



Northern Coalfields Limited
(A Mini Ratna Company)
Materials Management Department
P.O. Singrauli Colliery, Distt. Singrauli, MP- 486889
Corporate Identification No.U10102MP1985GOI003160
Tel: 07805 – 266481, Fax: 07805 – 266388
Website: www.ncl.nic.in

Ref: 63627099 / 215A1166

Date: 17.11.2016

SUPPLY ORDER

M/s. M.K. Associates
Main Road, Morwa,
Singrauli - 486889

(Regd. Post)
Vendor Code: M0013

Fax No: 07805 - 267262

Sub: Our Global Tender Enquiry No. NCL / SGR / MMD / Sec. II / 215A1166 / 149,
Dated: 03.03.2016, Online Bids opened on 22.04.2016 for supply of Drill Rods of
different models of drills (Tender ID: 2016_NCL_32887_1)

- Ref:**
1. Bid ID 95809 submitted on 20.04.2016 by your principal, M/s Atlas Copco
 2. Letter No. ACIL/Drill Rod/16-1/NCL/01 dated 10.08.2016 of your principal, M/s Atlas Copco
 3. Letter No. ACIL/Drill Rod/16-2/NCL/01 dated 02.08.2016 of your principal, M/s Atlas Copco addressed to GM (Excv)
 4. Letter No. RAN/ACIL/Drill Rod/16/01 dated 17.10.2016 of your principal, M/s Atlas Copco

Dear Sirs,

With reference to the above, we hereby place our formal Supply Order on you for supply of materials as per details given below. The supply shall be governed by the specifications, prices, terms & conditions mentioned hereunder and also unless otherwise specified as per General Terms & Conditions enclosed with the subject NIT:

Item Sl. No	Item Description & Specification	Part No.	Qty. (No)	Unit Price (Rs).	Extension price (Rs)
1	Drill Rod Size: 273mm OD x 25.4mm WT x15.24 mtr Length	57406191 / 92002069	12	₹ 10,63,060.00	₹ 1,27,56,720.00
3	Drill Rod Size: 9 1/4" OD x 1" WT x 50 Feet Length	70745179 / 92011438	08	₹ 10,63,060.00	₹ 85,04,480.00
Total					₹ 2,12,61,200.00

Technical Specification enclosed at Annexure - I

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TOTAL BASIC ORDER VALUE: ₹ 2,12,61,200.00/- (Rupees Two Crore Twelve Lakh Sixty One Thousand Two Hundred Only)

Excise Duty and Sales Tax would be applicable as per the relevant clauses mentioned in this Supply Order.

Major Terms & Conditions

BASIS OF PRICE: Prices mentioned are on FOR Destination basis. Packing & Forwarding and Freight & Insurance charges up to destination, if any, shall be borne by you. The prices shall remain firm till completion of supplies.

PACKING, FORWARDING CHARGES: Nil.

FREIGHT & INSURANCE CHARGES: Nil. Safe arrival of materials up to destination will be your responsibility

EXCISE DUTY / MINIMUM CENVAT AMOUNT: Included in the basic price. However, for item sl. No. 1 & 3 the firm shall pass on Cenvat Amount as per CVD & SAD documents subject to minimum of ₹80,000/- per drill rod for item sl. no. 1 and ₹80,000/- per drill rod for item sl. no. 3 to NCL.

M/s M.K. Associates will provide excisable invoice bearing our Centralized Excise Regn. No. AABCN4884HEM011 to enable NCL to avail CENVAT credit.

In case, the Minimum Cenvat Credit provided to NCL falls short of the specified amount during supply, then the difference amount shall be deducted from their bills. However, in case the actual cenvat credit amount is on the higher side, the benefit shall be passed to NCL. M/s M.K. Associates will submit copy of excisable invoice at the time of supply.

SALES TAX:- MP VAT will be payable extra at actuals. Present rate of VAT is @ 5%.

In case of any increase in taxes and duties after expiry of the scheduled delivery period, the increase will be to supplier's account and in case there is any decrease, the same shall be passed on to NCL.

DELIVERY PERIOD: Within 6 (six) months from the date of receipt of Supply Order. Date of receipt of Stores at consignee premises will be taken as the date of delivery. No materials should be supplied beyond the specified delivery period unless amendment for extension of delivery period is obtained from the purchaser i.e. NCL.

CONSIGNEE: The Depot Officer, Central Stores, Jayant, Northern Coalfields Limited, PO: Jayant Colliery, Dist.- Singrauli (MP)

SECURITY DEPOSIT: Exempted in this case.

TERMS OF PAYMENTS: 100% payment including all taxes and duties shall be made by Paying Authority within 21 days from the date of receipt and acceptance of materials at site or submission of Bills complete in all respects, whichever is later. The payment

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will be made by "Electronic Fund Transfer" (EFT) or e-payment through RTGS for which you are requested to indicate your EFT A/C no., Name of Bank, Branch, RTGS Code and other relevant details in your invoice for facilitating payment through EFT.

PAYING AUTHORITY: The Area Finance Manager, HQ, Northern Coalfields Limited, Singrauli, PO: Singrauli Colliery, Dist.- Singrauli (MP)

BANK A/C No.:

State Bank of India,
Morwa Branch, Singrauli - 486889
Current A/C No.: 10773221255
IFSC Code: SBIN0003767
MICR No.: 486002516

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

- i) Receipted Challan/ Consignment Note
- ii) Warranty/Guarantee Certificate.
- iii) Lowest Price Certificate.
- iv) Import Documents as specified in the relevant clause of this order
- v) Any other documents specified in the order.

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

You are requested to indicate ECC No., Range, Division and CST Regn. No./TIN No. of the consignee in the cenvatable invoice as per following details:

Sl. No.	Name of the Project / Unit	TIN No.	Centralized Excise Regn. for NCL, Singrauli	Range	Division
1	Central Stores	23377300176	AABCN4884HEM011	Waidhan	Satna

IMPORT DOCUMENTS: The following import documents (two sets) are required to be submitted with each supply for acceptance of supplies to NCL:

- (i) Self attested copy with original Principal's Invoice / packing list.
- (ii) Self attested copy of Bill of Lading / Airway Bill.
- (iii) Self attested copy with original Bill of Entry.
- (iv) As per contractual requirement (if any) warranty / guarantee certificate.
- (v) Certificate of Origin / Country of Origin (Canada / Australia / South Africa)

You will provide clear linkage of items as per order with documents furnished under clause (i), (ii) and (iii) for acceptance by NCL.

The original documents under (i) and (iii) shall be returned after verification with attested photocopy and making suitable endorsements on original relating to transaction made.

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PACKING: Consignment should be securely packed & marked as per standard Trade practices/BIS Norms to withstand the rigours 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.

MODE OF DESPATCH & ROAD PERMIT: By Road. Safe arrival of the materials at the Consignee's end will be the responsibility of the Supplier. All consignments should be booked to Consignee & not to Selves. As per present rules of MP State Govt, no Road Permit is required to be accompanied with each supply in case of Road Transportation. However, if the same is made applicable, you are advised to write to the consignee for issue of necessary Road Permit before arranging dispatch, indicating clearly the address of the place from where goods will be sent to the consignee and the numbers of Road Permits required from the consignee concerned.

LOWEST PRICE CERTIFICATE: You shall certify on the body of each bill that the "prices charged are the lowest and is the same as applicable to other Government departments / Undertakings including DGS&D, CIL and its subsidiaries".

INSPECTION:

(i) 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 reserves its right to carry out initial inspection at the suppliers works before dispatch by deputing authorized representative/Third Party.

(ii) Final Inspection shall be carried out by the authorized representative of GM(Excvn) and the same shall be final. 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.

RISK PURCHASE: In the event of failure of supplier to deliver or dispatch the stores within the stipulated date / period of the supply order, or in the event of breach of any of the terms and conditions mentioned in the supply order, Northern Coalfields Limited have the right to purchase the stores from elsewhere after due notice to the defaulting supplier at the risk and cost of the defaulting supplier. It is mentioned clearly that in the event of failure of the supplier as detailed above, the cost as per risk purchase exercise may be recovered from the bills against any other supplies pending at NCL and also in any other Subsidiary Company/Coal India Ltd.

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). Wherever felt necessary the limit of 10% can be increased to 15% at the discretion of Head of the Materials Management Division.

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- 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. To forfeit the security deposit fully or partly
- f. 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.

FORCE MAJEURE: 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 an embargo or blockage or fire, flood, acts of nature or any other contingency beyond the supplier's control due to act of God, then the NCL may allow such additional time by extending the delivery period as he considers to be justified by the circumstances of the case and its decision in this regard shall be final. If and when additional time is granted by the purchaser, the contract/supply order shall be read and understood as if it had contained from its inception the delivery date as extended. Power failure will not be considered as a force majeure conditions.

- a. The successful bidder will advise, in the event of his having to resort to this clause, by a registered letter, duly certified by the local chamber of commerce, or statutory authorities, the beginning and end of the causes of the delay, within 15 days of the occurrence and cession of such force majeure conditions. In the event of delay last out of force majeure, NCL will reserve the right to cancel the contract, and provisions governing termination of contract as stated in the bid documents will apply.
- b. For delay arising out of Force majeure, the bidder will not claim any extension in completion date for a period exceeding the period of delay attributable to the causes of force majeure and neither NCL nor the bidder shall be liable to pay extra cost provided it is mutually established that the force majeure conditions did actually exist.

PRICE FALL CLAUSE: You shall confirm that you have not supplied / are not supplying similar product/systems or subsystems at a price lower than that offered 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 the Bidder 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 NCL, if the contract has already been concluded.

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WARRANTY/GUARANTEE:

You would be fully responsible for minimum guaranteed life of 15000 Mtrs of drilling and their proper fitment on the equipment for which these are intended for, or for a period of 24 months from the date of receipt and acceptance of materials at consignee's end, whichever is earlier.

You will be responsible for any defect that may under the condition provided by the contract and under proper use, arise due to faulty materials, design or workmanship and shall remedy such defect at your cost. If it becomes so necessary for the supplier to replace or to renew any defective part, such replacement 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 within 30 days of intimation. The warranty / guarantee certificate should be submitted to the consignee along with supplies. All cases of warranty replacements shall be decided on the basis of joint inspection.

Warranty replacement should be completed within a reasonable period maximum within 30 days from the date of intimation to you at free of cost 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.

FITMENT GUARANTEE CERTIFICATE

You are also requested to certify that the products are exact replacement of / fully interchangeable to the original parts and will fit and function on the equipment for which these are intended for without any modification and conform to performance guarantee as per OEM standards.

TECHNICAL SUPPORT & SERVICE: In addition to normal after sales service, you will render technical support and services to ensure fitment, proper usage, maintenance and satisfactory performance of the spares supplied.

You are required to render technical support to the user at the time of fitment. Further, you have to ensure quarterly visit of your service personnel for smooth functioning of the supplied items.

PERFORMANCE BANK GUARANTEE:

The Performance Bank Guarantee will be submitted by you for 10% value of the ordered value i.e. ₹ 22,32,426.00 (Rupees Twenty Two Lakh Thirty Two Thousand Four Hundred Twenty Six Only) to cover both satisfactory performance and warranty for the standard performance. The performance guarantee for 10% value will be taken in the form of Bank Guarantee in the specified format. The Bank Guarantee should be valid for 27 months issued by any Nationalised Bank from the date of receipt of material included in the order and same will be either released if no claim is pending or encashed or extended thereafter, as deemed fit.

In case of Performance Bank Guarantee, you may also please note the following:

- i. The Bank Guarantee should be issued through Structured Financial Messaging System.

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- ii. Beneficiary bank / branch IFSC Code: ICICI0003529 should be mentioned.
- iii. Beneficiary Bank / Branch Name & address should be mentioned as ICICI Bank Ltd., Singrauli Branch, Plot No. 86, Opp. Post Office, Ward No. 3, Morwa, Tehsil Singrauli, Madhya Pradesh – 486889
- iv. If the Bank Guarantee is issued by ICICI Bank branches, the following may please be incorporated:

“We shall be liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only if you serve upon us a written claim or demand on or before at ICICI Bank Ltd., Plot No. 86, Opp. Post Office, Ward No. 3, Morwa, Tehsil Singrauli, Madhya Pradesh – 486889.”

IDENTIFICATION MARK: The word “NCL” along with Manufacturer’s distinctive identification mark / symbol as also the part no. must be clearly embossed / punched / engraved on each and every item, as far as practicable, at a visible place, which is not subjected to normal wear and tear, for convenience of identification any time. Apart from this a tag may be attached in each part / item giving identification mark, part no. description.

INTERCHANGEABILITY OF PARTS:

In case of spares, if against any item, it becomes necessary to supply the spare parts bearing a Part No. other than specified in the Supply Order, the supplier will furnish the following certificate to the consignee before arranging supply of spares bearing different Part Number under advice to this office.

“The changed part nos. are exact replacement of the parts ordered and are suitable for and will fit in the machinery in the existing fittings for which they are intended.”

TEST-CUM-INSPECTION CERTIFICATE:

Test-cum-Inspection Certificate should be submitted along with the supplies as specified in Technical Specifications, Annexure - I.

Apart from the above terms & condition, the order will also be governed by the “General Terms & Conditions of supply of stores” enclosed with the NIT and all the terms & conditions of NIT as well as Provisions of CIL Purchase Manual unless otherwise specified in this order.

Jurisdiction of Court: All disputes are subject to jurisdiction of “Singrauli Court” only.

The contract is concluded with this acceptance. You are requested to kindly acknowledge receipt and acceptance of order within 15 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.

Yours faithfully,

(S. Waris)
Asst. Manager (MM)

(N.S. Saini)
Chief Manager (MM)

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Encl: Annexure – I (Technical Specification)
Annexure – II (Integrity Pact)

Copy to:-

The DT (Op), NCL Singrauli
The Chief Vigilance Officer, NCL, Singrauli.
The General Manager (Excv.), NCL, Singrauli.
The General Manager (Fin), NCL Singrauli
The AFM, NCL HQ, Singrauli
The Depot Officer, Central Stores, Jayant/ Dudhichua/ Nigahi/ Bina/ Khadia/ Kakri/
Jhingurda/ Amlohri/ Krishnanshila
The General Manager (MM), CCL/BCCL/ ECL/SECL/ WCL/ MCL.

M/s Atlas Copco (India) Ltd.
Rohini, 4th Floor,
56, Circular Road, Lalpur,
Ranchi – 834001

BY REGD. POST

This is issued against Annual Material Budget for the year 2016 – 2017 for procurement of Drill Rods of different models of Drills and sanction communicated by S.E.(Excv),HQ vide ref.no. EX/SGR/353/2016/6 dated 03.01.2016 & Indent Registration No. 215A1166.

B.C. No.

Project	B.C. Detail with date	Total Budget
NCL HQ	NCL / HQ / BC / 2016-17 / HEMM Spares / Centralized / 37 dated 09.11.2016	₹ 3,21,93,798.76

F.C. No.

Project	F.C. Detail with date	Total Budget
NCL HQ	NCL / HQ / FC / 2016-17 / HEMM Spares / Centralized / 31 dated 09.11.2016	₹ 3,21,93,798.76

This issues with the approval of CMD, NCL.

Asst. Manager (MM)

Chief Manager (MM)

M/s M.K. Associates

Supply Order No. 63627099 / 215A1166

Dated: 17.11.2016

ANNEXURE – I

TECHNICAL SPECIFICATIONS

1. The drill pipe should be manufactured out of ASTM-A 106B Grade or equivalent quality of steel. The minimum yield strength & minimum tensile strength of the material should be 24.60 Kg/mm² & 42.20 Kg/mm² respectively.
2. The tool joint should be manufactured from EN19 alloy steel. The min. yield strength, min tensile strength & min. elongation in 2" length of the above as a test material in hardened, quenched & tempered condition should be 52.84 Kg/mm², 69.75 Kg/mm² & 12-14% respectively.
3. All the threads should be manufactured on CNC lathe with pre-formed carbide tips only for better precision.
4. The specialized welding is to be carried out to join the tool joint to the tube. The magnetic particle testing/ DP test/ Ultrasonic testing is to be performed to ensure integrity and quality of the weld.
5. The concentricity and axial alignment of the complete assembly are to be held to close tolerance. The rod should be straight. The maximum deviation should not be greater than 1 in 1200.
6. The drill rods should be supplied along with thread protectors to avoid damage to the thread connections during transit.
7. The sl.no. & logo of the manufacturer of pipe, tool joint and test certificate number of the pipe should be punched on the body of the pipe near the joint.
8. A test certificate no. / head no. for the total joint should be punched on the tool joint collar.
9. The test certificate should include
 - (a) test report for the pipe confirming to ASTM-A 106B grade or equivalent
 - (b) Test report for the tool joint
 - (c) Test report for the weld joint
 - (d) Test report for the concentricity and axial alignment
 - (e) Test report for the straightness of the drill rod
10. The Physical, Chemical and Metallurgical Test certificates for the finished product along with fitment certificate must be submitted along with each supplies by the firm.

Asst. Manager (MM)

Chief Manager (MM)