



TALWANDI SABO POWER LIMITED

Tender Specification No: TN/7/CM/TSPL/2015-16/CIF Coal Supply

**Bidding Document and Technical Specifications for Supply of
upto 0.2 MMT Non-Coking Coal on CIF west coast port India Basis**

To

Talwandi Sabo Power Limited, Mansa, Punjab

CONTENTS

CONTENTS	2
VOLUME -I	4
INSTRUCTION TO BIDDERS	4
1.0. INTRODUCTION	5
2.0. GENERAL INFORMATION	5
3.0. BIDDING DOCUMENTS	6
4.0. BID LANGUAGE	6
5.0. EARNEST MONEY DEPOSIT (EMD)	7
6.0. PERIOD OF VALIDITY OF BID AND EMD	7
7.0. SUBMISSION OF BIDS	7
8.0. BID OPENING AND EVALUATION	9
9.0. PRICE BID EVALUATION	9
10.0. AGREEMENT/CONTRACT AWARD CRITERIA	9
11.0. LETTER OF INTENT	10
12.0. BIDDER OBLIGATIONS.....	10
13.0. QUALIFYING REQUIREMENT	10
VOLUME -II	12
TECHNICAL SPECIFICATIONS	12
1.0. INTRODUCTION	13
2.0. SCOPE OF WORK.....	13
3.0. QUANTITY.....	13
4.0. SPECIFICATIONS OF COAL.....	13
5.0. QUANTITY DETERMINATION	14
6.0. SAMPLING /ANALYSIS.....	14
A. LOADPORT	14
B. DISPORT	14
7.0. ADJUSTMENT ON QUALITY VARIATION	15
8.0. PAYMENT TERMS	16
9.0. MARITIME CONDITIONS.....	18
10.0. INSURANCE:	21
11.0. TAXES / DUTIES:	22
12.0. RISK OF LOSS:	22
13.0. RETENTION OF TITLE	22
14.0. REJECTION	22
15.0. ISSUANCE OF DELIVERY ORDER	22

16.0. FORCE MAJEURE	23
17.0. ARBITRATION, JURISDICTION AND APPLICABLE LAW	23
18.0. ASSIGNMENTS	24
19.0. LIABILITIES.....	24
20.0. LIQUIDATED DAMAGES.....	24
21.0. RISK PURCHASE	25
22.0. WARRANTIES	25
23.0. LIQUIDATION CLAUSE:.....	25
24.0. TERMINATION CLAUSE.....	26
25.0. MISCELLANEOUS.....	26
26.0. ENTIRE AGREEMENT	26
27.0. CONFIDENTIALITY.....	27
ANNEXURE A	29
PROFORMA OF BG FOR EARNEST MONEY DEPOSIT	29
ANNEXURE B	32
PRICE BID SUBMISSION FORM	32
ANNEXURE C	35
FORMATS - QUALIFICATION REQUIREMENT	35

TALWANDI SABO POWER LIMITED

**SUPPLY OF UP TO 0.2 MMT NON-COKING COAL ON CIF WEST COAST PORT INDIA
BASIS**

BID DOCUMENT

VOLUME -I

INSTRUCTION TO BIDDERS

1.0. INTRODUCTION

Talwandi Sabo Power Limited ("hereinafter referred to as TSPL/Owner"), a Vedanta Group company, setting up one of Punjab's largest green-field Thermal Power Project for supply of power on long term basis.

TSPL invites bids from reputed suppliers for supply of 0.2 MMT Non-Coking Coal (hereinafter referred to as "Coal") of specifications mentioned herein, on 'CIF West Coast port India basis'. TSPL, therefore, intends to enter into Contract with suppliers for the same.

2.0. GENERAL INFORMATION

The interested bidders are invited to submit their bid comprising of Technical Bid and Price Bid for the subject package, in line with the provision of this bidding document. The detailed procedure for submission of bids has been detailed hereunder in this document. The cost on account of preparation and submission of bid, negotiations, discussions etc. as may be incurred by the bidder(s) in the process are not reimbursable by TSPL and TSPL will in no case be responsible or liable for these costs, regardless of the outcome of the bidding process.

While an attempt has been made to define and capture the requirements in as exhaustive manner as possible, bidders are advised and are expected to have thorough understanding of the applicable requirements for performing supply and services as defined in the scope of work.

TIME SCHEDULE FOR BIDDING PROCESS

Sr.No.	Bid Reference	Time lines
1	Last date and time for Receipt of Bid (Technical and Price Bid) in Hard copy	11.05.2015 latest by 11.30 AM
2	Opening of EMD (Envelope-I)	11.05.2015 by 12.30 PM
3	Opening of Technical Bid & Checking of Responsiveness (Envelope-II)	11.05.2015 by 12.30 PM
4	Price bid opening (only for qualified bidders) (Envelope-III)	11.05.2015 by 03.00 PM

Note: TSPL reserves the right to amend the above schedule at its own discretion with written notice and addendum to this Bid Document.

3.0. BIDDING DOCUMENTS

In addition to the Invitation for Bid, the Bidding Documents shall comprise the following:

- Instruction to Bidders (ITB) - Volume-I
- Technical Specifications- Volume-II
- Annexure/Formats/Forms - Volume-III
- Any other document issued/ made available by TSPL to prospective bidders.

The bidder(s) are expected to read and examine all instructions, forms, terms & conditions, specifications and other information in the Bidding Documents as well as satisfy themselves regarding completeness of Bidding Documents. Failure to furnish all information required as per the Bidding Documents or submission of a bid in disregard to the requirements of the Bidding Documents in any respect will be at the risk of bidder and may also result in rejection of its bid. (Any inconsistency in the tender document has to be highlighted at the time of submission of the bid. Tender shall be considered as submitted by all the bidders and no modifications shall be entertained thereafter.

TSPL reserve every right to modify the Bidding Documents by amendment/addendum before the scheduled submission of the Bid, for any reasons. Also, at any time before finalization of bid TSPL may seek additional information/ documents/ declaration from the bidders; failure to furnish such details may result in rejection of bid(s). All such changes will be notified through relevant communication to the bidders.

4.0. BID LANGUAGE

The bids prepared by the bidder(s) and all correspondence and documents related to the bid exchanged between the bidder(s) and TSPL shall be in English language. Any printed literature/certificate furnished by the bidder(s) in another language, shall be accompanied by certified translation in English language.

5.0. EARNEST MONEY DEPOSIT (EMD)

The bidders are required to deposit the Earnest Money of Rs. 1 Crore through Bank Guarantee (as per ANNEXURE-A) of equivalent amount from any Indian Nationalized Bank encashable at Mansa/Bathinda branch or Demand Draft to be issued in favor of Talwandi Sabo Power Limited, payable at Mansa or RTGS in favour of "Talwandi Sabo Power Limited" in the following bank account details

Bank Name : ICICI Bank limited

Address : Mansa Branch, Shimla Complex, Water Works Road, Mansa

Account No : 044605000486

Account Type : Current

IFSC code : ICIC0000446

Name of Beneficiary : Talwandi Sabo Power Limited

Address of Beneficiary : Village-Banwala, Mansa-Talwandi Sabo Road, Mansa,
151302(Punjab)

Initially validity of EMD shall be for the period of 3 months from date of submission of bid

In case of tenders of unsuccessful bidders not accepted, the earnest money shall be refunded within 30 days of the award of order/contract or after the expiry of validity period of the bids, whichever is later. EMD of successful bidders shall be refunded after receipt of Security Deposit/Performance Bank Guarantee.

Any bid not accompanied by an acceptable EMD, in a separate sealed envelope, will be considered as rejected by TSPL

6.0. PERIOD OF VALIDITY OF BID AND EMD

The Bidder shall ensure that its bid initially remains valid and open for acceptance for thirty (30) days from the last date of submission of bid.

7.0. SUBMISSION OF BIDS

(i) Sealed Bids are to be submitted in one original and two copies, containing envelopes as detailed herein below:

Envelope I - Super-scribed as "Earnest Money Deposit" and shall contain the following:

- 1) Earnest Money Deposit (EMD) of requisite value in the form prescribed in *Clause 5.0 of Volume I*.

Envelope II - Super-scribed as "Technical Bid" shall contain all the documents as elaborated in the Bid for technical acceptance and qualification of the Bid (excluding Bid Price) duly filled in and signed by the Bidder in the following order

- 1) One copy of Bidding Documents duly stamped and signed on each page as a token of acceptance of all terms and conditions contained therein.
- 2) Complete company profile.
- 3) Documents for quantity supplied in last three financial years.
- 4) Financial Balance sheet for last three year (Annexure C).
- 5) Any other documents that Bidder feels is important to establish the qualifications and fulfill the tender requirements.

Envelope III- Super-scribed as "Price Bid" and sealed individually shall contain the Price Bid and other details as under as per Volume-IV of the Bidding Documents.

- 1) Price Bid submission form
- (i) The above said envelopes nos. I, II & III shall be kept in an overall outer envelope, which shall be sealed and super-scribed with "Bidder's Name and address". "Due date of Opening" & "EMD/Bid Security details" and lower left-hand corner of the envelope shall indicate "EOI reference & date for supply of 0.2 Million Metric Tons (MMT) of Non Coking Coal on CIF west coast port India basis ". The Envelope shall be addressed to the following:

Contact Person

Group Head-Central Coal Procurement

Talwandi Sabo Power Limited,

Core-6, 3rd Floor, Scope Complex

7, Lodhi Road, New Delhi – 110 003

Ph No: - +91 11 49166125, +91 1659248110

Email: tspl.fuel@vedanta.co.in

Bids must be received by TSPL at the above address, not later than the time and date specified at *Clause 2.0 of Volume I*. In the event of the specified date for submission of bids being declared a holiday for TSPL, the bids will be received up to the appointed time on the next working day.

No bid may be withdrawn in the interval between 24 hours prior to the Bid submission deadline and the expiration of the bid validity period specified in the Bidding Document. Withdrawal of the bid during this interval may result in the forfeiture of Bid Security (EMD) submitted by the bidder.

8.0. BID OPENING AND EVALUATION

- a) With respect to the date notified for opening of bids, the first envelope comprising the Earnest Money Deposit (EMD) shall be opened.
- b) For the bidders where contents of EMD envelope are found to be in order and bids are found Responsive, envelope containing Technical Bid will be opened. Bids of other Bidders may be returned without opening. However, opening of the Technical Bid shall not constitute the acceptance of the EMD submitted by the Bidder and the same shall be subject to verification/realization.
- c) Bidder's Authorized Representative may attend the opening of Bids.

9.0. PRICE BID EVALUATION

Price Bid of those Bidders found eligible after evaluation of Technical Bids shall be evaluated as described hereunder:

The evaluated Bid price shall be arrived at considering the lowest CIF price for a particular GCV.

10.0. AGREEMENT/CONTRACT AWARD CRITERIA

The successful bidder, whose bids are found eligible and has offered the lowest price as evaluated by TSPL, may be considered for placement of award.

No successful bidder under any circumstances will be allowed to dishonor /refuse to supply the quantities for TSPL plant where it has emerged the lowest bidder. In case of non-compliance or refusal to supply the quantities, the EMD of the bidder would be forfeited. Similarly, EMD of any bidder who refuses to accept award at

his quoted prices is liable to be forfeited.

Note: It may be noted that TSPL is not bound to award the Contract to the lowest Bidder & reserves the right to re-negotiate the prices.

11.0. LETTER OF INTENT

Prior to the expiry of the period of Bid validity, TSPL will notify to the Successful Bidder in writing through Letter of Intent (LOI sent by required communication mode i.e. registered post. Email or through courier or by FAX, that its Bid has been accepted). Issuance of Letter of Intent, along with signing of Agreement with the Successful Bidder subsequently will constitute the formation of the Contract.

12.0. BIDDER OBLIGATIONS

- (i) The Bidder shall perform the Supplies and carry out their obligations as per scope of work and terms and conditions defined in the Bid Document and Contract or Agreement with all due diligence, efficiency, and economy, in accordance with prudent accepted professional techniques and practices, and shall observe high ethical practices, and employ appropriate advance technology and advance safety methods. The Bidder(s) shall always act, in respect of any matter relating to the Contract or to the work, as sincere advisers to TSPL and shall at all times support and safeguard TSPL's legitimate interests.

13.0. QUALIFYING REQUIREMENT

- I. The Qualifying Requirement for the Bidders for this tender shall be as under:
 - A. The Bidder should be a regular supplier of bulk quantities of Non Coking Coal having supplied minimum of 1 MMT of any type of Non Coking Coal, in any one financial year during last three financial years.
 - B. Financial Qualification Requirement:
 1. The Annual Turnover (on stand-alone basis) of the Bidder in the preceding financial year as on the last date of Bid submission shall not be less than INR 400 Crores (Indian Rupees four hundred Crores only) or USD 67 million.
- II. TSPL also reserves the right to seek such additional information as it may

deem fit to satisfy itself for eligibility of the Bidder, The Bids of the Bidders not meeting the Qualifying Criteria shall not be considered for Evaluation purpose.

- III. Qualification threshold in Clause 13 of volume I may be lowered in case of exigencies only at the discretion of TSPL to ensure wider participation.

TALWANDI SABO POWER LIMITED

**SUPPLY OF UP TO 0.2 MMT NON-COKING COAL ON CIF WEST COAST PORT INDIA
BASIS**

BID DOCUMENT

**VOLUME -II
TECHNICAL SPECIFICATIONS**

1.0. INTRODUCTION

TSPL has a requirement of Non-Coking Coal as specified in *Clause 1.0 of Volume I*; of specifications mentioned herein, on "CIF West Coast port India "basis.

2.0. SCOPE OF WORK

The scope of work includes but not limited to:

- i. Supply of Coal on 'CIF West Coast port India' Basis.
- ii. All coordination at loading destination, transit destination shall also be part of scope of work of Bidder.
- iii. Bidder to supply Coal from single mine and should mention name of mine.

3.0. QUANTITY

- i. Tolerance of +/- 20 % quantity at TSPL's option is allowed on quoted quantity.
- ii. The delivery schedule will be 50,000 MT quantity in Jun'15, 75,000 MT quantity in Jul'15 and 75,000 MT quantity in Aug'15.

4.0. SPECIFICATIONS OF COAL

The Non Coking Coal to be supplied shall be as per specifications furnished hereunder. For Price Basis, the Base Parameters shall be as under:

Parameters	UOM	Base Parameter	Rejection Parameter
GCV (ARB)	Kcal/Kg	5000-5800	<4800 or > 6000
FC (ADB)	%	By Difference	
VM (ADB)	%	36-40	>40
Ash (ADB)	%	< 10	>12
FC/VM Ratio		0.95-1.2	<0.9 or >1.2
TM(ARB)	%	< 22	>26
IDT	Deg C	>=1170	<1170
Sulphur (ADB)	%	< 1	>1.2
HGI		>=45	
Na2O		<=1	
K2O		<=2	

The Bidder is required to give details of source/origin of Coal & load port to TSPL prior to dispatch of each Coal Consignment as may be required by TSPL.

5.0. QUANTITY DETERMINATION

Weight of coal determined through draft survey at the Load port by the independent inspection agency appointed by the Bidder would form the basis for quantity for the provisional 90% payment as per Clause 8 (A). Cost incurred pursuant to this activity shall be borne by Bidder.

A vessel draft survey shall be carried out by the independent inspection agency appointed by the buyer at the port of discharge prior to the commencement and after completion of vessel discharging. The certificate of vessel draft survey so determined, indicating the cargo weight at discharge port, shall be final and binding on both Buyer and Bidder. Cost incurred pursuant to this activity shall be borne by Buyer.

6.0. SAMPLING /ANALYSIS

A. LOADPORT

Sampling and analysis of the coal should be carried out at the time of vessel loading by an internationally reputed independent inspection agency appointed by the Bidder. Bidder has to send load port sample to TSPL within 2 days of sample preparation through courier. The costs of draft survey, sending load port sample to TSPL and sampling and analysis at loading port shall be on Bidder's account. The certificate of sampling and analysis so determined shall be considered for the provisional 90% payment, as per clause 8 (A), for the quality of cargo loaded onto the vessel and dispatched, provided the GCV (ARB) value in that certificate is lower than Quoted Indicative GCV (ARB). If not, quoted indicative GCV (ARB) would be considered for the provisional 90% payment as per clause 8 (A).

The buyer has the right to appoint an IIA to conduct the joint sampling and analysis / witness the loading sampling at Load port at Buyer's cost.

B. DISPORT

Quality determination as per sampling and analysis certificate issued by independent inspection agency appointed by buyer shall be final and binding for the shipment and the same shall be the basis for final payment purposes (as

mentioned in Clause 8(B)). The bidder at its option can appoint an inspection agency / Qualified Personnel from their side to witness the draft survey, sampling and analysis process at disport. In such case, the certificate would jointly be signed by both the inspection agencies (Independent Inspection Authority / Agency appointed by TSPL and inspection agency appointed by bidder/ Qualified Personnel). At disport, two samples will be drawn:-

One to be analysed by independent inspection agency appointed by buyer and second sample will be kept as referee sample under custody of TSPL. The cost of sampling & analysis at disport to be borne by Buyer. Certificate of this analysis would be considered as final for quality for the entire shipment.

In case of any dispute, due to variance as per the load port and discharge port sampling and analysis report issued by an internationally reputed independent inspection agency appointed by Bidder at Load port and by internationally reputed independent inspection agency appointed by Buyer at Discharge port, then TSPL shall forward the referee sample to mutually agreed internationally reputed independent inspection agency. Moisture analysis as declared at disport to anyways be considered final for referee sample analysis. It is specifically agreed that the analysis results of such referee sample by the above stated agency shall be final & binding on both Parties and the cost of testing of the referee sample shall be borne by the Bidder.

Sampling and analysis shall be made in accordance with the latest revision of the standard methods of analysis for coal in accordance with ASTM standards.

7.0. ADJUSTMENT ON QUALITY VARIATION

The bidder is to deliver the coal with a range as specified in the *Clause 4.0* above. However in case of variation in the quality agreed and supplied by the Bidder the following adjustments will be made and consider for final payment:

i. **Gross Calorific Value {As received Basis (ARB)}**

Pro – rata adjustment in the CIF price would be made as per below if there is variation in GCV (ARB), as per the load port and discharge port sampling and analysis report issued by an internationally reputed independent inspection agency appointed by Bidder at Load port (for provisional payment purposes), and by internationally

reputed independent inspection agency appointed by Buyer at Discharge port (for final payment purposes):

1. At Load Port appointed by Bidder (for 90% provisional payment purposes):-

A. Should the GCV ARB (Kcal/Kg) be above guaranteed GCV ARB (Kcal/kg)

ADJUSTED PRICE= CIF PRICE

B. Should the GCV ARB (Kcal/Kg) be below guaranteed GCV but above rejection limit, then the price is to be adjusted as follows:-

**ADJUSTED PRICE= CIF PRICE-CIF PRICE X (GUARANTEED GCV ARB (KCAL/KG) - ACTUAL GCV ARB KCAL/KG
GUARANTEED GCV ARB (KCAL/KG)**

2. At discharge port appointed by Buyer (for final payment purposes):-

A. Should the GCV ARB (Kcal/Kg) be below guaranteed GCV but above rejection limit, then the price is to be adjusted as follows:-

**ADJUSTED PRICE= CIF PRICE-CIF PRICE X (GUARANTEED GCV ARB (KCAL/KG) - ACTUAL GCV ARB KCAL/KG
GUARANTEED GCV ARB (KCAL/KG)**

The cargo will be subject to rejection if the GCV (ARB) is reported less than the rejection limit specified under Clause 4.

ii. **Sulphur (ARB)**

In case Sulphur (ARB) is above 1 %, then the CIF price shall be reduced by \$ 0.15 per MT for each 0.1% increase above 1% fraction prorata, till rejection limit.

8.0. PAYMENT TERMS

100% AGAINST LETTER OF CREDIT

Full payment to be paid strictly out of an Irrevocable Letter of Credit (LC) at sight in favour of Bidder to be established by Buyer through banks and in a format acceptable to Bidder. LC to be received by and fully workable with Bidder no later than 5 to 7 working days after order confirmation. All charges in India for opener's account. All charges outside India for beneficiary's account.

Total tonnage in the shipment would be divided in 3 lots for the purpose of issuance of bills of lading for the purpose of Customs clearance.

A) 90% (ninety percent) of the CIF West Coast port India value of the shipment shall be payable on presentation of the following documents:

1. 3/3 original clean on board ocean bills of lading endorsed in favour of LC issuing bank marked freight prepaid as per charter party. Detailed B/L instructions to be specified in the L/C.
2. 1 original + 2 copies of draft survey report issued by load port Inspection Company at load port.
3. Certificate of Origin in three copies issued by Government Authority.
4. 1 original + 2 copies of certificate of weight issued by load port Inspection Company.
5. 1 original + 2 copies of certificate of sampling & analysis issued by load port Inspection Company.
6. Commercial invoice in triplicate for 90% of the CIF West Coast port India value based on documents 4 and 5 above.
7. Insurance certificate in the currency of credit, issued to order and blank endorsed for full CIF value plus 10 percent covering institute cargo clauses (a), institute war clauses (cargo) and institute strike clauses (cargo) from load port to TSPL, Mansa plant.
8. Bidder's/beneficiary's certificate certified by the Buyer confirming full set of copy shipping documents have been faxed / emailed to Buyer's/opener within 7 working days of B/L date.

B) 10% (Ten Percent) Final Payment

1. The balance 10% (ten percent) of the CIF West coast port India value of the shipment shall be payable on presentation of the following documents:
2. Copy of certificate of analysis issued by independent inspection agency appointed by Buyer at discharge port.
3. Lay time certificate showing demurrage/ dispatch duly approved by Buyer.
4. Final commercial invoice in triplicate on the CIF value of the whole shipment calculated on the basis of the discharge port certificate as per

clause 7 & 8 as reduced by the payment already made against 90% invoice under clause 8 (A) MINUS Dispatch PLUS Demurrage based on document 2 above.

Any excess payment made by the Buyer shall be reimbursed by the Bidder within a period of 7 working days to the Buyer's account based on the certificate of sampling and analysis issued by the independent inspection agency/es mutually agreed at discharge port. In the event of non-payment of the excess amount payable to the Buyer within the stipulated time frame as mentioned above, the Bidder shall pay an interest of 15% per annum upon the outstanding amount payable to the Buyer until it is fully reimbursed.

The final value of the shipment shall be based on discharge port analysis which shall be final & binding for quality and quantity.

9.0. MARITIME CONDITIONS

A) NOMINATION OF VESSELS

Bidder to nominate suitable performing vessel to Buyer for acceptance. Buyer to reply within one (1) day intimating acceptance of the nominated vessel, which acceptance shall not be unduly withheld.

B) NOTICES

The Bidder shall notify the Buyer and his port agents at least seven days /five days/ two days and again at least 24 hours prior to the estimated arrival time of the vessel at the port of discharge.

C) NOTICE OF READINESS (NOR)

NOR shall be tendered by the vessel by fax, telex or radio on arrival at the discharge port at any day any time, day or night; whether in port or not, whether custom cleared or not, whether in free pratique or not, whether on berth or not. In case free pratique is not obtained, NOR shall be considered null and void and the vessel shall tender a new NOR does when the vessel is in all respect ready to discharge the cargo. Time not to count from the time vessel is declared not free

of pratique up until vessel has been accepted again. In case NOR is tendered on during Port Holidays it will be deemed to be tendered on 0800 hrs on next working day.

D) LAYTIME

Laytime for discharge shall commence 12 hours after the notice of readiness is tendered in accordance with c) above, even if used (EIU). Laytime to cease to count only after vessel completes discharge & all formalities.

E) LAYTIME EXCLUSIONS

Any time lost for the following reasons shall not count as laytime and shall be recorded in SOF:

1. Time used for shifting from anchorage to anchorage and berth to berth as ordered by port authorities and all associated activities.
2. Time used for first opening and last closing of hatches.
3. Any time lost due to failure or breakdown of ship's gear or equipment which may affect or delay continued normal discharge operations.
4. Any suspension of port operation due to unfavorable weather condition.
5. Initial & final draft survey time. Time for interim draft surveys due to lighterage operations (if any) will be for Buyer's account.

F) DISCHARGE RATE

The Buyer guarantees a minimum discharge rate per weather working day of 24 consecutive hours Sundays/Holidays included (PWWDSHINC) excluding charter party holidays subject to vessel not being worked on these charter party holidays basis minimum 4x 12 CBM or above grabs, as per following:-

Port	Navlakhi	Kandla	Mundra
<u>Discharge rates</u>			
Gearless (MT)	15000	15000	25000
Gearless(MT)	12500	15000	25000

If the grab size is smaller than 12 CBM, then the discharge rate shall be prorated accordingly.

G) DEMURRAGE AND DESPATCH

Demurrage and despatch rates shall be (demurrage, half despatch) to be advised at the time of vessel nomination. All demurrage or dispatch is to be settled within 15 working days after discharge laytime statement is mutually agreed with supporting documents, like notice of readiness, statement of facts and time sheets.

H) Once the vessel is on demurrage, she will always remain on demurrage and all time lost shall continuously count as laytime, excluding the exclusions as per clause E above.

I) If shipping documents are not available to the Buyer at the time the vessel becomes available for discharging, then Bidder shall authorize master of vessel to hand over consignment to the Buyer without presentation of the original bill of lading in which case, consignment is to be released against Buyer's letter of indemnity issued on Buyer's letterhead.

J) Performing vessel to be single decker bulk carrier, fitted with minimum 4 x 25 MT lift capacity gears and to be maximum 20 years old. Vessel to be classified Lloyds 100 AL or equivalent. Bidder to submit to Buyer certificate of seaworthiness / classification issued by the shipping company or their authorized agent.

K) DETENTION

In the event the vessel is prevented from or delayed in berthing at the discharge ports as a result of Buyer's failure to complete all formalities and process the necessary documentation, etc and where Bidder has provided Buyer with shipping documents or authorised consignment release under letter of

indemnity in good time, then Buyer will be responsible for the costs associated with the detention of the vessel.

L) Performing vessels to be fixed as per arrival draft provided by the discharge port.

M) Lightening (if any) for receiver's account.

N) Bidder to fax to Buyer copy shipping documents for custom formalities within 7 working days after vessel's departure from load port and a minimum of 2 working days before the arrival of the vessel at the discharge port

O) *INCOTERMS*

The provisions and definitions of INCOTERMS, 2010 latest edition shall apply to expressions and abbreviations used in this agreement, except to the extent it is specifically contrary herein. The title and risk of loss and damage or destruction to the coal in each shipment shall pass from Bidder to Buyer as per INCOTERMS.

P) *SEVERABILITY*

Any provision or any part of any provisions in this agreement which is illegal, void or unenforceable shall be severable provided that the rights and/or obligations and/or liabilities of the parties hereunder are not substantially altered thereby. Following any such severance this agreement shall be read and construed as if such severed provisions were not contained herein.

10.0. INSURANCE:

The Bidder shall undertake at its own cost marine insurance cover for 110% of the contracted CIF value of the cargo including institute cargo clause and also covering all risk including war, SRCC from the load port to TSPL plant, Mansa. The insurance shall

be in accordance with the provisions of a standard Lloyd's marine insurance policy with claims payable in India. Bidder shall extend all assistance to Buyer in case of claim thereon for settlement of the claim with the insurers within a reasonable time. The Bidder shall ensure that the vessel deployed is sea worthy and preferably of less than 15 years of age and in case a specific approval for overage vessel is obtained, the overage premium, if any, shall be paid by the Bidder. The vessel should have latest approval by Lloyds / GIC and should not bear the flag of the country with whom India do not have trading relationship.

11.0. TAXES / DUTIES:

All taxes and/or duties on the goods applied by or in the country of destination are on buyer's account. All taxes and/or duties on the goods applied by or in the country of origin are on bidder's account.

12.0. RISK OF LOSS:

To pass from Bidder to Buyer as the cargo is progressively loaded across the vessel's rail at the port of loading.

13.0. RETENTION OF TITLE

Title will transfer progressively from bidder to buyer as payment is received by bidder in their designated bank account from buyer in accordance with payment schedule of clause 8.

14.0. REJECTION

Coal stands rejected once any of the parameters reach the rejection level specified based on figures of analysis results determined/ certified by the approved inspection agency based on the sampling/ analysis performed at discharge port as per the ASTM standard. In case of rejection of coal, both the parties will mutually discuss the issue and will resolve the matter amicably. However, Buyer's decision will be final for settlement.

15.0. ISSUANCE OF DELIVERY ORDER

The Bidder or Bidder's shipping agent should issue delivery order for the entire tonnage

of cargo shipped to discharge port immediately as soon as the vessel reaches the discharge port.

Any vessel demurrage (pre-berthing delay) on account of Bidder's decision to hold vessel discharge at discharge port is onto Bidder's account.

16.0. FORCE MAJEURE

Bidder shall not be liable to Buyer nor shall Buyer be liable to Bidder for any delay, interruption or failure in the performance of obligation if such delay, interruption or failure in the performance of obligations hereunder (excluding any obligation to pay money) is due to or results from any Acts of God viz., fire, flood, storm, earthquake, tempest, embargoes and/or any circumstances beyond the control of any parties, viz., war (whether declared or undeclared), blockade, revolution, riots, insurrection, mobilization, civil commotion, strike, lockout, public enemies, governmental restrictions or control on imports, exports or foreign exchange.

In the event that a delay, interruption or failure occurs or is likely to occur, the party directly affected shall promptly notify the other party by fax of particulars of the relevant event and the estimated tonnage to be affected thereby and supply if possible supporting evidence. The party so affected shall make its best efforts to remove the cause of the delay, interruption or failure and to resume with the least possible delay in compliance with its obligations under this agreement.

Upon removal or resolution of the cause of the delay, interruption or failure the party so affected shall notify the other party by fax of such removal or resolution and of the tonnage affected. deliveries that otherwise would have been made under this agreement during any period in which performance by any party is so prevented shall be made up as soon as practicable, unless such delivery is cancelled by mutual agreement.

17.0. ARBITRATION, JURISDICTION AND APPLICABLE LAW

- A)** Any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration in accordance with the Arbitration and Conciliation Act, 1996 and amendments, if any.
- B)** The tribunal shall consist of three arbitrators. Each party will appoint one

arbitrator and these two shall appoint the third arbitrator. Nani Palkiwala court for Arbitration / The Indian council of Arbitration, New Delhi shall appoint the third arbitrator if the two appointed arbitrators fail to agree on the third arbitrator.

- C) The language of the arbitration shall be English.
- D) The place of arbitration shall be New Delhi.
- E) The contract shall in all instances be governed and construed in accordance with Indian Law.

18.0. ASSIGNMENTS

Neither Bidder nor Buyer shall assign the whole or part of its right and obligation hereunder directly or indirectly without the prior written consent of the other party.

19.0. LIABILITIES

Timely delivery and adherence to agreed quality parameters will be the essence of the contract and Bidder will be liable for any breach in this respect but not for any remote damages that are indirect and/or consequential in nature. Bidder's liabilities will be to the extent agreed in the aforesaid clauses of the contract. Buyer will be responsible for the release of payment as per terms and conditions. In case of breach of contract, the Buyer has the right to claim damages in addition to invoking the risk purchase & performance bank guarantee.

20.0. LIQUIDATED DAMAGES

Subject to Force Majeure Clause, if the Supplier fails to deliver any or all of the Goods within the time period(s) specified in the Agreement, the buyer shall, without prejudice to its other remedies under the Agreement and after allowing a grace period of 10 days from the scheduled shipment laycan, deduct from the Price, as liquidated damages, a sum equivalent to half percent of the CIF price of the delayed shipment for each week of delay or part thereof subject to a ceiling of 10% (ten percent) of the Total Contract Price.

21.0. RISK PURCHASE

If the Bidder fails to adhere to the quality norms, delivery schedules and other terms and conditions contained in the contract for purchase of coal, Buyer shall have the liberty to procure the material from an alternate source at the Bidders risk and cost, and the Bidder shall be liable to make good the loss suffered by Buyer in this regard. Similarly, if Buyer fails to adhere to the quality norms, delivery schedules and other terms and conditions contained in the contract for purchase of coal, Bidder shall have the liberty to sell the material to an alternate customer at Buyer's risk and cost, and the Buyer shall be liable to make good the loss suffered by Bidder in this regard.

22.0. WARRANTIES

Except for the warranty of title, no conditions or warranties express or implied, of merchantability, fitness or suitability of the material for any particular purpose or otherwise, are made by Bidder other than that the material conforms, within any tolerances stated, to the descriptions stated herein.

23.0. LIQUIDATION CLAUSE:

Without limiting any other rights that may be available to the liquidation party (as hereinafter defined), in the event that a party hereto (the 'defaulting party') is the subject of a bankruptcy, insolvency or other similar proceeding or fails to pay its debts generally as they become due, the other party hereto (the 'liquidating party') shall have the right, exercisable in its sole discretion and at any time, to liquidate this and any or all other contracts then outstanding between the parties (whether the liquidating party is the Bidder or Buyer there under) by declaring any or all such contracts terminated (whereupon they shall become automatically terminated, except for the payment obligation referred to below) calculating the difference, if any, between the price specified therein, and the market price for the relevant commodity (as commercially reasonable manner at a time or times reasonably determined by the liquidating party) and aggregating or netting such market damages to a single liquidated settlement payment that will be due and payable upon demand therefore.

24.0. TERMINATION CLAUSE

Termination for Default:

The buyer shall at all times have the right to terminate the Agreement for the bidder's default or failure to fulfill the obligations under the Agreement in whole or in part or if the bidder refuses or fails to comply with the provisions of the Agreement or fails to make progress as to endanger performance and does not correct such failure or default after written notice within a reasonable time or fails to perform the work within the time specified.

25.0. MISCELLANEOUS

This agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns. Neither party shall assign or otherwise dispose of any interest or obligation under this agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld. This agreement represents the entire agreement of the parties respecting the subject matter hereof and may not be altered, amended or varied except in writing & signed by both parties hereto.

No waiver by a party of any breach of contract by the other party shall be considered as a waiver of any subsequent breach of the same or any other provision of this agreement. All sums payable by Buyer hereunder shall be paid without deduction or offset of any kind (including, without limitation, deduction or withholding on accounting of taxation, counterclaim, set-off or otherwise). Any and all implied warranties concerning any goods sold hereunder waived to the fullest extent permitted by law.

26.0. ENTIRE AGREEMENT

This contract contains the entire agreement between the parties with respect to the subject matter hereof and all proposals, negotiations, and representations with reference thereto are merged herein.

27.0. CONFIDENTIALITY

The contents of this contract should be kept confidential and shall not to be disclosed to any third party. However, the parties are hereby allowed to disclose all or any information to any regulatory authority or statutory/ legal/judicial/quasi-judicial/administrative body whenever required. Besides, information which are already public or is known to the outside world will not be considered confidential for this purpose.

Volume-III
ANNEXURES, FORMS & FORMAT

ANNEXURE A

PROFORMA OF BG FOR EARNEST MONEY DEPOSIT

M/ s. Talwandi Sabo Power Limited

(1980 MW Power Plant)

Village- Banwala,

Mansa-Talwandi Sabo Road,

Distt. Mansa,

Punjab.

Dear Sirs,

Guarantee No. _____

Amount of Guarantee: Rs 100,00,000

Guarantee cover from:..... To

The undersigned, constituted under thehaving its Head Office at and amongst other places a Branch, at (hereinafter called "the Bank") taking into consideration that M/s.with its Registered Office at.....(hereinafter called the "Bidder"), have received a tender enquiry for **Supply of upto 0.2 MMT Non Coking Coal** for Talwandi Sabo Power Limited, Gram-Banwala Distt-Mansa (Punjab) (hereinafter called the "Principals").

That the Principals are prepared to consider the offer of the Bidder provided the offer is accompanied by a Bank Guarantee for an amount of `/- towards Earnest Money Deposit.

DECLARES:

Hereby to Guarantee irrevocably up to a maximum amount of ` the due fulfillments by the Bidder of their obligations in this regards, and consequently undertakes to pay, without demur, reservations, recourse, contest or protest and/ or without any reference to the Bidder, to Principals on their first written demand (signed by a Associate General Manager of

the Company with date and amount in `) all that which the Principals declare that Bidder are due to them in this respect, such with due observance of the maximum amount.

The liability of the bank will arise only if a letter from the Principals stating non-fulfillment by the Bidder of their obligation is received by the bank on or before

The bank shall not be released of its obligations under these presents by any exercise by the Principals of its liberty with reference to matters aforesaid or any of them or by reason of any other act of forbearance or other acts of omission or commission on the part of the Principals or any other indulgence shown by the Principals or by any other matter or things whatsoever which under law would, but for this provision, have the effect of relieving the bank.

The Bank also agrees that the Principals at its opinion shall be entitled to enforce this Guarantee against the Bank as a Principal debtor, in the first instance without proceeding against the Bidder, notwithstanding any security or other Guarantee that the Principal may have in relation to the Bidders liabilities.

This Guarantee comes into force from the date of this Guarantee and will remain valid up toand, so that claims, if any, must have been received latest by the undersigned on at the Bank's Office at Mansa.

This Guarantee is not negotiable or assignable.

Please return this Guarantee to us for cancellation on expiry.

Notwithstanding anything herein contained, our liability under this guarantee shall:

- 1. Our liability under this Guarantee is restricted to `**
- 2. Guarantee shall be valid up to**
- 3. We are liable to pay the guaranteed amount or any part thereof towards full & final settlement of our liability under this Bank Guarantee only and only if you serve upon us a written claim or demand on or before the date of expiry of this Guarantee.**

Dated at Mansa _____ day of _____, 20XX.

LIST OF BANKS FOR ISSUANCE OF EMD

Domestic Suppliers		
Any Nationalized Banks in India		
Private Sector Banks		
ICICI Bank Ltd	Yes Bank Ltd	HDFC Bank Ltd.
Kotak Mahindra Bank Ltd	Axis Bank Limited	IndusInd Bank Ltd.
Foreign Banks		
Citi Bank	Deutsche Bank Ltd	The Hongkong and Shanghai Banking Corporation Ltd
Standard Chartered Bank	Bank of America	BNP Paribas
Credit Agricole Corporate and Investment Bank	DBS	The Royal Bank of Scotland (RBS)
Bank of Tokyo-Mitsubishi UFJ Ltd	Mizuho Corporate Bank	ANZ (Australia and New Zealand Banking Group Limited)
Barclays	J P Morgan	Credit Suisse
ING Vysya Bank Ltd.		
Foreign Suppliers		
Any bank that is globally rated at least "A" by S&P / Moody's / FITCH		
In case of other banks, the same needs to be confirmed by any of the Banks in India from above list for Domestic Suppliers		

ANNEXURE B
PRICE BID SUBMISSION FORM

Bid Ref No: and Date:

Bidders Name and Address:

To,
Head Commercial-TSPL
Talwandi Sabo Power Limited
Talwandi Sabo – Mansa Road
Village- Banawala, Distt- Mansa
Punjab-151302

Dear Sir,

Sub: Bidding Document No: _____for Procurement of up to 0.2 Million Metric Ton of Non Coking Coal on CIF west coast port India Basis.

1. Having examined the Bidding Documents No. _____, the receipt of which is hereby acknowledged, we the undersigned, offer Coal under the above-named Package: "Procurement of Non-coking Coal on CIF west coast port India Basis" in full conformity with the said Bidding Documents for the sum (including all taxes and duties).

S.No	Description	Units	Kandla Port		Navlakhi Port		Mundra Port	
			In Figure	In words	In Figure	In words	In Figure	In words
1	Guaranteed GCV ARB	Kcal/Kg						
2	FOB Price	\$/MT						
3	Sea Freight Load port to Discharge	\$/MT						
4	Insurance cost	\$/MT						
5	CIF Price (2+3+4)	\$/MT						
6	Total Quantity Offered	MT						

Note: - West Coast Ports of India mainly include Kandla Port, Mundra Port & Navlakhi

Port. However Preference would be Kandla port than Navlakhi port and then Mundra port.

We have thoroughly examined and understood the instructions, scope of work and the terms and conditions etc. covered in the Bidding Documents issued by TSPL, being fully aware of nature and scope of work required.

We hereby confirm our acceptance and compliance to all the provisions of the Bidding Documents. We declare that the work will be executed strictly in accordance with the requirement and Bidding Documents provisions.

We further confirm the following:

- i. We have quoted the prices as per provisions of the Bid Documents.
- ii. We further declare that we have not taken any deviation to provisions of Bidding Documents.
- iii. We confirm that our quoted prices are based on the provisions of the Bidding Documents.

2. We further confirm the following:

While quoting, we have taken into account all the acts, laws, rules, regulations & notifications of Government of India, currently in vogue, relating to applicability and rates of all duties as applicable.

We agree to abide by this Bid for a period of 30 days from the last date of Bid submission as stipulated in the Bidding Documents and it shall remain binding upon us and may be accepted by TSPL at any time before the expiration of that period.

Until a formal Contract is prepared and executed between us, this Bidding Document, together with TSPL's written acceptance thereof in the form of TSPL's Letter of Award shall constitute a binding Contract between us.

We understand that TSPL is not bound to accept the lowest or any other Bid. TSPL

reserve the right to negotiate with any of the bidder during course of order finalization

We undertake, if our Bid is accepted, to commence work for supply of Coal immediately upon your Letter of Award to us and to achieve completion of our obligations within the time specified in the Bidding Documents.

We, hereby, declare that only the persons or firm interested in this proposal as principals are named here and that no other persons or firms other than mentioned herein have any interest in this proposal or in the Contract to be entered into. We further declare that this proposal is made without any connection with any other person, firm or party and is in all respect for and in good faith, without collusion or fraud.

Signature: _____

Name: _____

Designation: _____

Seal

ANNEXURE C
FORMATS - QUALIFICATION REQUIREMENT

To,
Head commercial-TSPL
Talwandi Sabo Power Limited
Talwandi Sabo – Mansa Road
Village- Banawala, Distt- Mansa
Punjab-151302

Dear Sir,

In order to meet the Qualification requirement as mentioned in *Clause 13.0 of Volume I* of Bidding Document, we hereby furnish the following details:

We, _____ (Name of Bidder/ Name of Lead Member) confirm that our Annual Turnover on stand-alone basis during the preceding financial year as on the last date of Bid submission is not less than INR 400 Crores (Indian Rupees four Hundred Crores only) or USD 67 million and had supplied minimum of 1 MMT of any type of Non-Coking Coal, in any one financial year during last three financial years.

In support of the above, we are enclosing Annual Reports, Balance Sheets and Profit & Loss Account duly certified by a Chartered Accountant & experience certificate.

Annual Turnover & Quantity supplies for preceding three years:

Sr. No.	Financial Year	Annual Turnover		Quantity Supplied (MT)
		Amount in Rs.	Amount in USD	
1	2012-13			
2	2013-14			
3	2014-15			

Date: _____

Signature: _____

Place: _____

Name: _____

Designation: _____

Seal of Firm