



WESTERN COALFIELDS LIMITED
(A SUBSIDIARY OF Coal India Limited)
CIN U10100MH1975GOI018626

MATERIALS MANAGEMENT WING, COAL ESTATE, CIVIL LINES,
NAGPUR - 440 001.

PHONE : PBX : 0712-2611381, 2510691 Extn : 5587 Fax : 0712-2510284

Supply Order No : 111000132418035

DT : 06.07.2018.

SUPPLY ORDER

To
M/s. Drillbits International Pvt. Ltd.
66, MIDC Satpur,
NASIK - 442007

BY REGISTERED POST
FAX : 0253-2352710
VENDOR CODE : 516757
VENDOR TYPE : MSME
Email-drillbits@drillbits.com

Dear Sir,

Sub : Order for Supply of Tricone Rock Roller Drill Bits.

- Ref : 1. Our Tender No. hq-pur-sp-ra-e118-2017-18, opened on 14.02.2018, Tender Id : 2018_WCL_91400_1
2. Your Online offer on portal dated 02.02.2018 under Bid id : 269511.
3. Your Letters no. DBI/WCL/2018/Q-1 dt. 22.03.2018, Q-1 dt. 12.04.2018 and DBI/WCL/2018/
Q-1 dt. 05.05.2018

This has reference to above. We are pleased to Place **FORMAL ORDER** on you for Supply of Tricone Rock Roller Drill Bits as per specifications, rates, terms and conditions as stipulated below & general conditions enclosed :-

Sr. no.	NIT Sr. No	Description	Unit	Qty. Nos	Rate per Unit in Rs.	GST @ 18%	Extended value in Rs.	Total Amount in Rs.
1.	1.	Tricone Rock Roller Drill Bits 6.¼" Milled Tooth, Air blast jet circulation, with 3-1/2" API regular pin connection, suitable for hard and abrasive formation like quartzite, iron ore, latetta etc including coal bearing overburden formation with suitable air nozzle of appropriate size for drilling in medium / hard / overburden /coal. (Technical specification as per Annexure "A")	No	1350	15,000.00	2700.00	17,700.00	2,38,95,000.00
2	2	Tricone Rock Roller Drill Bits 9.7/8" Milled Tooth, Air blast jet circulation, Air blast jet circulation, with 6-5/8" API regular pin connection, suitable for hard and abrasive formation like quartzite, iron ore, latetta etc including coal bearing overburden formation with suitable air nozzle of appropriate size for drilling in medium / hard / overburden /coal. (Technical specification as per Annexure "A")	No.	30	41,000.00	7,380.00	48,380.00	14,51,400.00

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3	3	Tricone Rock Roller Drill Bits 6.¼" Tungston Carbide, Air blast jet circulation, with 3-1/2" API regular pin connection , suitable for very hard and abrasive formation like quartzite , iron ore , latetta etc including coal bearing overburden formation with suitable air nozzle of appropriate size for drilling in medium / hard / overburden /coal. (Technical specification as per Annexure "A")	No.	20	35,000.00	6,300.00	41,300.00	8,26,000.00
GRAND TOTAL							2,61,72,400.00	

Total Value:- Rupees Two Crores Sixty One Lakhs Seventy Two Thousand Four Hundred only.

Make of Drill Bits : DBIManufacturing Location : Drillbits International Pvt. Ltd. 66, MIDC Satpur, NASIK – 442007(MAH)**OTHER TERMS & CONDITIONS**

1. **PRICES :** The above Prices are FIRM and on FOR Destination basis, inclusive of P&F & Freight & insurance. Safe arrival of consignment at destination stores shall be your responsibility.
2. **GST :-** GST shall be payable extra as applicable within stipulated delivery period. You shall submit GST compliant invoice as per GST act enabling WCL to avail ITC. The present rate of GST is @18%. In case of any failure on supplier's account, the penalty including interest (if any) borne by WCL on ITC shall be recovered from You.

3. **Delivery :** The delivery schedule shall be as under :

Drill bit size	Delivery within 2 months of placement of supply order	Delivery within 3 rd to 4 th months of placement of supply order	Delivery within 5 th to 6 th months of placement of supply order
6-1/4" MT	470	470	410
6-1/4" TC	20		
9-7/8" MT	30		

Delivery schedule shall be reckoned from 7th day from the date of order

4. **Payment Terms :** 100% payment shall be made within 21 days from the date of receipt and acceptance of the material at site or within 21 days from the date of receipt of suppliers bills, whichever is later.
5. **Paying Authority:** General Manger, (F)/c WCL, HQ. Nagpur (MS)-440001.
6. **Consignee:** The Depot Officer, Central Store, Tadali, At- Urjagram, P.O. TADALI, Dist. Chandrapur. (M.S) 442 106 . GST No. : 27AAACW1578LIZW
7. **Mode of Dispatch:** - All the stores securely packed are to be dispatched by road transport to the Consignee on Freight paid basis.
e-way Bill : in the event the delivery of goods by you is on F.O.R. Destination basis, the e-way bill required for movement of the goods is to be initiated and issued by you.
8. **Security Deposit :** You shall furnish Security deposit amount for rupees Rs.26,17,240/- (Rupees: Twenty Six Lakhs Seventeen Thousand Two Hundred and Forty only.) i.e. 10% of total order value in the form of Demand Draft/ Bank Guarantee of any Scheduled/Nationalized Bank within 15 days from the date of supply order.
Security deposit money will be refunded to the firm within 30 days from the date of satisfactory execution of the contract. For unsatisfactory performance and / or contractual failure, the security money shall be forfeited. Security Money may be converted into performance bank guarantee (PBG).



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9. Performance Bank Guarantee : You shall furnish a Performance bank guarantee for rupees Rs.26,17,240/- (Rupees: Twenty Six Lakhs Seventeen Thousand Two Hundred and Forty only.) for satisfactory performance of supplied item, valid for at least 18 months from the date of receipt of last consignment against the supply order, covering the warrantee period. The bank Guarantee shall be released after successful completion of the guarantee Warrantee period after confirmation from GM(Excv)/HOD,WCL HQ or may be extended as deemed fit. No payment shall be made without submission of Performance Bank Guarantee.
9. a. Fitment Guarantee: You shall certify that your products are exact replacement of fully interchangeable to the original parts and will fit and function on the equipment for which these are required without any modification.
- b. Technical support service : You shall render technical support & services to ensure fitment , proper usage , maintenance and satisfactory performance of supplied spares.
10. Inspection: Final Inspection shall be carried out at the destination stores, which will be arranged by the Consignee after receipt of stores.
11. Price Certificate: You will furnish certificate along with each bill confirming that prices charged by you for the items covered in the bills are not higher than the prices charged by you for same/similar items other customers worldwide including any other PSUs/Govt. Deptt or any other subsidiaries of Coal India Limited.
12. Manufacture's Certificate: As the order is being placed on the basis of consideration that you are a Manufacturer of the ordered materials, you have to provide a certificate to following effect on the body of each bill. "Certified that the items supplied and included in this bill/invoice are M/s Drillbits International Pvt Ltd., make and have been actually manufactured in our works situated at MIDC, Nasik (MAH.).
13. GUARANTEE/WARRANTY : The average guaranteed life is furnished as below:

NIT SN	Drill bit Size	Avg guaranteed meterage
1	6-1/4" MT	2400
2	9-7/8" MT	2460
3	6-1/4" TC	2980

(3a) Minimum guarantee meterage : The minimum meterage for each drill bit of each size will be 25% of the avg guaranteed meterage irrespective of its use.

Each supplied bit shall have to be guaranteed for the above minimum guaranteed meterage of drilling and in case any bit fails before achieving minimum life i.e. minimum guaranteed meterage , replacement of the same will have to be arranged free of cost by vendors within 30 days from date of intimation in this regard by the project in charge (Excv) / Area SO / GM(Excv).

(3b) Average guaranteed meterage : Average meterage of drill bits shall be worked out taking into account only those drill bits , which have achieved minimum guaranteed life. For computing average meterage , the performance of all the bits shall be taken into consideration irrespective of their use in pure OB , Shale & Coal and pure shale and coal meterage shall be converted in OB using the conversion factor of OB:SHALE:COAL :: 1:2:3

The bits which failed before achieving the minimum guaranteed meterage shall not be considered for evaluating actual / average meterage. However the meterage of free replaced bits shall be taken into consideration for evaluating actual / average meterage.

(3c) Compensation Clause :

The bits supplied against the order must achieve average guaranteed meterage as given in point no 3b above. In case bits do not achieve the average guaranteed meterage guaranteed as per clause no 3b shall have to make goods the less meterage achieved by giving additional replacement bits free of cost as compensation. In case you fails to supply additional bits, proportionate deduction will be made from the pending / future bills / PBG to recover the amount towards shortfall in guaranteed meterage. The claim for compensation bits , if any , shall be made by GM(Excv)HOD, WCL HQ.

14. Price Fall Clause : You have undertaken in your offer as under : "Certified that we have not offered the same products at a price lower than that offered in the present bid in respect of any other ministry/ department of the Govt. of India or a PSU. In case we offer the lower prices for same items under similar terms within the validity of this offer to ministry/department of the Govt. of India or a PSU, we undertake to



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notify such reduction to the buyer and the same will also be applicable against this order."

A certificate to this effect shall be submitted along with supplies.

15. SUBMISSION OF BILLS :

For claiming payment, following documents are to be submitted along with original bills as per terms of the supply order to the consignee.

- a. GST compliant Pre-receipted and stamped Invoice (as per GST rules).
- b. Packing list in original giving details of bill of materials, if applicable. (Invoice should be strictly as per GST laws 2017)
- c. Consignment note / RR/ LR in original, if applicable.
- d. Warranty / Guarantee certificate, if applicable.
- e. Manufacturers test certificate, if applicable.
- f. Fitment Certificate, if applicable.
- g. Price fall Certificate
- h. Any other document as specified in the Order.

16. LIQUIDATED DAMAGES : 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 event of breach of any terms and conditions mentioned in the supply order, Coal India Limited shall have the right,

- a) To recover from the successful bidder as agreed liquidated damages, a sum not less than 0.5%(half percent) of the price of any stores which the successful bidder 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% may be increased up to 15% at the discretion of HOD of MM.
- b) To purchase elsewhere, after due notice to the successful bidder 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 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 from any other contract should this sum be not sufficient to cover the full amount recoverable. The successful bidder 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.

17. FORCE MAJEURE CONDITION : 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.

18. EFT Details for payment :

ACCOUNT DETAILS OF THE BIDDER FOR ELECTRONIC FUND TRANSFER FOR PAYMENTS:	
Name of the Bank and Branch	STATE BANK OF INDIA
Address of the Branch of the Bank	Satpur Industrial Area Branch, Plot no P/24 MIDC Satpur, Nashik-422007
Account Number	10381541939
Nature of Account	Current
IFS Code of the Branch	SBIN0003872

19. INTEGRITY PACT : Already signed and submitted by you with your offer shall be applicable against this contract

20. JURISDICTION : Any dispute arising out of this contract shall come under sole jurisdiction of Nagpur Court, Nagpur, Maharashtra, India.



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Unless otherwise specified above, this rate contract shall also be governed by our General Terms and Conditions- Annex "B" enclosed herewith.

This order is issued with this acceptance. Kindly acknowledge the receipt and proceed for execution of order.

Yours faithfully,

(S.Pawar) 6/7
Sr.Manager(MM)

(C.R.Samantray) 06/07/18
Chief Manager(MM)

Encl: Details Technical Specification-Annexure-A
General Terms & Conditions -Annexure-B
Format for Security deposit - Annexure-C
Integrity Pact - Annexure D

Copy to :

1. GM/AFM/SO(MM)/DEPOT OFFICER, All Areas of WCL.
2. GM(Excv)HOD, WCL(HQ).
3. GM(Finance)I/C, WCL(HQ),
4. Sr. Manager(Finance) CP, WCL(HQ), Nagpur
5. Depot Officer, Central Store Tadali.
6. Sr. Manager(MM/Admin), WCL(HQ), Nagpur - The total procurement value is Rs.2,61,72,400

BC references (A) : Against MB18-19 of HEMM Drill Bits

AREA	BC REFERENCE	BC AVAILABLE
NAGPUR	AFM/CGM/NGP/BC/REV/HEMM/A&B/HQ/18-19/44 DT.17.03.2018	28,14,000.00
UMRER	WCL/UA/HQ/HQ OTHER STORES/2018-19/02/17 DT. 27.02.2018	19,50,835.00
MAJRI	RB/MA/GM/4450/OTHER STORES/06/02/2018-19 DT. 03.03.2018	15,63,500.00
WANI NORTH	REV/WNA/HQ-A &B/18-19/EXCV/03/DT. 29.03.2018	15,63,000.00
WANI	RB/WA/CGM/554/18-19 DT. 09.03.2018	46,09,965.00
CHANDRAPUR	RB/CHA/AREA/MB/A&B-HEMM STORES/18-19/66/02 DT.01.03.18	44,22,050.00
BALLARPUR	BA/RB/EXCV/HEMM A&B/02/149/18-19 DT. 10.03.18	61,18,300.00
	TOTAL	2,30,41,650.00

(B) : Against MB18-19 of U/C spares *

AREA	BC REFERENCE	BC Received
WANI	RB/WA/CGM/06/18-19 DT. 26.02.2018	1,76,50,440.00
WANI NORTH	REV/WNA/HQ-A &B/18-19/EXCV/01/DT. 15.03.2018	98,05,000.00
NAGPUR	AFM/CGM/NGP/BC/REV/HEMM/A&B/HQ/18-19/38 DT.15.03.2018	78,45,000.00
UMRER	WCL/UA/HQ/HQ OTHER STORES/2018-19/04/01 DT. 22.02.2018	98,05,800.00
MAJRI	RB/MA/GM/4450/OTHER STORES/03/04/2018-19 DT. 03.03.2018	98,05,800.00
CHANDRAPUR	RB/CHA/AREA/MB/A&B-HEMM STORES/18-19/66/01 DT.20.02.18	98,05,800.00
BALLARPUR	BA/RB/EXCV/HEMM A&B/01/149/18-19 DT.06.03.18	1,37,28,120.00
	TOTAL	7,84,45,960.00
	Budget Utilized as on 06.07.2018	5,60,26,400.00
	Balance budget	2,24,19,560.00
	Diverted to this proposal of HEMM Drill Bits by GM(Excv)HOD vide Note dt. 06.07.2018	31,30,750.00

(S.Pawar) 6/7
Sr.Manager(MM)

(C.R.Samantray) 06/07/18
Chief Manager(MM)

ANNEXURE "A"
Detail specifications

Item No.1



DRILBITS International Private Limited

6.1/4" G32M Milled Tooth Bit

(158.75 mm)

IADC: 3-2-2

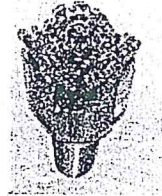
DBI Blast Hole drill bits are manufactured with jet circulation that injects stream of air for optimum bottom hole cleaning. The cutting structure is engineered to meet the most extreme drilling condition. The Bearing design provides balanced load distribution.



Specifications

Bit Size	6.1/4"
Type	G32M
IADC	322
Bearing Type	Open Non-Sealed Bearing

Bit Connection Type	3 1/2" Regular
Rows	Total 9 (Inner 5 Gage 3)
Inserts/Teeth	Total 118 (Inner 67 Gage 51)



Operating Parameters

Weight on Bit	3000-7000 (lb) In Bit Dia.
Rotary Speed	40-100 (RPM)
Formation	Medium/Hard

Physical

Gross Weight	27 Kgs
Net Weight	25Kgs

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Item no.2:

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9.7/8" G32M Milled Tooth Bit

(250.825 mm)

IADC: 3-2-2

DBI Blast Hole drill bits are manufactured with jet circulation that feeds stream of air for optimum bottom hole cleaning. The cutting structure is engineered to meet the most extreme drilling condition. The Bearing design provides balanced load distribution.

Specifications

Bit Size	9.7/8"
Type	G32M
IADC	322
Bearing Type	Open Non-Sealed Bearing
Bit Connection Type	5.95" Regular
Rows	Total: 9 Inner: 8 Gage: 3
Inserts/Teeth	Total: 127 Inner: 70 Gage: 57



Operating Parameters

Weight on Bit	3000-7000 lb/in Bit Dia.
Rotary Speed	40-100 (RPM)
Formation	Medium Hard

Physical

Gross Weight	95 Kgs
Net Weight	80 Kgs

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Item No.3

DT : 06.07.2018.

6.1/4" G62M TCI Bit

(158.75 mm)

IADC: 6-2-2

DBI Blast Hole drill bits are manufactured with jet circulation that injects stream of air for optimum bottom hole cleaning. The cutting structure is engineered to meet the most extreme drilling condition. The Bearing design provides balanced load distribution. The split tail section with Tungsten Carbide hard facing provides superior abrasion resistance.



Specifications

Bit Size	6.1/4"
Type	G62M
IADC	622
Bearing Type	Open Non-Sealed Bearing
Bit Connection Type	3 1/2" Regular
Flutes	Total 11 Inner 8 Outer 3
Inserts/Teeth	Total 121 Inner 84 Outer 37

Operating Parameters

Weight on Bit	3000-6000 (lb/ In Bit Dia)
Rotary Speed	65-90 (RPM)
Formation	Medium hard to hard

Physical

Gross Weight	27 Kgs
Net Weight	20 Kgs

Sanjay Pawar
Sr. Manager (MM)

C. R. Samantray
Chief Manager (MM)

Annexure "C"

FORMAT FOR BANK GUARANTEE

1. In consideration of M/s. Western Coalfields Limited, Nagpur (hereinafter called "The Company") having agreed to exempt _____ (hereinafter called "The said Contractor(s)") from the demand, under the terms and conditions of the agreement dated _____ made between _____ and _____ for _____ (hereinafter called "the said Agreement"), of security deposit for the due fulfillment by the said contractor(s) of the terms and conditions contained in said Agreement, on production of bank guarantee for Rs. _____ (Rupees _____ only). We _____ (hereinafter referred to as "the Bank") at the request of _____ (Contractor(s) do hereby undertake to pay to the Company an amount not exceeding Rs. _____ against any loss or damage caused to or suffered or would be caused to or suffered by the Company by reasons of any breach by the said Contractor(s) of any terms or conditions contained in the said Agreement.
2. We, _____ do hereby undertake (indicate the name of the Bank) to pay the amounts due and payable under this guarantee without any demur, merely on demand from the Company stating that the amount claimed is due by way of loss or damage caused to or would be caused to or suffered by the Company by reason of breach by the said contractor(s) of any of the terms or conditions contained in the said agreement or by reason of the contractor(s)'s failure to perform the said agreement. Any such demand made on the bank shall be conclusive as regards the amount due and payable by the bank under this guarantee. However, our liability under this guarantee shall be restricted to an amount not exceeding Rs. _____ only.
3. We undertake to pay to the Company any money so demanded notwithstanding any dispute or disputes raised by the contractor(s) supplier(s) in any suit or proceeding pending before any court or tribunal relating thereto our liability under this present being absolute and unequivocal :
The payment so made by under this bond shall be a valid discharge of our liability for payment there under and the contractor(s)/supplier(s) shall have no claim against us for making such payment.
4. We, _____ further agree that the (indicate the name of the Bank) guarantee herein contained shall remain in full force and affect during the period that would be taken for performance of the said Agreement and that it shall continue to be enforceable till all the dues of the company under or by virtue of the said Agreement have been fully paid and its claims satisfied or discharged or till the company certified that the said agreement have been fully and properly carried out by the said contractor(s) and accordingly discharges this guarantee. The guarantee shall remain in force till the _____ the day of _____ 20 _____ and unless a demand or claim under the guarantee is made on us in writing within 3 months from the said date, shall be discharged from all liabilities under this guarantee thereafter.
5. We, _____ further agree with the (indicate the name of the Bank) Company that the company shall have fullest liberty without our consent and without affecting in any manner our obligations, hereunder to vary any of the terms and conditions of the said agreement or to extend time of performance by the said contractor(s) from time to time or to postpone for any time or from time to time any of the powers exercisable by the company against the said contractor(s) and to for bear or enforce any of the terms and conditions relating to the said agreement and we _____ shall not be relieved from our liability by reasons of any such variation, or extension being granted to the said contractor(s) or for any forbearance, act or commission on part of the company or any indulgence by the company to the said contractor(s) 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.
6. This guarantee will not be discharged due to the change in constitution of the bank or the contractor(s)/supplier(s).
7. We _____ lastly undertake not to revoke this (indicate the name of the Bank) guarantee during its currency except with the previous consent of the company in writing.

The Bank Guarantee is operational for all purposes at Nagpur Branch, Maharashtra (Branch code -----)
Dated the _____ day of _____ 20 _____

Signature of the authorised person
for and on behalf of the Bank.

For _____ (indicate the name of the Bank

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The Bank Guarantee issued by the issuing bank on behalf of the supplier in the favour of Western Coalfields Ltd shall be in paper form as well as issued under "Structured financial messaging system". The details of beneficiary for issue of BG under SFMS platform is furnished below:

Name of beneficiary and details	
Name	Western Coalfields Ltd
Area	Head Quarter
Bank A/c No: / Cust ID of beneficiary	ICICI Bank Ltd, Vishnu Vaibhav, 222, Palm Road, Civil Lines, Nagpur
IFSC code	ICIC0000059
Bank Manager Name & Ph no:	Hrushikesh Sakalkale Phone: +91-9923202096

The original bank guarantee issued by the issuing bank shall be sent by the issuing bank to the following address by Registered post /AD.

General Manager (MM) I/c
Materials Management Wing
Western coalfields ltd HQ
Coal Estate, Civil lines, Nagpur – 440001
Maharashtra

Any extension / amendments to the BG shall be done following the same procedure as above.

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PRE CONTRACT INTEGRITY PACT

General

This Pre-bid Pre-contract Agreement (hereinafter called the Integrity Pact) is made on 30th day of the month of January 2018, between, on one hand, Western Coalfields Limited acting (hereinafter called the "BUYER", which expression shall mean and include, unless the context otherwise requires, his successors in office and assign) of the First Part and M/s. Drilbits International Private Limited represented by Shri Tushar Paul, Sr. General Manager (hereinafter called the "BIDDER/Seller" which expression shall mean and include, unless the context otherwise requires, his successors and permitted assigns) of the Second Part.

WHEREAS the BUYER proposes to procure (Name of the Stores/Equipments/Item) and the BIDDER/Seller is willing to offer/has offered the stores and

WHEREAS the BIDDER is a private company/public company/Government Undertaking/partnership/registered export agency, constituted in accordance with the relevant law in the matter and the BUYER is a Ministry/Department of the Government of India/PSU performing its functions on behalf of the President of India.

NOW, THEREFORE,

To avoid all forms of corruption by following a system that is fair, transparent and free from any influence/prejudiced dealings prior to, during and subsequent to the currency of the contract to be entered into with a view to :-

Enabling the BUYER to obtain the desired said stores/equipment at a competitive price in conformity with the defined specifications by avoiding the high cost and the distortionary impact of corruption on public procurement, and

Enabling BIDDERS to abstain from bribing or indulging in any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also abstain from bribing and other corrupt practices and the BUYER will commit to prevent corruption, in any form, by its officials by following transparent procedures.

The parties hereto hereby agree to enter into this Integrity Pact and agree as follows :-

Commitments of the BUYER

1.1 The Buyer undertakes that no official of the BUYER, connected directly or indirectly with the contract, will demand, take a promise for or accept, directly or through Intermediaries, any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the BIDDER, either for themselves or for any person, organisation or thirty party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the contract.

1.2 The BUYER will, during the pre-contract stage, treat all BIDDERS alike and will provide to all BIDDERS the same information and will not provide any such information to any particular BIDDER which could afford an advantage to that particular BIDDER in comparison to other BIDDERS.

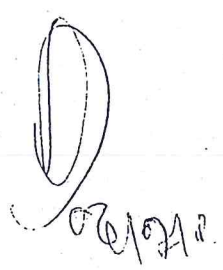
1.3 All the officials of the BUYER will report to the appropriate Government office any attempted or completed breaches of the above commitments as well as any substantial suspicion of such a breach.

2. In case any such preceding misconduct on the part of such official(s) is reported by the BIDDER to the BUYER with full and verifiable facts and the same is prima facie found to be correct by the BUYER, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by the BUYER and such a person shall be debarred from further dealings related to the contract process. In such a case while an enquiry is being conducted by the BUYER the proceedings under the contract would not be stalled.

Commitment of BIDDERS







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3. The BIDDER commits itself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of its bid or during any pre-contract or post-contract stage in order to secure the contract or in furtherance to secure it and in particular commit itself to the following :

3.1 The BIDDER will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the BUYER, connected directly or indirectly with the bidding process, or to any person, organisation or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the contract.

3.2 The BIDDER further undertakes that it has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the BUYER or otherwise in procuring the Contract or forbearing to do or having done any act in relation to the obtaining or execution of the contract or any other contract with the Government for showing or forbearing to show favour or disfavour to any person in relation to the contract or any other contract with the Government.

3.3* BIDDERS shall disclose the name and address of agents and representatives and Indian BIDDERS shall disclose their foreign principals or associates.

3.4* BIDDERS shall disclose the payments to be made by them to agents/brokers or any other intermediary, in connection with this bid/contract.

3.5* The BIDDER further confirms and declares to the BUYER that the BIDDER is the original manufacturer/integrator/authorised government sponsored export entity of the defence stores and has not engaged any individual or firm or company whether Indian or foreign to intercede, facilitate or in any way to recommend to the BUYER or any of its functionaries, whether officially or unofficially to the award of the contract to the BIDDER, nor has any amount been paid, promised or intended to be paid to any such individual, firm or company in respect of any such intercession, facilitation or recommendation.

3.6 The BIDDER, either while presenting the bid or during pre-contract negotiations or before signing the contract, shall disclose any payments he has made, is committed to or intends to make to officials of the BUYER or their family members, agents, brokers or any other intermediaries in connection with the contract and the details of services agreed upon for such payments.

3.7 The BIDDER will not collude with other parties interested in the contract to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract.

3.8 The BIDDER will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.

3.9 The BIDDER shall not use improperly, for purposes of competition or personal gain, or pass on to others, any information provided by the BUYER as part of the business relationship, Regarding plans, technical proposals and business details, including information contained in any electronic data carrier. The BIDDER also undertakes to exercise due and adequate care lest any such information is divulged.


3.10 The BIDDER commits to refrain from giving any complaint directly or through any other manner without supporting it with full and verifiable facts.

3.11 The BIDDER shall not instigate or cause to instigate any third person to commit any of the actions mentioned above.

3.12 If the BIDDER or any employee of the BIDDER or any person acting on behalf of the BIDDER, either directly or indirectly, is a relative of any of the officers of the BUYER, or alternatively, if any relative of an officer of the BUYER has financial interest/stake in the BIDDER's firm, the same shall be disclosed by the BIDDER at the time of filing of tender.

The term 'relative' for this purpose would be as defined in Section 6 of the Companies Act 1956.

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3.13 The BIDDER shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of the BUYER.

3.14 A person signing IP shall not approach the Courts while representing the matters to IEMs and he / she will await their decision in the matter.

In case of sub-contracting, the Principal Contractor shall take the responsibility of the adoption of IP by the sub-contractor.

4. Previous Transgression

4.1 The BIDDER declares that no previous transgression occurred in the last three years immediately before signing of this Integrity Pact, with any other company in any country in respect of any corrupt practices envisaged hereunder or with any Public Sector Enterprise in India or any

Government Department in India that could justify BIDDER's exclusion from the tender process.

4.2 The BIDDER agrees that if it makes incorrect statement on this subject, BIDDER can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.

5. Sanctions for Violations

5.1 Any breach of the aforesaid provisions by the BIDDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER) shall entitle the BUYER to take all or any one of the following actions, wherever required:

(i) To immediately call-off the pre-contract negotiations without assigning any reason or giving any compensation to the BIDDER. However, the proceeding with the other BIDDER(s) would continue.

(ii) The Earnest Money Deposit (in pre-contract stage) and/or Security Deposit/ Performance Bond (after the contract is signed) shall stand forfeited either fully or partially, as decided by the BUYER and the BUYER shall not be required to assign any reason thereof.

(iii) To immediately cancel the contract, if already signed, without giving any compensation to the BIDDER.

(iv) To recover all sums already paid by the BUYER, and in case of an Indian BIDDER with interest thereon at 2% higher than the prevailing Prime Lending Rate of State Bank of India, while in case of a BIDDER from a country other than India with interest thereon at 2% higher than the LIBOR. If any outstanding payment is due to the BIDDER from the BUYER in connection with any other contract or any other stores, such outstanding payment could also be utilised to recover the aforesaid sum and interest.

(v) To encash the advance bank guarantee and performance bond/warranty bond, if furnished by the BIDDER, in order to recover the payments, already made by the BUYER, along with interest.

(vi) To cancel all or any other Contracts with the BIDDER. The BIDDER shall be liable to pay compensation for any loss or damage to the BUYER resulting from such cancellation/rescission and the BUYER shall be entitled to deduct the amount so payable from the money(s) due to the BIDDER.

(vii) To debar the BIDDER from participating in future bidding processes of the Government of India for a minimum period of five years, which may be further extended at the discretion of the BUYER.

(viii) To recover all sums paid in violation of the Pact by BIDDER(s) to any middleman or agent or broker with a view to securing the contract.

(ix) In cases where irrevocable Letters of Credit have been received in respect of any contract signed by the BUYER with the BIDDER, the same shall not be opened.

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(x) Forfeiture of Performance Bond in case of a decision by the BUYER to forfeit the same without assigning any reason for imposing sanction for violation of this Pact.

6.2 The BUYER will be entitled to take all or any of the actions mentioned at para 6.1(i) to (x) of this Pact also on the Commission by the BIDDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER), of an offence as defined in Chapter IX of the Indian Penal Code, 1860 or Prevention of Corruption Act, 1988 or any other statute enacted for prevention of corruption.

6.3 The decision of the BUYER to the effect that a breach of the provisions of this Pact has been committed by the BIDDER shall be final and conclusive on the BIDDER. However, the BIDDER can approach the independent Monitor(s) appointed for the purposes in this Pact.

7. Fall Clause

7.1 The BIDDER undertakes that it has not supplied/is not supplying similar product / systems or subsystems at a price lower than that offered in the present bid in respect of any other Ministry / Department of the Government of India or PSU and if it is found at any state that similar product / systems or sub systems 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 the BIDDER to the BUYER, if the contract has already been concluded.

8. Independent Monitors

8.1 The BUYER has appointed Independent Monitors (hereinafter referred to as Monitors) for this Pact in consultation with the Central Vigilance Commission (Name and Addresses of the Monitors to be given).

8.2 The task of the Monitors shall be to review independently and objectively, whether and to what extent the parties comply with the obligations under this Pact.

8.3 The Monitors shall not be subject to instructions by the representatives of the parties and perform their functions neutrally and independently.

8.4 Both the parties accept that the Monitors have the right to access all the documents relating to the project/procurement, including minutes of meetings.

8.5 As soon as the Monitor notices, or has reason to believe, a violation of this Pact, he will so inform the Authority, designated by the BUYER.

8.6 The BIDDER(s) accepts that the Monitor has the right to access without restriction to all Project documentation of the BUYER including that provided by the BIDDER. The BIDDER will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Subcontractors. The Monitor shall be under contractual obligation to treat the information and documents of the BIDDER/Subcontractor(s) with confidentiality.

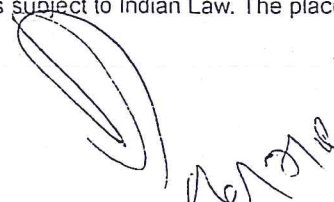
8.7 The BUYER will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meeting could have an impact on the contractual relations between the parties. The parties will offer to the Monitor the option to participate in such meetings.

8.8 The Monitor will submit a written report to the designated Authority of BUYER/ Secretary in the Department within 8 to 10 weeks from the date of reference or intimation to him by the BUYER / BIDDER and, should the occasion arise, submit proposals for correcting problematic situations.

9. Facilitation of Investigation: In case of any allegation of violation of any provisions of this Pact or payment of commission, the BUYER or its agencies shall be entitled to examine all the documents including the Books of Accounts of the BIDDER and the BIDDER shall provide necessary information and documents in English and shall extend all possible help for the purpose of such examination.

10. Law and Place of Jurisdiction: This Pact is subject to Indian Law. The place of performance and jurisdiction is the seat of the BUYER.

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11. Other Legal Actions The actions stipulated in this Integrity Pact are without prejudice to any other legal action that may allow in accordance with the provisions of the extant law in force relating to any civil or criminal proceedings.

12. Validity

12.1 The validity of this Integrity Pact shall be from date of its signing till the completion of the contract to the satisfaction of both the BUYER and the BIDDER/Seller, including warranty period. Any violation of the same would entail disqualification of the bidder and exclusion from future business dealings.

12.2 Should one or several provisions of this Pact turn out to be invalid; the remainder of this Pact shall remain valid. In this case, the parties will strive to come to an agreement to their original intentions.

13. The parties hereby sign this Integrity Pact at Nagpur on 30-01-2018

For DRILBITS International Pvt. Ltd.

BUYER

BIDDER

Name: Shri R.K. Mishra

TUSHAR PAUL
GENERAL MANAGER

Designation: General Managar(MM)

CHIEF EXECUTIVE OFFICER

Western Coalfields Limited

Witness

Witness

1. C.R. Samantray, CM(MM)

1. Pramod Rajjadhav

2. S.Pawar, Sr.MM(MM)

2. Anil Patil

* Provisions of these clauses would need to be amended/deleted in line with the policy of the BUYER in regard to involvement of Indian agents of foreign suppliers.

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