

कोल इण्डिया लिमिटेड

10, नेताजी सुभाष रोड, कलकत्ता-700 001, W. B.

फोन : 033 248 8099, ग्राम : कोल इण्डिया

फैक्स : 033-2243 5778

ईमेल : telecil@cal2.vsnl.net.in

वेबसाइट : www.coalindia.nic.in

MATERIAL MANAGEMENT DIVISION



Coal India Limited

10, NETAJI SUBHAS ROAD, CALCUTTA-700 001, W. B.

PHONE : 033 248 8099. GRAM : COAL INDIA

FAX : 033-2243 5778

E-MAIL : telecil@cal2.vsnl.net.in

WEBSITE : www.coalindia.nic.in

MATERIAL MANAGEMENT DIVISION

संदर्भ संख्या Ref. No.....

तिथि Date.....

NOTICE INVITING TENDER

Sealed Bids are invited in duplicate in two cover system from authorized Volume License Partners/Resellers/Channel Partners of Microsoft Corporation with specific authorisation to quote against this tender for supply of original Microsoft Office 2007 Professional Plus MOLP Licenses with Software Assurance for use in Laptops (20 nos.) & desktops (257 nos.) in CIL Headquarters at Kolkata. The brief details of the tender are as follows:-

1. **Tender No. & Date:** CIL/C2D/Microsoft License/68 dated 24.06.2009.
2. **Estimated value:** Rs. 83.10 Lakhs (Rupees Eighty Three Lakhs Ten Thousand).
3. **Tender Fee:** Rs.5000/- (Rupees Five Thousand only)(Non-refundable).
4. **Sale of Tender Documents:** Tender Documents shall be available on all working days between 10.00 AM to 12.00 Noon from 01.07.2009 to 30.07.2009 at the office of Chief General Manager (MM), Coal India Ltd., 10, N.S. Road, Kolkata and also from CIL office at Scope Minar (Core-2), 4th & 5th Floor, Laxmi Nagar, District Center, Laxmi Nagar, New Delhi-110092 against payment of Tender Fee by way of a Demand Draft of any scheduled bank drawn in favour of **“Coal India Limited” payable at Kolkata/Delhi (as applicable). Payment in other form will not be acceptable.**
Request for Tender Documents by Post should reach the office of Chief General Manager (MM) 15 days prior to the last date of submission of tender. Coal India Ltd. shall not be responsible for any delay or loss in transit of the tender documents sent by post.
Tender documents can also be downloaded from CIL's website www.coalindia.nic.in.
5. **Earnest Money Deposit:** Rs.1,66,200.00 (Rupees One Lakh Sixty Six Thousand Two Hundred only)
6. **Last date and time of submission of offers:** 31.07.2009 upto 1.00 PM
7. **Due date and time of opening of Cover-I of the offer:** 31.07.2009 at 3.00 PM.

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संदर्भ संख्या Ref. No.....

तिथि Date.....

Tender No. CIL/C2D/Microsoft License/68

Date 24.06.2009

OPEN TENDER

NOTICE INVITING TENDER (NIT)

TENDER VALUE: Rs. 83.10 Lakhs (Rupees Eighty Three Lakhs Ten Thousand)(approx)
EMD VALUE: Rs.1,66,200.00 (Rupees One Lakh Sixty Six Thousand Two Hundred)
TENDER FEE: Rs.5,000.00 (Rupees Five Thousand Only)

(Vide DD/MR No.

dtd.

Signature of Issuing Officer

In case tender document is downloaded from the Website, the tenderers are required to submit the tender fee in the form of Demand Draft only in favour of Coal India Limited, payable at Kolkata. No other mode of payment is acceptable. The Tender Fee is not required to be paid by Central & State Governments, their undertakings & Ancillaries of CIL for tendered items against submission of necessary documents.

BY REGD POST/HAND

To,

M/s. _____

Dear Sir,

Sub: Tender for Supply of Microsoft Office 2007 Professional Plus MOLP Licenses with Software Assurance as per the Technical Details & Schedule of Requirement enclosed.

Type of Tender: **TWO COVER BID**

LAST DATE OF SUBMISSION OF OFFER: 31.07.2009 Time up to 1.00 P.M.

DUE DATE OF OPENING OF TENDER : 31.07.2009 Time at 3.00 P.M.

OFFICE AT WHICH THE TENDER SHALL BE SUBMITTED:- CHIEF GENERAL MANAGER (MM), COAL INDIA LIMITED, COAL BHAWAN ANNEX BUILDING, 10, N.S. ROAD, KOLKATA -700001.

Tenders received after the due date and time as indicated above, will be outrightly rejected.

IF DUE TO UNAVOIDABLE/UNFORSEEN CIRCUMSTANCES, DUE DATE FALLS ON A HOLIDAY, THE TENDER WILL BE RECEIVED/OPENED ON THE NEXT WORKING DAY AT THE SAME TIME.

All documents submitted should be Self- Attested with the Company's seal, however some documents will require attestation by Notary Public as per instructions given in the relevant clauses of the NIT. All pages of the offer including all enclosures shall be numbered except printed leaflets/catalogue and must be signed by the company's authorized signatory with the seal of the company.

The terms of the tender shall be as follows:-

1. Sealed quotations in duplicate in Two-Cover Bid system are invited from authorized Volume License Partners/Resellers/Channel Partners of Microsoft Corporation with specific authorisation to quote against the tender mentioning the Tender No. and Date **(Authorisation Certificate is to be issued by Microsoft Corporation's Regd. Office at New Delhi, duly notarised)** for supply of original Microsoft Software for use in Laptops (20 nos.) & desktops (257 nos.) in CIL HQ, as per Schedule of Requirement & Technical Specifications enclosed as Annexure - A.
2. The offer should be submitted in a sealed envelope super-scribing the Tender No. and due date and time of opening. The name and address of the bidder must be indicated on the body of the envelope. The offer should be addressed to Chief General Manager (MM), Coal India Ltd, Coal Bhawan Annex Building, 10, N. S. Road, Kolkata –700 001.

The offers are to be submitted in two parts. The first "Part - A. Techno-Commercial Offer" should contain the detailed Technical and Commercial terms of the offer, but should not contain the price. It should contain notarised copy of authorization certificate issued by Microsoft Corporation, New Delhi, technical details, specifications, related literature, commercial terms and conditions etc. of the offer. The second part "Part - B, Price Bid" should contain the price offered for all the items. Both the parts should properly be marked as mentioned above and kept in different sealed envelopes. The envelopes should also be marked as mentioned above for their identification. Both these envelopes should be enclosed in a third envelope. All envelopes must be sealed and super- scribed the Tender No. and due Date. The name and address of the bidder must be indicated in Part- A

PART - B (Price Bid) should be submitted in the pricing format given as Annexure-C. The price bid in any other format will summarily be rejected.

Each page of the tender document to be signed by the tenderer and submitted along with the tender as a token of acceptance of all terms and conditions.

3. The offer is to be submitted before the closing date and time as mentioned above. The offer will be opened on the due date and time as mentioned above in presence of your authorized representative.
4. Tenders should be deposited in the Tender Box kept at Materials Management Division, Coal India Ltd., Coal Bhawan Annex Building, 10, Netaji Subhas Road, Kolkata – 700 001 or sent by post to the above address.
5. Over-writings and Erasures may make the tender liable for rejection. Each such omission must be duly signed by the authorised signatory of the tenderer. All over-writings should be separately written and signed by the authorised signatory of the tenderer.
6. The offer must be submitted only on Company letterhead. Each page of the offer must be duly signed and stamped by the authorized signatory of the tenderer.

7. All contracts will be in accordance with the prevalent Indian Laws and all disputes will be subject to the Jurisdiction of Kolkata Court only.
8. Make /Latest Version/SI. No. of the offered Licenses should be indicated against each item.
9. A statement to be furnished by the bidder certifying that all the commercial terms and conditions of the tender documents are accepted unconditionally.
10. **PRICES**; Price should be quoted as per Price bid format as indicated in Annexure –C. Prices quoted must be firm till delivery. Bidder should quote their lowest price and on FOR Destination Basis.
11. **EARNEST MONEY DEPOSIT**:
 - A. The value of the Earnest Money (EMD) to be deposited by the tenderer shall be Rs. 1,66,200.00(Rupees One Lakh Sixty Six Thousand Two Hundred only). EMD should be in the form of Demand Draft drawn in favour of Coal India Limited and payable at Kolkata 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. EMD shall be forfeited if any tenderer withdraws their offer before finalization of the tender or fails to submit order's acceptance within 15 days from the date of order.
 - B. If any State/Central Govt. Organisation/PSU & valid DGS&D/NSIC registered (for the tendered items) firm can produce documentary evidence issued by Govt. authorities for according exemption towards submission of EMD, they may be considered for exemption from submission of EMD.
 - C. Earnest Money will not fetch any interest.
12. **SECURITY DEPOSIT**:
 - A. The value of Security Money to be deposited by the successful tenderer in the form of Bank Draft drawn in favour of "Coal India Limited", Kolkata or Bank Guarantee of any scheduled Bank in the specified format (copy enclosed at Annexure-D) shall be 10% of the value of the awarded contract (including taxes and duties). For successful tenderer, Security Money will be refunded to the firm within 30 days of satisfactory execution of the contract. For unsatisfactory performance and/or contractual failure, the security money shall be forfeited.
 - B. 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 cancelled and the case shall be processed to order elsewhere and the firm's performance shall be kept recorded for future dealings with them.
 - C. Security Money will not fetch any interest.
13. **VALIDITY**: The offer of the tenderer shall remain valid for 120 days from the date of opening of the tender. However, Coal India Limited reserves its right to ask the tenderer to extend the validity period of the offer.
14. **CONSIGNEE**: General Manager (System), Coal India Ltd., 10, N.S. Road, Kolkata.
15. **LOWEST PRICE CERTIFICATE**: The bidder must submit a certificate in their offer that the price quoted by the tenderer against this tender is the lowest and is the same as applicable to other Government Departments/ Undertakings/ Other Organisations.

16. **PAYMENT TERMS:** 100% payment will be made within 21 days from the date of receipt, acceptance and installation of the software or submission of bills complete in all respect, whichever is later.
17. **PAYING AUTHORITY:** Chief General Manager (Finance), Coal India Limited, 10, N.S. Road, Kolkata-700001.
18. **SUBMISSION OF BILL:** The following documents shall be furnished to the paying authority for payment:
 - a) Invoice in triplicate, stamped and pre-receipted (b) Receipted Challan (c) Inspection/ acceptance Certificate of consignee (d) copy of license attested by Microsoft Corporation (India) (e) Warranty Certificate (f) Certificate of genuineness of licenses as per clause - 28 and (g) Performance Bank Guarantee.
19. **DELIVERY:** The delivery, installation and porting of the software should be made within 60 days from the date of the order.
20. **INSTALLATION:** The installation of the software will be done by you.
21. **TAXES & DUTIES:**
 - a) The taxes and duties should be indicated separately with their amount and percentages. In case any other Govt. levy, if applicable, is to be paid extra, the same should also be stated clearly under separate heads. Sales Tax/VAT/ Service Tax should be shown separately and whether it is State Sales Tax or Central Sales Tax or VAT, that is to be clearly indicated. If no mention is made about Sales Tax/VAT, it will be presumed to be NIL and no claim for that will be entertained in future.
 - b) The Excise Duty rate should be separately mentioned. In case the Excise Duty is inclusive, the percentage/rate included has to be indicated. In case this is not indicated by the tenderer, it would be deemed that Excise Duty is not payable on the items being supplied by them and even if at a later date, such duty becomes applicable and payable due to any reason, whatsoever, the same shall be borne by them and shall not be claimed from the purchaser. No claim on this account would be entertained by CIL.
 - c) Any statutory payment will be paid as applicable.
22. **LIQUIDATED DAMAGES:** In the event of failure to deliver or despatch 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, CIL shall have the right:-
 - a) To recover from the successful tenderer as agreed liquidated damages, a sum not less than 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%. Where felt necessary the limit of 10% can be increased to 15% at the discretion of Head of Materials Management Division.
 - b) 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 the agreed Liquidated Damages 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 by the supplier, CIL 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 should this sum be not sufficient to cover the full amount recoverable, the successful tenderer shall pay CIL on demand the remaining balance. The supplier shall not be entitled to any gain on any such purchase.
23. **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 blockade, or fire, flood, acts of nature or any other contingency beyond the supplier's control due to act of God then Coal India Limited 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 Coal India Limited, the contract/supply order shall be read and understood as if it had contained from its inception the delivery date as extended.
24. **PRICE FALL CLAUSE**: The prices being offered for the stores under this contract by the contractor shall in no event exceed the lowest price at which the contractor sells the store of or offers to sell stores of identical description to any other organization during the period of the contract.
- If at any time, during the said period, the contractor reduces the sale prices of such stores, offers to sell or sells such stores to any other organization at price lower than the price chargeable under this contract, he shall forthwith notify to the Chief General Manager (MM), CIL, 10, N. S. Road, Kolkata -700001 and the price payable under the contract for the stores supplied after the date of coming into force of such reduction or sale, shall stand correspondingly reduced.
25. **WARRANTY**: Principal manufacturer's standard warranty should be provided.
26. **PERFORMANCE BANK GUARANTEE**: The Performance Bank Guarantee shall be submitted by successful tenderer for 10% landed value (FOR destination price inclusive of all taxes & duties and Freight & Transit Insurance Charges etc.) of the order to cover both satisfactory performance and warranty. The Performance Bank Guarantee shall be on non-judicial stamp paper as per the format enclosed. Initially, the Bank Guarantee shall be valid for 12 months from the date of installation and commissioning of the software and shall be released thereafter on satisfactory performance or renewed for a further period, if required so.
- In case the successful bidder fails to submit the required bank guarantee alongwith the supply bills or the confirmation of the issue of the bank guarantee by the issuing bank is pending, then the equivalent amount shall be deducted from their bills in lieu of bank guarantee and balance amount shall be released.
- In case the successful tenderer wants to convert their "Bank Guarantee for Security Deposit" into Performance Bank Guarantee, the period of Performance Bank Guarantee should have the validity up to a period to cover the required performance period. Also, the amount of Bank Guarantee should be equal to the required amount of Performance Bank Guarantee. In such case, no separate Performance Bank Guarantee is required to be submitted.

27. **VERSION UPDATION:** CIL will be covered with free software updation / upgradation for a period of two years whenever such version upgradation will be released by Microsoft. M/s. Microsoft/Bidder must specify how the version updation will be taking place from time to time.
28. **GENUINENESS OF SOFTWARE:** You must give an Undertaking of Authenticity alongwith your invoices, signed by your Authorized signatory that all licenses supplied are original and not re-furnished as per format enclosed as Annexure-B.
29. **TRAINING:** You shall have to provide training for approximately 03 persons from each Department of CIL totalling to say 35 persons for a period of one week at your premises.
30. **INSPECTION AND TESTS:** The inspection will be carried out by the consignee or his authorized representatives after receipt of the licenses and its installation.
31. **SUPPORT:** You shall have to provide support during installation and porting of the above licenses.
32. **SERVICE:** You shall provide the following services during the period of ownership of the software for two years:
- (1) Installation and configuration of the licensed software so as to give uninterrupted usages.
 - (2) Version updation from time to time for a period of two years. M/s. Microsoft/ Bidder must specify how the version updation will be taking place from time to time.
 - (3) Training for approximately 03 persons from each Department of CIL totalling to say 35 persons for a period of one week at your premises.
 - (4) Trouble shooting for two years. Any problem with respect to Microsoft office should be attended within 6(Six) hours on notice/intimation or the next available working hours of CIL. However, problem should be solved within 2(two) working days of CIL.
33. **COMMITMENT AND OBLIGATION OF THE BIDDER:**
- a) The bidder directly or indirectly (through agent, consultant, advisor etc.) will not pay any bribe or illegal benefit to anyone to gain undue advantage in dealing with CIL.
 - b) The bidder will, when presenting the bid, disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of contract.

(P.D. Sharma)
Materials Manager

(P. K. Sarkar)
Dy. Chief Materials Manager

- Encl: 1. Annexure – A - “Schedule of Requirement & Technical Specifications”
2. Annexure – B - “Undertaking of Authenticity”
3. Annexure – C - “Price-Bid”
4. Annexure – D – Bank Guarantee Format for Security Deposit.
5. Annexure – E - “General Terms & Conditions of Supply of Stores”
6. Annexure – F – Performance Bank Guarantee Format

SCHEDULE OF REQUIREMENT & TECHNICAL SPECIFICATIONS

Microsoft Office Professional Plus 2007 MOLP (Microsoft Office License Program) licenses with SA (Software Assurance) (these rights to use licenses should come with Software Assurance for 2 years) with 10 Nos. of media kit and 277 Nos. of licenses supporting bilingual capability (Hindi and English).

The product should contain the following:

1	Microsoft Office Word 2007
2	Microsoft Office Excel 2007
3	Microsoft Office Power Point 2007
4	Microsoft Office Outlook 2007
5	Microsoft Office Publisher 2007
6	Microsoft Office Access 2007
7	Microsoft Office Info Path 2007
8	Microsoft Office Communicator 2007
9	Integrated Enterprise Content Management
10	Integrated Electronic Forms
11	Advanced Information Rights Management and Policy Capabilities

The offer should be made for Microsoft office 2007 or higher with above specifications or higher specifications.

The scope of supply will include installation, configuration of the system, training, version updation and trouble shooting for two years.

Materials Manager

Dy. Chief Materials Manager

Annexure -B**To,**

Coal India Ltd.,
10, Netaji Subhas Road,
Kolkata- 700001

Undertaking of Authenticity

Sub:- Supply of licenses

Ref: 1. Purchase Order No.....dated

2. Our invoice nodated.....

With reference to the licenses being supplied against above cited purchase order/Invoice No., we hereby undertake that all the licenses and Medias supplied to you are original from the Principal Manufacturer Microsoft and a copy of the same license certificate is attached herewith for your kind perusal.

We also undertake that Microsoft Corporation (India) Pvt. Ltd. will attest the copy of the supplied licenses or may confirm the same in their own approved format, if required. It will be our responsibility to produce such letters from the principal manufacturer before or at the time of submission of bill.

Authorized Signatory

Name:

Designation:

Place & Date:

Annexure - C**Price Bid**

Sl. No.	Description	Qty.	Unit Basic Price (Rs.)	Excise Duty in % & Rs. (If Applicable)	CST/ VAT in % & Rs.	Service Tax in % & Rs. (If Applicable)	Any other Tax, if applicable	Unit Land ed Price (Rs.)																						
1.a	Microsoft Office Professional Plus 2007 MOLP (Microsoft Office License Program) licenses with SA (Software Assurance) (these rights to use licenses should come with Software Assurance for 2 years) supporting bilingual capability (Hindi and English). The product should contain the following: <table><tr><td>1</td><td>Microsoft Office Word 2007</td></tr><tr><td>2</td><td>Microsoft Office Excel 2007</td></tr><tr><td>3</td><td>Microsoft Office Power Point 2007</td></tr><tr><td>4</td><td>Microsoft Office Outlook 2007</td></tr><tr><td>5</td><td>Microsoft Office Publisher 2007</td></tr><tr><td>6</td><td>Microsoft Office Access 2007</td></tr><tr><td>7</td><td>Microsoft Office Info Path 2007</td></tr><tr><td>8</td><td>Microsoft Office Communication 2007</td></tr><tr><td>9</td><td>Integrated Enterprise Content Management</td></tr><tr><td>10</td><td>Integrated Electronic Forms</td></tr><tr><td>11</td><td>Advanced Information Rights Management and Policy Capabilities</td></tr></table>	1	Microsoft Office Word 2007	2	Microsoft Office Excel 2007	3	Microsoft Office Power Point 2007	4	Microsoft Office Outlook 2007	5	Microsoft Office Publisher 2007	6	Microsoft Office Access 2007	7	Microsoft Office Info Path 2007	8	Microsoft Office Communication 2007	9	Integrated Enterprise Content Management	10	Integrated Electronic Forms	11	Advanced Information Rights Management and Policy Capabilities	277 Nos.						
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8	Microsoft Office Communication 2007																													
9	Integrated Enterprise Content Management																													
10	Integrated Electronic Forms																													
11	Advanced Information Rights Management and Policy Capabilities																													
1.b	Media kit for above	10 Nos.																												

Signature with seal and date

Annexure D**Security Deposit Bank Guarantee Format**

Messrs----- a company having its office at -----
 ----- hereinafter called the seller has
 entered into a Contract no.----- dated-----
 (hereinafter called the said Contract) with Coal India Limited (hereinafter called the
 Purchaser) to supply equipment on the terms and conditions contained in the said
 contract.

1. It has been agreed that hundred percent (100%) payment of the value of the equipment will be made to the Seller in terms of the said contract on the seller in terms of the said contract on the seller furnishing to the purchaser a bank guarantee for the sum of-----
 ----- equivalent to 10% of FOR destination value of the order as security for the due and faithful performance of the terms of said contract and against any loss or damage caused to or would be caused to or suffered by Purchaser by reason of any breach by the said seller of any of the terms and conditions contained in the said contract.
2. The----- Bank having its office at -----
 ----- has at the request of seller agreed to give the guarantee hereinafter contained.
3. We ----- Bank Ltd., do hereby undertake to pay the amounts due and payable under this guarantee without any demur, merely on a demand from the Purchaser stating that the amount claimed is due by way of loss or damage caused to or would be caused to more suffered by the Purchaser by reason of any breach by the said seller of any of the terms and conditions contained in the said contract or by reason of the seller's failure to perform the said contract. Any such demand made on the bank shall be conclusive as regards the amount due and payable by the Bank under this guarantee. We shall not withhold the payment on the ground that the seller has disputed its liability to pay or has disputed the quantum of the amount or that any arbitration proceeding or legal proceeding is pending between purchaser and the seller regarding the claim. However, our liability under this guarantee shall be restricted to an amount not exceeding-----

4. We ----- Bank limited, further agreed that the guarantee herein contained shall come into force from the date hereof and shall remain in full force and effect during the period that would be taken for the performance of the said contract and that it shall continue to be enforceable till all the dues of the Purchaser under or by virtue of the said contract have been fully paid and its claims satisfied or purchaser certifies that the terms and conditions of the said contract have been fully and properly carried out by the said seller and accordingly discharge the guarantee. Unless a demand or claim under this guarantee is made on us in writing on or before the -----
 ----- (date to be given----- months from the date of the bank guarantee)
 we shall be discharged from all liability under this guarantee thereafter.
5. We----- Bank limited, further agree with the purchaser that the Purchaser, shall have the fullest liberty without our consent and without effecting in any manner our obligations hereunder to vary any of the terms and conditions of the said contract or to extend time of performance by the said seller(s) from time to time or to postpone for any time or from time to time any of the powers exercisable by the Purchaser, against the said

Seller and to forbear or enforce any of the terms and conditions relating to the said contract and we shall not be relieved from our liability by reason of any such variation----- or extension being granted to the said seller or for any forbearance act or omission on the part of the purchaser, or any indulgence by the purchaser, to the said seller or by any such matter or thing whatsoever which under the law relating to sureties would but for this provision have effect of so relieving us. The Bank further agree that in case this guarantee is required for a longer period and it is not extended by the Bank beyond the period specified above, the Bank shall pay to the Purchaser the said sum of ----- (specify the amount) or such lesser sum as may then be due to the Purchaser and as the purchaser may demand.

6. We ----- bank limited; lastly undertake not to revoke this guarantee during its currency except with the previous consent of the Purchaser in writing.
7. The Bank has under its constitution power to give this guarantee and Mr.-----, Manager, who has signed it on behalf of the Bank has authority to do so.
8. This Bank Guarantee will not be discharged due to the change in the constitution of the Bank or the Contractor,

Dated----- day of----- 2007

For-----Bank Limited.

Signature of the authorized person
For and on behalf of the Bank.

ANNEXURE -E**GENERAL TERMS & CONDITIONS OF SUPPLY OF STORES****Definition**

1. In the interpretation of the contract and the general and special conditions governing it, unless the context otherwise requires:

(i) “Contract” means the invitation to 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 contractor.

(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 assignees 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, means the Chairman of Coal India Limited. The Chairman-cum-Managing Director means Chairman-cum-Managing Director of any of the Subsidiary Companies of Coal India Limited, presently Central Coalfields Limited, Eastern Coalfields Limited, Western Coalfields Limited, Bharat Coking Coal Limited and Central Mine Planning & Design Institute Limited, South Eastern Coalfields Limited, Northern Coalfields Limited, Mahanadi Coalfields Limited and North Eastern Coalfields.

(v) The terms “Drawing” shall mean the drawing the plans specified in or annexed the schedule or specifications.

(vi) The terms “Purchase Executive” shall mean the purchaser or purchaser named in the schedule to Tender, his or their successors or assignees.

(vii) The term the “Inspector” shall mean any person nominated by or on behalf of the purchaser to inspect supplies, Stores or work 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) Specifications;

(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 or Coal India Ltd. and/or any of its subsidiary companies or a general standard of the industry and obtainable in the open market.

(f) Proprietary make denoting the product of an individual manufacturers.

(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” and “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 feminine 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 Indian 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 communication are to be sent

For all purposes of the contract, including arbitration thereunder, 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 separate letter containing no other communication and sent by registered post acknowledgement 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 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 alongwith illustrated literature giving complete and detailed specification, particulars etc. of the main unit and of the standard accessories to be supplied with the stores.
 - (vii) The tenderers must clearly specify their recommended spare parts that will be supplied alongwith the main unit and itemwise prices of the spare parts, also what are fast moving; medium moving; slow moving and insurance spares and the period upto 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 initiated 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 quotations.
- (ii) All samples required for inspection or test shall be supplied by the successful Tenderers 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 or 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 all 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 to compensation against the purchaser.
- (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 acknowledgement due.

10. (a) Consequence of Breach

Should the supplier or a partner in the supplier firm commit breach of either of the conditions (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.

- (b) 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 Coal India Limited and/or its subsidiary companies by purchase or under arrangement made or permit, licence, 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
 - (i) 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 upto such destination as may be determined by Coal India Limited 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 Coal India Limited and/or its subsidiary companies all moneys, advantages of profits accruing from or which in the usual course would have accrued to him by reasons of such breach.
 - (c) 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 Coal India Limited 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 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/-, 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 cancelled 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) If any State/Central Govt. Organisation/PSU & valid DGS&D/NSIC registered (for the tendered items) firm can produce documentary evidence issued by Govt. Authorities for according exemption towards submission of EMD/SD, they may be considered for exemption from submission of EMD/Security Deposit.

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 in the contract or supply order or any amendment thereto.

(a) Facilities for Test and Examination

The supplier shall, at his own expenses, afford to the Inspector all reasonable facilities and such accommodation as may be necessary for satisfying itself, 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 arrangements for inspection of the stores or any part thereof or any material at his premises or at any other places specified by the Inspector and if the supplier has been permitted to employ the services of the 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 examinations 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 deliver the 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 deliver 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 provide 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 supplier's 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 or 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 inspections 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 re-submit the stores, in replacement of those rejected, within a specified time, the supplier bearing the cost of freight, if any, on such replacement without being entitled to any extra payment on that 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 a 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) Inspectors' 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 cannot 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 from the moment of 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 notes 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. Coal India Limited

and/or its subsidiary company 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 by the successful tenderer and shall not be returned unless otherwise specified in the 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 words like 'Fragile', 'Handle with care'. Weight of each package 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 of the essence of the contract and delivery of the stores must be completed by the date specified.

20. In the event of failure to delivery 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 Ltd. and its Subsidiary Companies should have the right:

- (a) To recover from the successful tenderer as agreed liquidated damages, a sum not less than 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%. 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 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 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 the agreed Liquidated Damages referred to in clause (a) above.
- (e) To forfeit the security deposit full or in part.
- (f) Whenever under this contract a sum of money is recoverable from any payable by the supplier, Coal India Limited and its subsidiary companies shall be entitled to recover such sum by appropriating, in part or in whole by deducting any sum or any other contract should this sum be not sufficient to cover the full amount recoverable, the successful tenderer shall pay Coal India Limited and its subsidiary companies 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 an embargo or blockade, or fire, flood, acts of nature or any other contingency beyond the supplier's control due to act of God then Coal India Limited 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 Coal India Limited 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. Inspection 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 offices) 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 Coal India Limited 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 Coal India Ltd. 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 effected 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, Coal India Limited 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 of 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 requirements 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 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 behalf under Chapter IX of the India 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-undertaken by the purchaser from the supplier shall be decided by Coal India Limited and its subsidiary companies whose decision thereon 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, summarily determine the contract without compensation to the supplier in any of the following event, that is to say :

If the supplier being an individual or if a firm any partner thereof, shall at any time be adjusted insolvent or shall have a receiving order or order for 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, Liquidator 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.

- (d) 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 be quoted on the 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 one 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 provisions laid down (as applicable) at Chapter-IX of the Purchase Manual.

32. Progress Reports

- (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 as 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.

ANNEXURE-F
(PBG FORMAT)

COAL INDIA LIMITED
10, NETAJI SUBHAS ROAD, KOLKATA-700001.

Messrs----- a company having its office at -----
----- hereinafter called the seller has
entered into a Contract no.----- dated-----
(hereinafter called the said Contract) with Coal India Limited (hereinafter called the
Purchaser) to supply equipment on the terms and conditions contained in the said
contract.

1. It has been agreed that hundred percent (100%) payment of the value of the equipment will be made to the Seller in terms of the said contract on the seller in terms of the said contract on the seller furnishing to the purchaser a bank guarantee for the sum of-----
----- equivalent to 10% of FOR destination value of the order as security for the due and faithful performance of the terms of said contract and against any loss or damage caused to or would be caused to or suffered by Purchaser by reason of any breach by the said seller of any of the terms and conditions contained in the said contract.
2. The----- Bank having its office at -----
----- has at the request of seller agreed to give the guarantee hereinafter contained.
3. We ----- Bank Ltd., do hereby undertake to pay the amounts due and payable under this guarantee without any demur, merely on a demand from the Purchaser stating that the amount claimed is due by way of loss or damage caused to or would be caused to more suffered by the Purchaser by reason of any breach by the said seller of any of the terms and conditions contained in the said contract or by reason of the seller's failure to perform the said contract. Any such demand made on the bank shall be conclusive as regards the amount due and payable by the Bank under this guarantee. We shall not withhold the payment on the ground that the seller has disputed its liability to pay or has disputed the quantum of the amount or that any arbitration proceeding or legal proceeding is pending between purchaser and the seller regarding the claim. However, our liability under this guarantee shall be restricted to an amount not exceeding-----

4. We ----- Bank limited, further agreed that the guarantee herein contained shall come into force from the date hereof and shall remain in full force and effect during the period that would be taken for the performance of the said contract and that it shall continue to be enforceable till all the dues of the Purchaser under or by virtue of the said contract have been fully paid and its claims satisfied or purchaser certifies that the terms and conditions of the said contract have been fully and properly carried out by the said seller and accordingly discharge the guarantee. Unless a demand or claim under this guarantee is made on us in writing on or before the -----
----- (date to be given----- months from the date of the bank guarantee) we shall be discharged from all liability under this guarantee thereafter.

5. We----- Bank limited, further agree with the purchaser that the Purchaser, shall have the fullest liberty without our consent and without effecting in any manner our obligations hereunder to vary any of the terms and conditions of the said contract or to extend time of performance by the said seller(s) from time to time or to postpone for any time or from time to time any of the powers exercisable by the Purchaser, against the said Seller and to forbear or enforce any of the terms and conditions relating to the said contract and we shall not be relieved from our liability by reason of any such variation----- or extension being granted to the said seller or for any forbearance act or omission on the part of the purchaser, or any indulgence by the purchaser, to the said seller or by any such matter or thing whatsoever which under the law relating to sureties would but for this provision have effect of so relieving us. The Bank further agree that in case this guarantee is required for a longer period and it is not extended by the Bank beyond the period specified above, the Bank shall pay to the Purchaser the said sum of ----- (specify the amount) or such lesser sum as may then be due to the Purchaser and as the purchaser may demand.
6. We ----- bank limited; lastly undertake not to revoke this guarantee during its currency except with the previous consent of the Purchaser in writing.
7. The Bank has under its constitution power to give this guarantee and Mr.-----, Manager, who has signed it on behalf of the Bank has authority to do so.
8. This Bank Guarantee will not be discharged due to the change in the constitution of the Bank or the Contractor,

Dated----- day of----- 2007

For-----Bank Limited.

Signature of the authorized person
For and on behalf of the Bank.