

	<p>Bharat Coking Coal Limited (A subsidiary of Coal India Limited) Office of the General Manager (PUR) MM Divn., Koyla Bhawan, P.O. Koyla Nagar, Dhanbad – 826 005, Jharkhand (India)</p>	<p>GRAM: KOKINGKOL Phone: (0091)326-2230181, Fax: (0091)326-2230183 (All disputes are subject to Dhanbad Court and Jharkhand High court only</p>
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Ref. No.: Pur/200005/Spares/ P&H 1900AL shovel/11-12/ 63

dtd 22.06.2011

To,
M/s. P&H Mining Equipment Inc
4400 West National Avenue
Milwaukee ,WI ,53214, U.S.A.

VENDOR CODE: 2/01/M/T/002
PURCHASE ORDER
(BY REGD. AIR MAIL)

Dear Sir,

Sub : For supply of Spares for P&H 1900AL Shovel. against
Our tender No. Pur/200005/Spares/ P&H 1900AL shovel/09-10/59
opened on 15.10.2009

Ref.: -Your Offer No. 20530305 dtd 15.07.2009 received through M/s.P&H
Mine Pro Services Kolkata vide their letter No.Q-Q0560/20530305 dtd
15.07.2009, dtd 05.01.2010 ,dtd 10.03.2010,dtd 14.06.2010, dtd 31.001.2011
,dtd 11.05.2011 and 10.06.2011.

With reference to above, we, for and on behalf of BCCL, hereby place order for supply of
spares suitable for P&H 1900AL Shovel deployed at Block-II Area a total FOB value of US \$
40009.32 (US\$ Forty thousand nine point three two only) in accordance with the following
description pt no. price, terms and conditions etc:

Scope of Supply:

Sl no.	Mat code	Part no.	Description	Qty in nos	FOB Rate in US\$	Extended Value in US\$
1	15505720263	1P1391	Gear	3	4670.79	14012.37
2	15505720228	1P1392	Pinion	3	1863.78	5591.34
3	15505720204	25Z356D11	Bearing, Roller, cyl.	4	182.91	731.64
4	15505720196	18Z2555D9	Oil Seal	10	32.55	325.50
5	15505720231	18T8853/18T8858	Spacer	10	282.73	2827.30
6	15505720275	25T818D10	Bearing ball	4	105.75	423.00
7	15505720378	18Z2554D173	Oil seal Cr32344	10	36.91	369.10

8	15505720381	25P979	Capsule, Bear in	3	2360.33	7080.99
9	15505720322	18T15131	Cap* spring	20	4.88	97.60
10	15505720334	17Z175	Spring	20	30.82	616.40
11	15505823852	37971-2 /L37971F2	Brush holder Assly	5	1415.51	7077.55
12	15505823813	25Z685D6/25Z5 41D6	Bearing, Ball	3	187.89	563.67
13	15505823928	73F123D62	Carbon Brush	18	16.27	292.86
		Total FOB value in US\$				40009.32

Total FOB Value -40009.32 US\$

TERMS & CONDITIONS:

01	Name & address of the firm	M/s. P&H Mining Equipment Inc, 4400 West Nation Avenue, Milwaukee, WI 53214 U.S.A.
02	Supplier's ref.	Your Offer No. 20530305
03	Total order value	The total FOB value at US Port: US \$ 40009.32 (US\$ Forty thousand and nine point three two only)
04	Prices	Firm and on FOB basis any Seaport in USA duly packed for export shipment.
5(a)	Terms of delivery	F.O.B. any Sea Port in U.S.A.
5(b)	Delivery period & Shipment	Within 6 -9 months from date of opening of letter of credit .It is preferable that shipment should be effected in Indian vessels, wherever possible. Supplies will however not be delayed on this account and total quantity to be supplied at a time.
06	Fitment Guarantee	You will submit Fitment Guarantee of spares in the P&H 1900 AL shovel of Block-II OCP M/c S1 no. KF87,KF-88,KF-89, KF-90 &KF-98 without any alteration (addition or deletion) The design of the item is exactly as per OEM specification.
07	Mode of Despatch	By Ocean Transport from USA Seaport. Shipping arrangements will be made by the Ministry of Shipping & Transport (Chartering Wing), Govt. of India, New Delhi (Cable – TRANSHART, NEW DELHI). (Telex – VAHAN IN 31-61157, 31-61158 and 31-61159) through their forwarding agents / nominees, i.e. in case of Ocean Transport M/s OPT Overseas Project Transport Inc. (A Thyson Haniel Logistic Co.) 46 Sellers Street, Kearny, New Jersey – 7032, USA (Ph.-201-998-7771, Fax – 201-998-7833) and to whom adequate advance notice not less than four weeks about the readiness of Cargo for shipment should be given by the supplier for finalization of shipping arrangement. Goods are to be shipped by regular conference line Ocean going Motor Vessel having an Indian Flag. In case an Indian Flag Vessel is not available, shipping may be made by any other Flag Vessel only after obtaining approval from the Ministry of Shipping & Transport, Govt. of India through their forwarding agent / nominees.
08	Country of Origin	Goods are of USA Origin or any other country worldwide.
09	Port Consignee	General Manager, C&F Division., Coal India Limited, 6 Lyons Range, Kolkata, India. Telex No.: 021-7700, Fax No.: 0091-33-22204928.

10	Ultimate Consignee	The Depot Officer, Block-II Reg. Stores, Block-II Area. BCCL Dist –Dhanbad Tel no. 947059-6014 ,Tin no.20821500736
11	Paying Authority	GM(F) MM, Purchase finance, BCCL, Koyla Bhawan, Koyla Nagar, Dhanbad, India.
12	Port of Destination	Kolkata Sea Port, Kolkata, India.
13	Terms of Payment	<p>100% payment of FOB value of the consignment will be made to the supplier in U.S.A. through an irrevocable and non-confirmed and acceptable Letter of Credit on presentation of shipping documents, detailed hereunder. LC will be valid for 9 months for shipment plus additional 21 days for submission of document to the Bank. Letter of Credit will be issued and reimbursed to you through your bank STATE BANK OF INDIA, 19S La SALLE STREET, SUITE-200, CHICAGO, IL 60603.</p> <p>All bank charges incidental to opening of letter of credit in purchaser's country will be borne by BCCL ,However all Bank charges and other charges, including confirmation charges if any connected with operation of L/C payable in supplier's country shall be borne by the supplier.</p> <p>Original + five (05) non-negotiable copies of Bill of Lading.</p> <p>Eight (08) copies of commercial Invoice duly signed indicating FOB rate.</p> <p>Six (06) copies of certificate that the spare parts on order have been manufactured and the same will fit in the above mentioned machine.</p> <p>Six (06) copies of Packing List.</p> <p>Six (06) copies of Certificate of Origin properly authenticated</p> <p>Six (06) copies of certificate that the prices charged are the same as applicable to other customers worldwide.</p> <p>Six (06) copies of Warranty Certificate.</p> <p>Six (06) copies of Freight Certificate from the Freight Forwarder.</p> <p>Six (06) copies of Works Inspection Certificate of the spares.</p>
14	Forwarding copy of dispatch documents	<p>Simultaneously to the presentation of Shipping documents supplier shall Airmail one (01) copy of each Shipping documents as specified above to the following:</p> <p>a)The Chief General Manager (MM), BCCL, Koyla Bhawan , PO: Koyla Nagar, Dhanbad – 826 005, Jharkhand, India.</p> <p>b)Consignee as indicated in Clause 9 and 10 above.</p> <p>(c) Paying Authority as indicated in Clause 11 above.</p>
15	Insurance	<p>The Marine Insurance will be arranged by G.M. (C&F), Coal India Ltd., Kolkata, India for which supplier shall furnish following information's to Fax No.: 0091-33-2204928 immediately before dispatch of materials under intimation to MM (P), BCCL, Koyla Bhawan, PO: Koyla Nagar, Dhanbad – 826 005, Jharkhand, India (Fax No.: 0091-326-2230183).</p> <p>Order Ref. No. & date.</p> <p>Letter of Credit No. & date.</p> <p>Bill of Lading No. & date.</p> <p>Port of Despatch and Vessel name and details of Shipment.</p> <p>Description of materials and No. of packages shipped.</p> <p>Weight of packages.</p> <p>F.O.B. value.</p> <p>Freight amount payable.</p> <p>Ultimate Consignee.</p>
16	Packing & Marking	The materials should suitably & securely packed for ocean/air shipment by Ocean and by Road wherever necessary and called for including a coat of primer or other preservative or customary to avoid loss, damage or breakage of stores during transit shall be at the expense of supplier. Each package should be marked with

		<p>consignee's name and address with gross weight with name of supplier and quantity. For easy identification of stores, it is essential that individual item No. of the order, the number of nomenclature of the stores should be tagged. Kindly ensure that this is complied at the time of packing.. one copy of the packing list should be inserted inside the package for reference purpose.</p> <p>Each case shall have the under noted shipping marks stencilled on two opposite sides and top there of .</p> <table border="1"> <tr> <td>THE Chief General Manager C & F Division Coal India Ltd Kol kata-700001</td><td>COAL INDIA LIMITED I N D I A I A KOLKATA Order no.</td><td>THE Chief General M C & F Division Coal India Ltd Kol kata-700001</td></tr> </table>	THE Chief General Manager C & F Division Coal India Ltd Kol kata-700001	COAL INDIA LIMITED I N D I A I A KOLKATA Order no.	THE Chief General M C & F Division Coal India Ltd Kol kata-700001
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17	Logo embossing	Items to be supplied shall have logo/ identification mark of the firm preferably at a non wearing surface..			
18	Import License No. & Date	The items covered in this order are being imported as per the provisions of Export Import Policy of Govt, of India .			
19	Export License	If required, the seller shall obtain permission and export license from the appropriate authority.			
20	Inspection	Since we do not have inspection facilities at your works in USA, you are requested to arrange supplies in accordance with the order. You will supply us your Work's Inspection Certificate at no extra cost against this order. The final inspection will be done by the Ultimate Consignee at Dhanbad and you shall be liable to replace free of charge to us any consignment that may fail or show sign of defects or may be found unsuitable in the machines under which these are to be used.			
21	Warranty	Warrantee for satisfactory performance of the supplied materials for a period of 12 months from the date of fitment or 18 months from date of supply of item whichever is earlier .			
22	After Sales Service	You will provide after sales service to ultimate Consignee .			
23	Technical & Service charges	<p>Payable Extra @ 8% of total FOB amount plus service tax and cess on the service tax as applicable to M/s P & H Mine Pro Services Kolkata (A division of P & H Joy Mining Equipment India Ltd) Indian support and service provider of P& H Mining Equipment Inc. in Indian Rupees as per exchange rate prevailing on the date of Bill of Lading (certified by National Bank)shall be paid in equivalent Indian rupees within 21 days of submission of bills along with following documents :</p> <p>Copy of foreign Principals invoice, Copy of bill of Lading, certificate from State Bank of India regarding BC selling exchange rate ruling on the date of bill of lading. Engg & technical service tax and cess on the service tax will be payable at the rate prevailing at the time of execution of order as per statutory levy of Govt of India to their Indian support and service provider M/s Mine pro services, Kolkata who will provide after sales service to BCCL as above Engg. and technical services. This fee will be payable by Paying authority of ultimate Consignee.</p>			
24	Liquidated Damages	Enclosed as Annexure-I			
25	Price Fall Clause	Enclosed as Annexure-I			

26	Force Majeure	<p>If the execution of the contract/supply order is delayed beyond the period stipulated in the contract/supply order as a result of out-break of hostilities, declaration of an embargo/curfew or blockade or fire, flood, acts of nature or any other contingency beyond the supplier's control due to act of God then BCCL 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 BCCL the contract/supply order shall be read and understood as if it had contained from its inception the delivery date as extended. Further this clause state that:</p> <p>a) The successful bidder will, 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 authority, the beginning and end of the causes of the delay, within fifteen days of the occurrence and cessation of such Force Majeure Conditions. In the event of delay lasting out of Force Majeure, BCCL will reserve the right to cancel the contract and provisions governing termination of contract, as stated in the bid documents will apply.</p> <p>b) For delays arising out of Force Majeure, the bidder will not claim extension in completion date for a period exceeding the period of delay attributable to the causes of Force Majeure and neither BCCL nor the bidder shall be liable to pay extra costs provided it is mutually established that Force Majeure Conditions did actually exists.</p> <p>c) If any of the force Majeure conditions exists in the place of operation of the bidder even at the time of submission of bid, he will categorically specify them in his bid and state whether they have been taken into consideration in their quotations.</p>
27	Bank Charges:	<p>(i) All advising /foreign Bank Charges ,ie Bank charges to seller's country will be borne by beneficiary. And in Purchaser's country to be borne by BCCL.</p> <p>(ii) Amendment charges in connection with extension of validity of Letter of Credit if any, will be borne by the beneficiary if it is required due to the firm.</p>
28	Order acceptance	The acceptance of this order must be received within fortnight from the date of receipt of order. It is mandatory for opening of LC etc. LC will be opened after acceptance of order by you
29	Security deposit	Exempted being overseas OEM
30	Price certificate	You should submit price certificate stating that price charged are the lowest and same as applicable to all customers world wide including Govt of India./undertaking/coal India Ltd and its subsidiaries.
31	Agency commission	No payment on A/c of Agency commission shall be made .
ALL DISPUTES ARE SUBJECT TO DHANBAD COURT & JHARKHAND HIGH COURT ONLY		

ALL OTHER REMAINING COMMERCIAL TERMS & CONDITIONS AND TECHNICAL SPECIFICATIONS ALONG WITH SCOPE OF SUPPLY WILL STRICTLY BE AS PER OUR NIT AS CONFIRMED IN YOUR OFFER AND YOUR SUBSEQUENT LETTERS.

N.B:- This purchase order/ contract is issued with the approval of the Competent Authority. This contract is concluded with the issuance of this order. You are requested to kindly acknowledge receipt and acceptance of order within 15 days from failing which it will be presumed that the order has been accepted by you .

Indent No.: This order is placed against Indent No.1000/GN/08-09/0639 dtd 01.12.2008
(I.R. No.0005(09-10) dtd 08.04.2009

Budget Certification No.: BCCL/HQ/PUR-Fin/Store Budget/Adhoc /2011-12/HEMM
spares/HQExcv/34 dtd 13.04.2011 for Rs. 27,87,691.88 only and FC no. 54 dtd 20.06.2011

Yours faithfully,

(A K Sinha)
Sr Manager (MM)

Copy to :-

Chief General Manager, Block II Area, BCCL.

General Manager (Excv.), Koyla Bhawan.

A.F.M., Block II Area.

Depot Officer, Block II Regional Stores, Block II Area, BCCL.

GM (F) Pur-Fin. , BCCL, Koyla Bhawan – Paying authority.

MM (TC), Koyla Bhawan.

Dy. CMM (P), BCCL, 6, Lyons Range, Kolkata – 700 001.

General Manager (C&F), C&F Deptt., 6, Lyons Range, Kolkata – 700 001- (5 copies).

M/s P&H Mine Pro Services, Mining Centre, 85/1 Topsia Road (S), Kolkata 700 046

The Secretary, Shipping Co-ordination Committee, Ministry for Shipping & Transport, New Delhi –
110 001 along with two copies of order

SM(MM)

ANNEXURE-I**PENALTY FOR FAILURE TO SUPPLY IN TIME**

The time and date of delivery of stores stipulated in 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. No materials should be supplied beyond the specified delivery period, unless specific approval has been obtained from the purchaser.

In the event of failure to delivery 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 terms and conditions mentioned in the supply order. Bharat Coking Coal Limited reserves the right:

- a) To recover from successful tenderer, as agreed liquidated damages, a sum not less than 0.5% (half percentage) of the price of the stores which successful tenderer has not been able to supply (for this purpose part of a unit supplied will not be considered) 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 cancelling the supply order in respect of consignment not yet due for supply or
 - c) To cancel the supply order or a portion thereof, and if so desired to purchase the store 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 encash any Bank guarantee which is available for recovery of the penalty or
 - f) To forfeit the security deposit full or in part.
 - g) Whenever under the contract a sum of money is recoverable from and payable by the supplier, BCCL shall be entitled to recover such sum by appropriating, in part or whole by deducting any sum or which at any time thereafter may be due to the successful tenderer in this or any other contract with Bharat Coking Coal Ltd. or any subsidiary of Coal India Ltd. Should this sum be not sufficient to cover the full amount recoverable, the successful tenderer shall pay BCCL on demand the remaining amount. The supplier shall not be entitled to any gain under this clause.
- The supplier must confirm the acceptance of this Penalty clause, which will not be altered.

PRICE FALL CLAUSE

- i) The prices charged for the stores supplied under the contract by the supplier shall in no event exceed the lowest price at which the supplier sells the stores of identical description to any other organization till validity of the contract.
- ii) If at any time during the said period the supplier reduces the sale price of such stores or sells such stores to any other organization at a price lower than the price chargeable under this contract, the supplier shall forthwith notify such reduction or sale to the consignee concerned under intimation to CGM (MM), Bharat Coking Coal Limited, Commercial Block, Level –III, Koyla Bhawan, Koyla Nagar, Dhanbad 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. The above stipulated will not, however apply to exports by the supplier.