on FOB and CIF basis.
- (ii). In all cases the prices quoted must be net per unit shown in the enquiry and must include all packing and delivery where applicable. Refunds on account of returnable packages (if any) are to be separately specified. The price should show separately the Foreign Exchange element and the Rupee element for stores to be imported. Sales Tax shall be shown separately and whether it is State Sales Tax or Central Sales Tax. If no mention is made about Sales Tax, it will be assumed to be included in the price quoted.
The prices should be included of Excise, or excise duty should be separately mentioned. In case where price is quoted inclusive of excise duty, the rate of quantum of the same should be separately indicated. In case of contracts providing for free delivery to the consignee, octroi charges shall be included where leviable.
- (iii). The price must be stated separately for each item on unit basis.
- (iv). When quotations are made for units other than those specified in the enquiry, the relationships should be stated.
- (v). The prices quoted must be firm and the offers made must remain open for at least four months from the date of submitting quotations unless otherwise specified.
- (vi). Tender must invariably be submitted along with illustrated literature giving complete and detailed specifications, particulars etc. of the main unit and of the standard accessories to be supplied with the stores.
- (vii). Tenderer must clearly specify their recommended spare parts that will be supplied along with the main unit and item wise prices of the spares parts, also what are fast moving, medium moving, slow moving and insurance spares and the period up to which they are likely to last.
- (viii). Printed terms and conditions of the tendering firms shall not be considered as forming part of their tender. In case the terms and conditions of contract applicable to this invitation to tender are not acceptable to the tendering firms, they should clearly specify deviations there from in their tender.
- (ix). Typed quotations should be submitted. Those containing erasures and over-writings are liable to be rejected. Any corrections made in the tenders must be initialed by the tenderers, failing which their tenders will not be considered.

(x). Insurance arrangement will be made as per instructions being issued from time to time by the Materials Management Division of Coal India Limited and / or its subsidiary companies.

8. (i) Samples of each item, if considered necessary, should be submitted simultaneously by the contractor for inspection by Inspector / Inspectors unless the articles under tender are of considerable bulk in which case separate arrangement will be made for inspection of the articles offered while considering the quotation.
- (ii). All samples required for inspection or test shall be supplied by the successful tenderer free of cost.
- (iii). All samples must be clearly labeled with the tenderer's name, this offer enquiry number and the last date of opening of tender.

9. a) Subletting and Assignment

The supplier shall not save with the previous consent in writing of the purchaser, sublet, transfer, assign the contract or any part thereof or interest therein or benefit or advantage thereof in any manner whatsoever. Provided nevertheless that any such consent shall not relieve the supplier from any obligation, duty or responsibility under the contract.

b) Change in a Firm

- (i) Where the supplier is a partnership firm, a new partner shall not be introduced in the firm except with the previous consent in writing of the purchaser (which may be granted only as an exception) of a written undertaking by the new partner to perform the contract and accept as liabilities incurred by the firm under the contract prior to the date of such undertaking.
- (ii) On the death or retirement of any partner of the supplier firm before complete performance of the contract the purchaser may at his option cancel the contract in such case the supplier shall have no claim whatsoever for compensation against the purchase.
- (iii) If the contract is not determined as provided in the sub-clause (ii) above notwithstanding the retirement of a partner from the firm, he shall continue to be liable under the contract for acts of the firm until a copy of the public notice given by him under Section 32 of the Partnership Act has been sent by him to the purchaser by registered post acknowledgment due.

10. (a) Consequence of Breach

Should the supplier or a partner in the supplier firm commit breach of either of the conditions mentioned at Clause 20 (a) or (b) (i) of this sub-clause, it shall be lawful of the purchaser to cancel the contract and purchase or authorize the purchaser of the stores at the risk and cost of the supplier and in that event the provisions of clause 20 shall as far as applicable shall apply.

- (a) The decision of Coal India Ltd. and/or its subsidiary companies as to any matter or thing concerning or arising out of this sub-clause or any question whether the supplier or any partner of the supplier firm has committed a breach of any of the conditions in this sub-clause contained shall be final and binding on the supplier.

11. Use of raw materials secured with Government assistance

a. Where any raw material for the execution of the contract is procured with the assistance of CIL and or its subsidiary companies by purchase or under arrangement made or permit, license, quota certificate or release order issued by or on behalf of or

under authority or by any officer empowered in that behalf by law, or is issued from government stock and where advance payments are made to the supplier to enable him to purchase such raw materials for the execution of the contract, the supplier.

- I. Shall hold such material as trustee of Coal India Limited and / or its subsidiary companies
 - II. Shall use such material economically and solely for the purpose of the contract
 - III. Shall not dispose of the same without the previous permission in writing of the purchaser; and
 - IV. Shall tender due account of such material and return to the purchaser at such place as the purchaser may direct all surplus or unserviceable material that may be left after the completion of the contract or its termination for any reason whatsoever. On returning such material, the supplier shall be entitled to such price thereof as the purchaser may fix having regard to the condition of such material.
- b. Where the contract is terminated due to any default on the part of the supplier, the supplier shall pay all transport charges incurred for returning any material up to such destination as may be determined by CIL and / or its subsidiary companies whose decision shall be final.
 - c. If the supplier commits breach of any of the conditions in this clause specified, he shall, without prejudice to any other liability, penal or otherwise, be liable to account to CIL and or its subsidiary companies all money, advantages of profits accruing from or which in the usual course would have accrued to him by reasons of such breach.
 - d. Where the stores manufactured or fabricated by the supplier out of the materials arranged or procured by or on behalf of Coal India Limited and / or its subsidiary companies are rejected the supplier shall, without prejudice to any other right or remedy of the Government, pay to the Government on demand the cost price or market value of all such materials whichever is greater.
- 12.** The tenderers in case of imported items, shall clearly mention in the quotation that in the event of the supply order being placed with them, they shall arrange for supply within a reasonable period of all necessary maintenance tools and spares parts that may be required from time to time during the normal life of the machines, on a continuous basis and at a price not in excess of the landed cost at their premises plus a stated percentage differential (such a differential should be indicated) and proper servicing of the main unit supplied by them as and when required. In case there is a Rate Contract with the DGS&D supply be made at the RC rates.
- 13.** The tenderers shall give a warranty of satisfactory performance of the unit offered by them for a period of 12 months from the date of commissioning or 18 months from the date of receipt and acceptance by CIL and / or its subsidiary companies. The supplier shall be responsible for any defects that they develop under the conditions provided for by the contract and under proper use, arising from faulty materials, design or workmanship and shall remedy such defects at his own cost when called upon to do so. If it becomes necessary for the supplier to replace or renew any defective portion of the goods, such replacement or renewal should be made by the supplier without any extra cost to Coal India Limited and / or its subsidiary company.
- 14.** For orders placed directly on overseas suppliers, the tenderers should separately indicate whether their prices quoted include any commission for the manufacturer's agents in India and the amount of remuneration for the agent included in the quoted price. Price shall include:
- a. The service that will be rendered by them as manufacturer's agent
 - b. The name and address of agents, if any, in India, and

c. The agency commission or remuneration or freight in case FOR prices are accepted will be paid in Rupees in India

15. On acceptance of the tender, a formal acceptance of tender or supply order will invariably be issued. Advance intimation in writing of acceptance of the tender will be given whenever considered necessary by the said authority. In case an advance intimation has been given, the formal acceptance of tender or supply order shall follow in due course, but immediate action towards execution of supply order shall be taken on receipt of the advance intimation.

16. **Earnest Money/ Security Money:**

- a. Earnest money clause should be stipulated in the tender. The value of Earnest Money to be deposited by the tenderer should be 2% of the value of the estimated cost tendered for or Rs 10,00,000.00, whichever is lower. EMD should be in the form of Demand Draft and must accompany the quotation i.e. cover I of the bid. For unsuccessful tenderer, EMD shall be refunded immediately after finalisation of the tender with the approval of the HOD of MM deptt. Or Head of Area. EMD shall be forfeited if any tenderer withdraw their offer before finalization of the tender or fails to submit order acceptance within 15 days from the date of order.
- b. Security Deposit clause should be stipulated in the tender. Two weeks time (15 days) shall be given in the order to the successful tenderer to furnish the security deposit. In case the firm fails to deposit the security money, the order shall be canceled and the case shall be processed to order elsewhere and the firm's performance is to be kept recorded for future dealings with them. The value of Security Money to be deposited by the successful tenderer in the form of Bank Draft shall be 10% of the value of the awarded contract without having any ceiling. For successful tenderer, EMD should be converted to Security Money which will be refunded to the firm within 30 days of satisfactory execution of the contract with the approval of the HOD of MM Deptt./ Head of the Area. For unsatisfactory performance and/or contractual failure, the security money shall be forfeited.
- c. For procurement value less than Rs. 1,00,000/- no earnest money / security deposit will be required.
- d. EXEMPTION FROM EMD: State/Central Govt. Organizations / PSU & valid DGS&D/NSIC registered firms (registered for the tendered items) are exempted from submission of EMD.
- e. EXEMPTION FROM SECURITY DEPOSIT: State/Central Govt. Organizations / PSU & valid DGS&D registered firms (registered for the tendered items) are exempted from submission of Security Deposit. NSIC registered firm shall not be exempted from SD.

17. **Inspection and Rejection**

Generally the stores shall be of the best quality and workmanship and comply with the contract or supply order in all respect. The stores supplied shall be in accordance with specification unless any deviation is authorized and specified and specified in the contract or supply order or any amendment thereof.

a) Facilities for Test and Examination

The supplier shall, at his own expenses, afford to the Inspector all responsible facilities and such accommodation as may be necessary for satisfying himself, that the stores are being and/or have been manufactured in accordance with particulars. The Inspector

shall have full and free access at any time during the execution of the contract to the suppliers work for the purpose aforesaid, and he may require the supplier to make arrangement for inspection of the stores or any part thereof or any material at his premises or at any other place specified by the inspector and if the supplier has been permitted to employ the services of a sub-supplier, he shall in his contract with the sub-supplier reserve to the inspector a similar right.

b) Cost of Test

The supplier shall provide without any extra charge, all materials, tools, labour and assistance of every kind which the inspector may demand from him for any test, and examination, other than special or independent test, which he shall require to be made on the supplier's premises and the supplier shall bear and pay all costs attendant thereon. If the supplier fails to comply with the conditions aforesaid, the Inspector shall in consultation with the purchaser, be entitled to remove for test and examination all or any of the stores manufactured by the supplier to any premises other than his (suppliers) and in all such cases the supplier bear the cost of transport and/or carrying out such tests elsewhere. A certificate in writing of the Inspector that the supplier has failed to provide the facilities and the means, for test and examination shall be final.

c) Delivery of Stores for Test

The supplier shall also provide and delivery for test free of charge, at such place other than his premises as the Inspector may specify, such materials or stores as he may require.

d) Liability for Costs of Laboratory Test

In the event of rejection of stores or any part thereof by the Inspector in consequence of the sample thereof, which removed to the laboratory or other place of test, being found on test to be not in conformity with the contract or in the event of the failure of the supplier for any reason to delivery the stores passed on test within the stipulated period, the supplier shall, on demand pay to the purchaser all costs incurred in the Inspection and/or test cost of the test shall be assessed at the rate charged by the laboratory to private persons for similar work.

e) Method of Testing

The Inspector shall have the right to put all the stores or materials forming part of the same or any part thereof to such tests as he may think fit and proper. The supplier shall not be entitled to object on any ground whatsoever to the method of testing adopted by the Inspector.

f) Stores Expended in Test

Unless otherwise provided for in the contract, all stores/materials expended in test will be to suppliers account.

g) Inspector – Final Authority and to Certify Performance

(i) The Inspector shall have the power

Before any stores or part thereof are submitted for inspection to certify that they can not be in accordance with the contract owing to the adoption of any unsatisfactory method of manufacturer.

(ii) To reject any stores submitted as not being in accordance with the particulars.

- (iii) To reject the whole of the installment tendered for inspection, if after inspection of such portion thereof as he may in his discretion think fit, he satisfied that the same is unsatisfactory; and
- (iv) To mark the rejected stores with a rejection mark so that they may be easily identified if re-submitted.

(h) Consequence of Rejection

If on the stores being rejected by the Inspector or consignee at the destination, the supplier fails to make satisfactory supplies within the stipulated period of delivery, the purchaser shall be at liberty to :

- (i) Allow the supplier to resubmit the stores, in replacement of those rejected, within a specified time, the suppliers bearing the cost of freight, if any, on such replacement without being entitled to any extra payment on the account; or
- (ii) Purchase or authorize the purchase of quantity of the stores rejected or so others of a similar description (when stores exactly complying with particulars opinion of the purchase executive which shall be final, readily available) without notice to the supplier's liability as regards the supply of any further installment due under the contract; or
- (iii) Cancel the contract and purchase or authorize the purchase of the stores or others of a similar description (when stores exactly complying with particulars are not in the opinion of the purchaser, which shall be final readily available) at the risk and cost of the supplier. In the event of action being taken under sub-clause (ii) above or this sub-clause in the provisions of clause 20 shall apply as far as applicable.

(I) Inspector's Decision as to Rejection Final

The Inspector's decision as regards the rejection shall be final and binding on the supplier.

- (j) Where under a contract, the price payable is fixed on FOR station of dispatch basis, the supplier shall, if the stores are rejected at destination by the consignee, be liable in addition to other liabilities to reimburse to the purchaser the freight paid by the purchaser.

(k) Notification of Result of Inspection

Unless otherwise provided in the specification or schedule, the examination of the stores will be made as soon as practicable after the same have been submitted for inspection and the result of the examination will be notified to the supplier.

(l) Marking of Stores

The supplier shall if so required, at his own expense mark or permit the Inspector to mark all the approved stores with a recognized Government or purchaser's mark. The stores which can not be so marked shall, if so required by the Inspector, be packed in suitable package or cases each of which shall be sealed and marked with such mark.

(m) Removal of Rejection

I. Any stores submitted for inspection at a place other than the premises of the supplier and rejected shall be removed by the supplier subject as hereinafter provided within 14 days of the date of receipt of intimation of such rejection. If it is proved that letter containing such intimation is addressed and posted to him at the address mentioned in the schedule, it will be deemed to have been served on the supplier at the time when such letter would in the course of ordinary post reach the supplier. It shall be

competent for the Inspector to call upon the supplier to remove what he considers to be dangerous, infected or perishable stores within 48 hours of the receipt of such intimation.

ii. Such rejected stores shall under all circumstances lie at the risk of the supplier for the moment such rejection and if such stores are not removed by the supplier within the period aforementioned, the Inspector/Purchaser may either return the same to the supplier at his risk and cost a public tariff rate by such mode of transport as the purchaser or Inspector may select, or dispose of such stores at the supplier's risk on his account and retain in such portion of the proceeds as may be necessary to cover any expense incurred in connection with such disposal. The purchaser shall also be entitled to recover handling and storage charges for the period during which the rejected stores are not removed.

(n) Inspection Notes

On the stores being found acceptable by the Inspector, he shall furnish the supplier with necessary copies of inspection note duly completed, for being attached to the supplier's bill in support thereof.

18. Packing and Transport

(a) It shall be the responsibility of the successful tenderers to arrange for the stores being sufficiently and properly packed for transport by Rail, Road or Sea as the case may be so as to their being free from loss or injury on arrival at destination.

The packing of the stores shall be done at the expense of the successful tenderer.

(b) The successful tenderer is responsible for obtaining a clear receipt from the transport authorities specifying the goods dispatched. He will not book any consignment on a "said to contain" basis. If he does so, he does it on his own responsibility. Northern Coalfields Limited shall pay for only such stores as are actually received by them in accordance with the contract.

(c) All packing cases, containers, packing and other similar materials shall be supplied free ~contract/supply order.

(d) Packages must be so marked that identification is made easy. Packages will be stamped with identification marks both outside the packages as well as on the contents inside.

Packages containing articles liable to be broken by rough handling like glass or machinery made of cast iron will be marked with cautionary works like 'Fragile' , 'Handle with care'. Weight of each packages will be marked on the package.

(e) A complete list of contents in each package called the packing list will be prepared and one copy will be packed in the package itself and another copy will be forwarded to the consignee in advance.

19. Delivery:

The time for and the date of delivery of the stores stipulated in the 'Purchase Order' shall be deemed to be the essence of the contract and delivery of the stores must be completed by the date specified.

20. In the event of failure to deliver or dispatch the stores within the stipulated date / period in accordance with the samples and / or specifications mentioned in the supply order and in the event of breach of any of the terms and conditions mentioned in the supply order, Coal India Limited and / or its subsidiary Companies should have the right:-

- a. To recover from successful tenderer, as agreed liquidated damages, a sum not less than 0.5% of the price of the any store which successful tenderer has 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 %. Where felt necessary the limit of 10% can be increased to 15% at the discretion of Head of the Materials Management Division
 - b. To purchase from elsewhere, after due notice to the successful tenderer, on the account and at the risk of the defaulting supplier the stores not supplied or others of a similar description without canceling 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 store at the risk and cost of the defaulting supplier and also
 - d. To extend the delivery period 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 clause (a) above.
 - e. To forfeit security deposit in full or part.
 - f. Whenever under this contract a sum of money is recoverable from and payable by the supplier, Northern Coalfields Limited, 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 the successful tenderer in this or any other contract, with Northern Coalfields Limited. Should this sum be not sufficient to cover the full amount recoverable, the successful tenderer shall pay to Northern Coalfields Limited, on demand the remaining balance. The supplier shall not be entitled to any gain on any such purchase.
- 21.** If the execution of the contract / supply order is delayed beyond the period stipulated in the contract / supply order as a result of outbreak of hostilities, declaration of any embargo or blockage, or fire, flood, acts of nature or any other contingency beyond the suppliers' control due to act of God then CIL or its subsidiary Companies may allow such additional time by extending the delivery period, as it considers to be justified by the circumstances of the case and its decision shall be final. If and when additional time is granted by the CIL and its subsidiary companies, the contract / supply order shall be read and understood as if it had contained from its inception the delivery date as extended.
- 22.** The supplier shall allow reasonable facilities and free access to his works and records to the Inspector, Progress Officer or such other Officer nominated for the purpose. Inspector of stores, i.e. supplies made by the successful tenderer against the supply order mentioned at (15) above, shall be carried out by the Inspector / Consignee at the Colliery site/ stores or by the Inspecting Wing (inclusive of all its branch officer) of the DGS&D, New Delhi or any other agency as may be specified in the supply order. Where necessary, inspection may be carried out at the supplier's premises.
- 23.** Coal India Ltd and / or its subsidiary companies do not bind itself to accept the lowest or any tender and reserves to itself the right of accepting the whole or any part of the tender or portion of the quantity offered and the tenderer shall supply the same at the rate quoted.
- 24.** The supplier shall at all times indemnify CIL and its subsidiary companies against all claims which may be made in respect of the supplies for infringement of any right protected by patent, Registration of Design, or Trade Mark, provided that in the event of any claim in respect of alleged breach of Letter Patent, Registered Design, or Trade

Mark being made against CIL and / or its subsidiary companies, the said authority shall notify the supplier of the same and the supplier shall be at liberty at his own expense to settle any dispute or to conduct any litigation that may rise therefrom.

25. Carrying vessels for Imported Items

In case of machinery imported from abroad, it is preferable that shipment should be affected in Indian Vessels, wherever possible. Supplies will however not be delayed on this account.

26. Freight

The stores shall be dispatched at Public tariff rates in the case of FOR station of dispatch contract and the stores shall be booked at full wagon rates whenever available and by the most economical route or by the most economical tariff available at the time of dispatch as the case may be. Failure to do so will render the supplier liable for any avoidable expenditure caused to the purchaser.

Where alternative routes exist, CIL and or its subsidiary companies shall, if called upon also to do indicate the most economical route available or name the authority whose advice in the matter should be taken and acted upon. If any advice of any such authority is sought his decision or advice in the matter shall be final and binding on the supplier.

27. Passing of Property

Property in the stores shall not pass to the purchaser unless and until the stores have been delivered to the consignee or interim consignee as the case may be in terms of the contract.

28. Laws Governing the Contract

(a) This contract shall be governed by the Laws of India for the time being in force.

(b) Irrespective of the place of delivery, the place of performance or place of payment under the contract, the contract shall be deemed to have been made at the place from which the acceptance of tender or supply order has been issued.

(c) Jurisdiction of Courts

The courts of the place from the acceptance of tender has been issued shall alone have jurisdiction to decide any dispute arising out of or in respect of the contract.

(d) Marking of Stores

The marking of the stores must comply with the requirement of the law relating to merchandise marks for the time being in force in India.

29. Corrupt Practices

(a) The supplier shall not offer or give or agree to give to any person in the employment of the purchaser or working under the orders of Coal India Ltd. and/or its subsidiary companies any gift or consideration of any kind as an inducement or reward for going or forbearing to do or for having done or forborne to do any act in relating to the obtaining or execution of the contract or any other contract with the purchaser or for showing or forbearing to show favour or disfavour to any person in relation to the contract or any other contract with the Purchaser. Any breach of the aforesaid condition by the supplier or any one employed by him or acting on his behalf (whether with or without the knowledge of the supplier) or the Commission of any offence by the supplier or by any one employed by him or acting on the behalf under Chapter IX of the Indian Penal Code, 1860 or the Prevention of Corruption Act, 1947 and any amendments thereto or any other Act enacted for the prevention of corruption by Public Servants shall entitle Coal India Limited and or its subsidiary companies to cancel the contract and all or any other contract with the supplier and to recover from

the supplier the amount of any loss arising from such cancellation in accordance with the provisions of Clause 20.

(b) Any dispute or difference in respect of either the interpretation effect or application of the above condition or of the amount recoverable, the re-under by the purchaser from the supplier shall be decided by Coal India Limited and its subsidiary companies whose decision shall be final and binding on the supplier.

30. Insolvency and Breach of Contract

a) Coal India Limited and or its subsidiary companies may at any time by notice in writing, similarly determine the contract without compensation to the supplier in any of the following events that is to say –

If the supplier being an individual or if a firm any partner thereof shall at any time be adjudged insolvent or shall have a receiving order or order of administration of his estate made against him or shall take any proceeding for composition under any Insolvency Act for the time being in force or make any conveyance or assignment of his effects or enter into any arrangements or composition with his creditors or suspend payment or if the firm be dissolved under the Partnership Act.

b) If the supplier being a company is wound up voluntarily by the order of a court or a receiver, Liquidating Manager on behalf of the Debenture-Holders is appointed or circumstances shall have arisen which entitles the court or Debenture-Holders to appoint a Receiver, Liquidator or Manager.

c) If the supplier commits any breach of the contract not herein specifically provided for – Provided always that such determination shall not prejudice any right of action or remedy which shall have accrued or shall accrue thereafter to the purchaser and provided also the supplier shall be liable to pay to the purchaser for any extra expenditure he is thereby put to and the supplier shall under no circumstances be entitled to any gain on repurchase.

31. Terms of Payment:

a. For all stores, 100% payment should be made on receipt of the consignment at site and acceptance by the consignee as per actual payment term stipulated in the contract. The number and date of Railway receipt, Bill of Lading, Air Way Bill or Consignment Note under which the goods charged for in the bill are dispatched by Railway, ship, Air or Road respectively, and the number and date of the letter with which such Railway Receipt, Bill of Lading, Air Way Bill or Consignment Note is forwarded to the consignee should on bill. In the case of stores dispatched by post, the postal receipt should be attached in original to the bill and its number and date quoted therein.

b. Payment against the supply orders placed either by the Subsidiary Company or by CIL shall be arranged by the Subsidiary companies, if not specified otherwise. Wherever order is placed by CIL on any foreign supplier involving requirement of more than on subsidiary co., payment shall be arranged by CIL normally through Letter of Credit.

c. Payment for Agency Commission, if any, involved, may be considered in case of necessity, subject to compliance of the Government of India Guidelines issued from time to time. The name of the Indian Agent with their full address and the quantum of Agency Commission, if any, payable, shall have to be mentioned in the supply order itself.

d. Payment from CIL may also be considered, if felt necessary, by the CIL management, even though order is placed against the requirement of one subsidiary company by CIL.

e. Specific payment term may be formulated in accordance with the provision laid down (as applicable) at Chapter – IX of the Purchase Manual.

32. Progress Report

a) The supplier shall from time to time render such reports concerning the progress of the contract and or supply of the stores in such form as may be required.

b) The submission, receipt and acceptance of such reports shall not prejudice the right of the purchaser under the contract, nor shall operate an estoppel against the purchaser merely by reason of the fact that he has not taken notice of or objected to any information contained in such report.

33. All disputes arising out of this contract shall be under the jurisdiction of **Singrauli court** only and as per the “law of the land”.