



TALWANDI SABO POWER LIMITED

Tender Specification No: TN/28/CM/TSPL/2018-19 18th December 2018

BIDDING DOCUMENT FOR

**SUPPLY OF 300+/-20% KT IMPORTED/DOMESTIC
NON - COKING COAL ON FOR DELIVERED BASIS TO**

TSPL, MANSA, PUNJAB

12th December, 2018

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VOLUME –I
INSTRUCTION TO BIDDERS

1. INTRODUCTION

Talwandi Sabo Power Limited (hereinafter referred to as “TSPL/Owner/Buyer”), a subsidiary of Vedanta Limited, has set up one of Punjab’s largest green-field Thermal Power Plant for the supply of power on long term basis with a capacity of 1980 MW (3x660 MW).

TSPL invites bids for supply of 300 KT+/- 20% Import/Domestic Non-Coking Coal (hereinafter referred to as “Coal”) of specifications mentioned herein, on 'FOR Delivered basis to TSPL' (1 KT= 1000 Tonne)

TSPL, therefore, intends to enter into Contract with suppliers for the same.

2. GENERAL INFORMATION

The interested bidders are invited to submit their bid comprising of Technical Bid and details of Price as discovered through reverse E bidding 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.

TIME SCHEDULE FOR BIDDING PROCESS

S. No.	Bid Reference	Time lines
1	Last date and time for Receipt of Bid (Technical Bid) in Hard copy	24.12.2018 by 11.00 AM
2	Opening of EMD (Envelope-I)	24.12.2018 by 11:00 AM
3	Opening of Technical Bid & Checking of Responsiveness (Envelope-II)	24.12.2018 by 11:30 AM
4	Opening of price bids	24.12.2018 by 3:00 PM
5	E Bidding cum reverse auction at TSPL site (only for technically qualified responsive bidders)	24.12.2018 by 3.30 PM

Note: Timelines mentioned above are indicative and are subject to change at the discretion of TSPL. TSPL reserves the right to amend the above schedule or modify/cancel the bid process at

its own discretion. The successful bidder shall not be entitled to any loss / claim / damage arising out of or related to the amendment / modification / change in the above mentioned schedule. All expenses in relation to Bidding to be borne by the Bidder.

3. 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 reserves 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 the 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 or through our website (www.tsplindia.co/tender.htm).

4. PERIOD OF VALIDITY OF BID

The Bidder shall ensure that its bid remains valid till 30 days from the date of price bid opening date..

5. SUBMISSION OF BIDS

Sealed Bids are to be submitted in one original, containing envelopes as detailed herein below:
Envelope I - 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/Tender Document 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. (Annexure C)
4. Balance sheet for last three financial years.
5. Board Resolution/POA from the Company Authorizing the person signing the Bid as authorized signatory.
6. Technical declaration form and documents for the quality specification of coal to be submitted under this document as mentioned in Annexure-A.

Note:

1. Any other documents that Bidder feels is important to establish the qualifications and fulfill the tender requirements.
2. Attested 1 copy of above documents in pen drive to be the part of the envelope I.

Envelope II - Super-scribed as EMD and sealed individually shall contain EMD as described in clause 6.0.

Envelope III - It shall contain the Price Bid and other details as per Volume-III (Annexure -B) of the Bidding Documents.

- Price Bid submission form (Annexure B).

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 and lower left-hand corner of the envelope shall indicate EOI reference & date. The Envelope shall be addressed to the following:

**Chief Commercial Officer
Talwandi Sabo Power Limited
Talwandi Sabo – Mansa Road
Village- Banawala, Distt- Mansa
Punjab-151302
Ph. No.: - +91 1659248034
Email: tspl.fuel@vedanta.co.in**

Reverse auction process shall be conducted after opening of price bids. Also, the bidders shall submit the final price bid as per reverse auction process after conclusion of the same.

Bids must be received at TSPL, Punjab not later than the time and date specified in 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.

6. EARNEST MONEY DEPOSIT

The bidders are required to deposit the Earnest Money of INR 50,00,000/- (Indian Rupees FIFTY Lakhs only) through Bank Guarantee (as per Annexure-D) of equivalent amount from any Indian Nationalized Bank encashable at Mansa/Bathinda/Chandigarh 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-Banawala, Mansa-Talwandi Sabo Road, Mansa, 151302 (Punjab)

Initially validity of EMD shall be for the period of 6 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 bidder(s) shall be kept as part of security deposit for the contract. Any bid not accompanied by an acceptable EMD, in a separate sealed envelope, will be considered as rejected by TSPL.

7. BID OPENING AND EVALUATION

- a) Envelope containing Technical Bid will be opened by TSPL representative and/or PSPCL. Technical bid is evaluated and once found responsive, price bids shall be opened. Then eligible bidders to participate in E bidding cum reverse auction process.
- b) Bidder's Authorized Representative must attend the opening of technical & Price Bids and participation in E-bidding cum reverse auction.
- c) E-bidding cum reverse auction process will be explained to the qualified bidders. The reverse auction will be conducted based on landed Rs/GCV (GCV means ARB GCV at TSPL Plant).

d) The E-bidding cum reverse auction process shall be conducted as follows

Decremental step shall be 0.01 Rs/GCV ARB

Cycle time is 15 minutes. If any Bidder makes a Bid during last 3 min of the cycle time, then another 3 minutes will be extended till conclusion the Auction/process and so on.

TSPL reserves the right to split quantity to the bidders other than L1 also in the interest of early receipt and consistent supply of power to PSPCL.

TSPL will explain the bidding cum reverse auction to all the bidders before starting the bidding process.

Note: TSPL hereby reserves right to withdraw reverse e-bidding at any time without assigning any reason.

8. 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 bidder would be blacklisted. Price will vary as per Volume II clause no. 6 throughout the validity of the contract.

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. Also, TSPL may split the award of the contract to more than one party in the interest of the plant operations and early delivery.

9. 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.

10. BIDDER OBLIGATIONS

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.

11. QUALIFYING REQUIREMENT

I. The Qualifying Requirement for the Bidders of 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 0.5 MMT of any type of Non Coking Coal, in any one financial year during last three financial years (including current Financial Year).
- B. Financial Qualification Requirement: The Annual Turnover (on stand-alone basis) of the Bidder in any one financial year during last three financial years (including current Financial Year) shall not be less than INR 200 Crores per year (Indian Rupees two hundred Crores only) or USD 27.8 million (considering 1USD=Rs. 72).
- C. Minimum Bid quantity shall be 75,000 MT +/- 20%.

II. TSPL also reserves the right to seek such additional information as it may deem fit to satisfy itself of 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 this clause may be lowered in case of exigencies only at the discretion of TSPL to ensure wider participation.

VOLUME -II
TECHNICAL SPECIFICATIONS

1. INTRODUCTION

TSPL has a requirement of Non-Coking Coal of specifications mentioned herein, on 'FOR Delivered to Plant basis'.

2. DEFINITIONS

- a) **ASTM** –means ASTM International, formerly American Society for Testing and Materials (as per extant standards).
- b) **INCOTERMS 2010** –means International Commercial Terms, 2010 as formulated by the International Chambers of Commerce (ICC) and any amendments thereafter.
- c) **ADB**- means Air Dried Basis; **ARB** –means As Received Basis–with respect to test data evaluated relative to moisture in samples without conditioning.
- d) **GCV (ARB)/ GAR** –Gross Calorific Value (TM basis)
- e) **ETA** –means Expected Time of Arrival
- f) **IIA or Independent Inspection Agency** –shall means International reputed mutually accepted Independent Inspection Agency.
- g) **Guaranteed GCV** –means GCV as Guaranteed by the Supplier for delivery to TSPL.
- h) **LOT** –means pack of 10 rakes. Last LOT size can vary as per the contracted quantity.
- i) **Received Quantity** –means cargo quantity weighed at TSPL in-motion Weighbridge.
- j) **Base Specification** –means coal quality specifications required by TSPL.

3. SCOPE OF WORK

1. Supply of Coal on FOR Delivered basis to Plant.
2. All coordination from loading point till rake reaches TSPL plant including but not limited to rake indents placement, rake loading, e-way bills generation, covering wagons with tarpaulin to be part of Scope of Work of Supplier.

4. QUANTITY AND DELIVERY SCHEDULE

Tentative delivery schedule will be 3,00,000 MT+/-20%. Supplies to start from next working date of LC opening. For 3,00,000 MT +/-20% quantity to be despatched in the following manner from the next date of LC Opening:

- Every Quantity of 1,00,000 MT(equivalent 26 rakes) to be dispatched in maximum 25 days starting from the next working date of LC opening and in pro-rata manner for other quantities subject to minimum 5 rakes to be dispatched in a week.
- The delivery schedule shall be given by TSPL prior to start of deliveries as per TSPL's requirement. For delay in supplies, LD will be applicable as per clause no. 14.

- TSPL may also change the delivery schedule at its sole discretion by intimating the supplier in advance.
- Last LOT size can vary in quantity at seller's option as agreed by TSPL for loading the last rake fully.

5. SPECIFICATIONS OF COAL

The Non Coking Coal to be supplied shall be as per specifications furnished hereunder

Type-1

Parameters	UOM	Base Specification	Specification Range between which damages on deviation will be levied	Specification beyond which heavy damages on deviation will be levied
GCV (ARB)	Kcal/Kg	4200	3900 - 4200	<3,900
VM (ARB)	%	28-35	N/A	N/A
Ash (ARB)	%	8	8 – 10	>10
FC/VM Ratio		0.90 - 1.2	N/A	N/A
TM(ARB)	%	28	28 – 30	>30
Sulphur (ARB)	%	0.5	0.5 - 1.0	> 1.0
IDT	Deg C	>1150	N/A	N/A
Na2O	%	<1	N/A	N/A
K2O	%	<1	N/A	N/A

Type-2

Parameters	UOM	Base Specification	Specification Range between which damages on deviation will be levied	Specification beyond which heavy damages on deviation will be levied
GCV (ARB)	Kcal/Kg	5000	4700 - 5000	<4,700
VM (ARB)	%	30-35	N/A	N/A
Ash (ARB)	%	8	8 - 10	>10
FC/VM Ratio		0.90 - 1.2	N/A	N/A
TM(ARB)	%	28	28 - 30	>30
Sulphur (ARB)	%	0.5	0.5 - 1.0	> 1.0
IDT	Deg C	>1150	N/A	N/A
Na2O	%	<1	N/A	N/A
K2O	%	<1	N/A	N/A

Type-3

Parameters	UOM	Base Specification	Specification Range between which damages on deviation will be levied	Specification beyond which heavy damages on deviation will be levied
GCV (ARB)	Kcal/Kg	5800	5500 - 5800	<5,500
VM (ARB)	%	32-38	N/A	N/A
Ash (ARB)	%	8	8 - 10	>10
FC/VM Ratio		0.90 - 1.2	N/A	N/A
TM(ARB)	%	20	20 - 22	>22
Sulphur (ARB)	%	0.5	0.5 - 1.0	> 1.0
IDT	Deg C	>1150	N/A	N/A
Na2O	%	<1	N/A	N/A
K2O	%	<1	N/A	N/A

Type-4

Parameters	UOM	Base Specification	Specification Range between which damages on deviation will be levied	Specification beyond which heavy damages on deviation will be levied
GCV (ARB)	Kcal/Kg	5800	5500 - 5800	<5,500
VM (ARB)	%	20-28	N/A	N/A
Ash (ARB)	%	18	18 - 20	>20
FC/VM Ratio		0.90 - 1.2	N/A	N/A
TM(ARB)	%	14	14 – 16	>16
Sulphur (ARB)	%	0.5	0.5 - 1.0	> 1.0
IDT	Deg C	>1150	N/A	N/A
Na2O	%	<1	N/A	N/A
K2O	%	<1	N/A	N/A

Type-5

Parameters	UOM	Base Specification	Specification Range between which damages on deviation will be levied	Specification beyond which heavy damages on deviation will be levied
GCV (ARB)	Kcal/Kg	6300	6000 - 6300	<6000
VM (ARB)	%	20-28	N/A	N/A
Ash (ARB)	%	18	18 - 20	>20
FC/VM Ratio		0.90 - 1.2	N/A	N/A
TM(ARB)	%	14	14 - 16	>16
Sulphur (ARB)	%	0.5	0.5 - 1.0	> 1.0
IDT	Deg C	>1150	N/A	N/A
Na2O	%	<1	N/A	N/A
K2O	%	<1	N/A	N/A

The Bidder is required to give details of source/type of coal to TSPL prior to dispatch of each Coal Consignment as may be required by TSPL. TSPL shall have the right to do sampling and analysis at loading origin before dispatch of coal.

NOTE:

For Type 1 to 5 as mentioned above, IDT, K2O, Na2O to be analyzed by any approved IIA appointed by supplier before loading of coal to rakes and confirming with buyer to be deemed as final quality acceptance.

6. PRICE AND METHODOLOGY

As per the respective Price Bid Formats, the basis of Bidding is as under:

i. Base FOB Price

FOB price of Coal shall be subject to variation for payment purpose, considering the specified indices and Exchange rate as published by RBI / FBIL as on the Preceding Friday of last date of Bid submission.

Indices to be followed are as follows:

S. No.	Type of Coal	Index	Publication
1	For Type 1	ICI 4 (4200 GAR)	Argus/Coalindo Coal Index Report
2	For Type 2	ICI 3 (5000 GAR)	Argus/Coalindo Coal Index Report
3	For Type 3	ICI 2 (5800 GAR)	Argus/Coalindo Coal Index Report
4	For Type 4	API 3 (5800 GAR)	Argus/McCloskey's Coal Price Index
5	For Type 5	API 4 (6300 GAR)	Argus/McCloskey's Coal Price Index

For price indexation purpose for particular Type of Coal, the average of applicable indices for any month will be preceding 4 Fridays of railway dispatch date (Railway dispatch date is RR invoice date) of 1st rake of the Month shall be considered and the average of RBI / FBIL USD-INR Exchange rate for any month shall be of preceding 4 Friday's railway dispatch date (RR invoice date) of the 1st rake of the Month.

Incase, if any LOT despatches (as per RR invoice dates) spill over between 2 months then respective month price as per indices shall be applicable for all the rakes loaded against the said lot as per the railway dispatch dates (RR invoice dates).

Refer annexure E for elaborated examples for the above.

Formula:

X1= Index applicable as on preceding Friday with respect to the last date of Bid submission. The same shall remain constant for the entire duration of Contract.

X2= Average of applicable indices on preceding 4 Fridays for railway dispatch (considering RR invoice date) of the 1st rake of the Month.

X3= FOB component of the quoted price of Successful Bidder and the same is to remain constant for the entire duration of the Contract.

Hence, considering the above, the FOB price for payment purpose will be calculated as under:

FOB Coal Price, $X = (X2 \times X3) / X1$

The price calculated vide above formula shall be applicable for all rakes despatched (considering RR invoice dates) during the month.

Contractor will provide computation along with supporting credible evidence of applicable indices to determine applicable values. Same will be used by TSPL to claim reimbursement from PSPCL.

ii. Ocean Freight

Ocean Freight quoted in USD will remain firm throughout the contract. However, Ocean freight in INR terms shall vary as per the change in Exchange rate throughout the period of Contract.

iii. Marine Insurance

Firm throughout the period of Contract

iv. Currency Exchange Rate

Currency exchange rate to INR for any month to be considered as RBI / FBIL reference rate is average of Currency Exchange Rate applicable on preceding 4 Friday's of the p of railway dispatch of 1st rake of the month.

v. Custom Duty

To be mentioned for Type of Coal as Bidded & will be eligible for variation of rates of tax and duties/levy/cess with respect to the rates of quoted date which are mentioned above at the time of supply.

vi. Handling Charges

Firm throughout the period of Contract & shall include Stevedoring, Port handling, Rake loading, etc.

vii. Railway Freight

Railway freight to be considered as per the Rates circular/notification by Indian Railways from the Port of dispatch to TSPL own Railway Siding MTSS including GST applicable on Freight & shall be paid by TSPL at actuals.

Note: It may be noted that the price bid quoted by bidders shall be for evaluation purposes and the actual payment for coal shall be made in line with the price applicable based on coal indices, Exchange rate as applicable in terms of the tender document /agreement.

7. QUANTITY DETERMINATION

Weight of coal determined on TSPL in-motion weighbridge (IMWB) will be used as quantity and applicable for the purpose of payment. The bidder may depute its representative for witnessing weightment at TSPL. In case IMWB at TSPL is not working, then RR quantity shall be considered as final for payment purpose.

8. QUALITY INSPECTION

Sampling and analysis of coal at TSPL will be considered for the purpose of payment with adjustments for deviations from base parameters. Bidder may depute its representative to witness sampling and analysis of coal at TSPL. In case of dispute, bidder can intimate to TSPL within 3 working days from the date of test report notified and referee part sample can be taken out and referee part sample will be tested by IIA (any Govt. approved inspection agency) appointed jointly in the presence of Bidder and referee part will be discarded within 30 days from the date of referee sample preserved.

TSPL shall promptly notify Bidder the analysis results of sample by email within five working days after completion of the analysis at TSPL.

9. BASE PRICE ADJUSTMENT/ DAMAGES

1) For GCV (ARB)

The bidder is to deliver the coal with a range as specified in the Clause 5.0 above. For payment,

adjustment in the Base price will be made, if any as mentioned below:

A. For LOT GCV ARB (kcal/kg) received up to 300 kcal/kg below guaranteed GCV(ARB), then the Base price is to be adjusted (Damage For Deviation) as follows:-

$$\frac{\text{Base Price} \times \{\text{Guaranteed GCV (ARB)} - 1.5 \times [\text{Guaranteed GCV(ARB)} - \text{Actual GCV(ARB)}]\}}{\text{Guaranteed GCV (ARB)}}$$

B. For LOT GCV ARB (kcal/kg) received below 300 kcal/kg from guaranteed GCV(ARB), then the Base price is to be adjusted (Heavy Damage For Deviation) as follows:-

$$\frac{\text{Base Price} \times \{\text{Guaranteed GCV (ARB)} - (1.5 \times 300) - 2 \times [(\text{Guaranteed GCV(ARB)} - 300) - \text{Actual GCV(ARB)}]\}}{\text{Guaranteed GCV (ARB)}}$$

No bonus will be applicable if GCV (ARB) for the LOT is more than Base specification.

Example: Assume Base price is INR 5000 PMT for GCV (ARB) 4900 Kcal/kg but received GCV (ARB) is 4750 Kcal/kg. Received quantity for the LOT is 40,000 MT.

$$\text{Adjusted Price} = \frac{\text{INR } 5000 \times \{4900 - 1.5 \times [4900 - 4750]\}}{4900} = \text{INR } 4770.41 \text{ PMT}$$

II). For Ash (ARB)

(A) For every 1% increase in Ash (ARB) for the LOT above base specification and upto 2% above base specification mentioned in Clause 5, of Type 1 to 5 coals, Damage For Deviation of INR 50/MT will be applicable. Taxes / duties shall be paid as per reduced prices.

Example: Base Ash (ARB): 8% and Received Ash (ARB): 9.8%; Received Quantity of Lot after TM adjustment = 40000 Tonnes

Penalty for Ash (ARB): INR 50 x (9.8% - 8%) x 100 x 40,000 = INR 36,00,000 (Rs. 36 Lakhs)

No bonus will be applicable if Ash (ARB) for the LOT is lower than Base specification.

(B) For increase in Ash (ARB) for the LOT above 2% mentioned in clause 5, of the Type 1 to 5 coals, Heavy Damage For Deviation @ INR RS. 100 PMT will be applicable on pro- rata basis

on Base Price.

No bonus will be applicable if Ash (ARB) for the LOT is lower than Base specification.

III). For Sulphur (ARB):

(A) For every 0.1% increase in Sulphur (ARB) % for the LOT above 0.5% and up to 1% then ,
Damage For Deviation @ of INR 10/MT for every 0.1% will be applicable up to 1% on pro-rata basis.

(B) For every 0.1% increase in Sulphur (ARB) for the LOT above 1% then Heavy Damage for Deviation @ Rs. 25 PMT for every 0.1.% will be applicable on pro –rata basis.

Example: Base Sulphur (ARB): 0.5% and Received Sulphur (ARB): 1.26%, Received Quantity for the LOT after TM adjustment is 40,000 Tonnes.

Heavy Damage For deviation for Sulphur: INR $\{10 \times 10 \times 100 \times (1\% - 0.5\%)\} + \{25 \times 10 \times 100 \times (1.26\% - 1\%)\} \times 40,000$

Heavy Damage for Sulphur deviation: INR 46,00,000 (Rs. 46 Lacs)

No bonus will be applicable if Sulphur (ARB) for the LOT is lower than base specification.

IV). For Total Moisture (TM ARB):

(A) In case the TM% (ARB) as analysed at TSPL lab for the LOT is up to 2% from the base specification mentioned in Clause 5, Type 1 to 5 of coals, then the weight correction for the excess Total Moisture (TM ARB) of coal will be worked out as below:

Corrected weight = Received quantity for the LOT x (1- (Actual TM% analysed at TSPL lab – Base line TM% mentioned in Clause 5, Type 1 to 5))

Example: Base TM (ARB): 8% and Received wtd avg TM (ARB): 9%, and received quantity of the LOT 40000 MT

Corrected quantity = $40000 \times (1 - (9\% - 8\%)) = 39600$ MT

(B) In case the TM% (ARB) as analysed at TSPL lab for the LOT is above 2% from the base specification mentioned in Clause 5, Type 1 to 5 of coals, then the weight correction for the excess Total Moisture (TM ARB) of coal will be worked out as below:

Corrected weight = Received quantity for the LOT x(1- (2%+1.50*(1-Actual TM% analysed at TSPL lab – Base line TM% mentioned in Clause 5, Type 1 to 5-2%)))

No weight correction will be applicable if TM (ARB) of the LOT is lower than base specification.

10. DEAD FREIGHT

Bidder will endeavor to load the wagons to the maximum capacity as allowed by Indian Railways; Under-loading /Over loading penalty if any as per RR then same shall be fully deducted and to be to bidder's account.

11. Price Variation :

Notwithstanding to the price variation clause as mentioned in various clauses it may be noted that the price variation for payment purpose shall be in the following manner:

- a). Price indices For price indexation purpose for particular Type of Coal, the average of applicable indices for any month will be preceding 4 Fridays of railway dispatch of 1st rake of the Month shall be considered .
- b) The average of RBI / FBIL USD-INR Exchange rate for any month shall be of preceding 4 Friday's railway dispatch of the 1st rake of the Month

12. PAYMENT TERMS

Full payment of the coal value to be paid out of, an irrevocable Letter of credit (LC) with Usance period of 120 days from Rake dispatch date of last rake of LOT (lot size is 10 rakes refer Clause 2.0. Definitions) through nationalized bank and in the format acceptable to Seller. Buyer shall provide LC before start of dispatches. LC shall be opened in parts in accordance with the quantity of delivery schedule as confirmed by the buyer.

All charges related to Buyers bank shall be to Buyer's account and all charges related to Sellers bank shall be to Seller's account. The payment for coal supplied through rake(s) against LC shall be released LOT wise as per below:

- a) 90 % payment for value of coal supplied in the LOT as per Railway Receipts for the rakes in the LOT: 90% of the value of coal supplied shall be released on presentation of following documents;
 - Bill of exchange for 90% of Invoice value
 - Tax Invoice in Triplicate
 - Photocopy of the Sale and Purchase agreement
 - Copy of Railway Receipts for the rakes in the LOT

Note : In case of Damages for Deviation and Heavy Damages for Deviation of any LOT exceeds

the balance 10 % payment, then same shall be adjusted against 90% payment of the subsequent LOT.

b) Balance 10 % Payment for value of coal supplied under the Contract: The balance 10 % payment for value of coal supplied under the Contract shall be released on presentation of following documents :

- Bill of exchange for 10 % of invoice value with adjustment of quantity as per received quantity, price adjustments for GCV (ARB), ASH (ARB), SULPHUR (ARB), LC amendment charges if amendment take place or any other adjustments.
- Copy of Certificate of Analysis issued by TSPL.
- Copy of Certificate of Weighment issued by TSPL.
- Debit/Credit note for adjustments.
- Computation along with supporting evidence of applicable indices to determine applicable values.
- Copy of Tax Invoice in Triplicate already submitted in 90% claim.

Note : For the last LOT of the LC quantity & value opened there shall not be any 90% payment and 10% payment. Direct 100% payment shall be made after all deductions as per the contract.

13. SECURITY DEPOSIT

Security deposit for the performance during contract by supplier is to be submitted to buyer within 10 days of signing of LOI or contract for the amount equal to 1% of total contracted value inclusive of taxes and duties.

Contracted Value: $(\text{Contracted Price} + \text{GST} + \text{GST cess}) \times \text{Contracted Quantity}$

Where Contracted quantity is 3,00,000 MT +/- 20%.

14. RAILWAY FREIGHT

Railway freight and any taxes levied on rail transportation to TSPL shall be paid by TSPL at actuals to Railways. Bidder shall co-ordinate with Railways for the same.

15. LIQUIDATED DAMAGES (LD)

Subject to Force Majeure Clause as agreed by TSPL, 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, deduct from the Price, as liquidated damages the following:

If in any week (1 week= 7 days) the total number of rakes to be dispatched is not dispatched till the last day of that week as per schedule, then the rakes which are delayed beyond the last day of the specified week schedule will attract LD which will be levied at **0.25%** of value of the landed price of the coal (prior to railway transportation) in that rake (i.e. 4000 MT per rake multiplied by landed price of the coal (prior to railway transportation) for the period in which the rake was scheduled to be despatched) for each day's delay. This will be computed on rake-to-rake basis.

RR Invoice date will be considered as despatch date of the rake.

No incentive is payable for early dispatch. Schedule will be extended commensurately in case of restrictions by Railways for loading for TSPL Railway siding (MTSS) exceeding 3 consecutive days or cumulatively 7 days in a window of 30 days period (for computing the lot) starting from first scheduled date of dispatch. Relief on account of this has to be supported/ demonstrated by appropriate documents including but not limited to proof of indents placed and subject to the condition that such restriction is not attributable to the bidder.

16. TAXES AND DUTIES

Payment of all taxes, fees, levies, duties, or other charges of whatsoever nature including GST and in respect of any wages, salaries and other remuneration paid directly or indirectly to persons engaged or employed by the Supplier or its subcontractors levied or imposed now or hereinafter as a result of the services provided hereunder and the performance of this Agreement shall be the sole responsibility of and be paid by the Supplier. Nothing contained herein shall prevent the Company from deducting tax at source as required by law from the payments due to the Supplier. The Supplier shall be responsible for filing all necessary tax returns (including, without limitation, returns for corporate income tax, personal income tax, GST) with the relevant Government Authorities in accordance with all applicable statutory requirements and shall be responsible for providing all information requested by such Government Authorities.

The Supplier shall also ensure that its subcontractors file such returns as stipulated by the relevant Government Authorities and furnish such information as requested for by the relevant Government Authorities.

17. WARRANTIES AND REPRESENTATION

The Supplier represents and warrants that:

(i) It is a duly organized company/business entity validly existing under the laws where it is incorporated/established, and has experience, expertise, ability and skills as required to supply Materials and perform the Services as detailed in the Scope of Services above and as may be necessary to perform its obligations hereunder in a professional manner.

(ii) It has all the requisite power, authority and approvals required to enter into this Agreement and will have all the requisite power, authority to perform fully each and every obligation under this Agreement.

(iii) This Agreement has been duly executed and delivered by its duly authorized representatives and constitutes its legal, valid and binding obligation enforceable against it in accordance with its terms.

(iv) The execution, delivery and performance of this Agreement and all instruments or addenda required hereunder by it does not contravene, violate or constitute a default of or require any consent under the provisions of any other agreement or instrument to which it is bound, including the constitutional documents thereof, or any order, judgment, decree or injunction of any court of law.

(v) No legal proceedings are pending or threatened against it before any court, tribunal or authority which do or may restrain or enjoin its performance or observance of the terms and conditions of this Agreement or which do or may in any other manner question the validity, binding effect or enforceability of this Agreement.

(vi) No order has been made or petition presented for the bankruptcy protection, winding up or dissolution thereof against it.

(vii) It shall maintain high professional standards to ensure performance of this Agreement as per best business practices and in full compliance with statutory obligations.

(viii) It has all necessary statutory and regulatory permissions, approvals and permits for the running and operation of its establishment for the conduct of its business;

(ix) It has full right, title and interest in and to all trade names, trademarks, service marks, logos symbols and other proprietary marks (IPR) (including limited right of use of those owned by any of its vendors, affiliates or subcontractors) which it provides to the Company, for use related to the Material/Services, and that any IPR provided by the Supplier shall not infringe the IPR of any third party;

(x) The Supplier represents that there is no inquiry/ investigation pending by the Police against the Supplier or its employees. The Supplier undertakes that it will confirm at his own cost and expense and shall comply in all respect with the provisions of Government Authority applicable to the Supplier and /or to the Supplier's employees;

(xi) The Supplier shall be liable for all fines, penalties, and the like of parking, traffic and other criminal offences arising out of or concerning the use of any vehicle for performing the Agreement and any toll charges or entry Taxes payable locally and the Supplier accordingly indemnifies Company against all such liability.

(xii) The Supplier has sufficient resources available to respond to emergencies/ incidents, which may occur along established transportation routes. In case of any accident resulting in loss or damage to property of life, the sole responsibility for any legal or financial implication would vest with the Supplier. Company shall have no liability whatsoever.

Each Party hereby warrants that it has not entered into this Agreement relying on any warranty, representation or undertaking except for any warranty, representation or undertaking expressly set out in this Agreement.

Supplier warrants and guarantees that:

(i) all Material shall be supplied in accordance with the provisions of the Agreement/Purchase Order and with generally accepted industry standards, Trade Usage with regard to quality, Specification, quantity, measurement, performance and/or functionality and are free from defects in material and workmanship;

(ii) if the Material are manufactured by reference to Supplier's data or other specified data provided to Purchaser, the Material shall have been manufactured in accordance with such data;

(iii) if the Material are sold by sample then they shall conform to the sample;

(iv) if the Material are manufactured to designs supplied by Purchaser, the Material shall have been manufactured in conformity with such designs and any approved working drawings;

(v) it is aware of the purpose and usage of the Material by the Purchaser including the technical parameters attributable to the usage of the Material; and

(vi) in the case of the Material, be of the best available design, of the best quality and workmanship and shall be free from fault or defect (including latent defect), with such tolerances as stated in the Specification or on the drawings.

If Supplier is required to repair or replace defective Material, the warranty period shall renew for the repaired or replaced Material.

18. ETHICS

GIFTS AND COURTESIES: The Supplier shall declare any conflicts of interest with the Company including relationship or financial interest of any nature whatsoever with employees, managers, other suppliers, vendors or stakeholders of the Company.

The Supplier shall not use the services of any of the employees of the Company, directly or indirectly or enter into any sort of monetary transaction with the employees of the Company. The Supplier undertakes that he has not given, offered or promised to give directly or indirectly any bribes, commission, gift, consideration, reward, or inducement to any of the employees of the Company or their agent or relatives for showing or agreeing to show favor or disfavor to any person in relation to this Agreement or forbearing to do or for having done or forborne to do any

act in relation to the obtaining or execution of the aforesaid undertaking, by the Supplier, or his partners, agent or servant or any one authorized by him or acting on his behalf. The Supplier undertakes that in the event of use of any corrupt practices by the Supplier, the Company shall be entitled to terminate the Agreement forthwith and recover from the Supplier, the amount of any loss arising from such termination. A decision of the Company or his nominee to this effect that a breach of the undertaking had been committed shall be final and binding on the Supplier. If at any time during execution or performance of this Agreement the Supplier is faced with any undue demand, request for gratification or favor from any employee of the Company or a person connected with such employee, the Supplier must report the same immediately at tspl.whistleblower@vedanta.co.in.

ANTI-BRIBERY & CORRUPTION:

(i) The Supplier agrees to comply with the provisions of the Company's Supplier Code of Conduct and the Company's Human Rights Policy including Modern Slavery Act and in case of breach thereof, the same shall be treated as a breach of this Agreement.

(ii) The Service Provider shall maintain records and provide to the Company upon request such records and evidences, as the Company may reasonably require, confirming the Service Provider's compliance with the obligations under Clause 13.

(iii) The Supplier shall comply with the Anti-Bribery and Corruption (AB&C) requirements as applicable to them.

(iv) The Company shall have a right to initiate "audit proceedings" against the Supplier during the Term and for a period of three (3) years thereafter, to verify compliance with this Agreement including AB&C requirements. Such audit may be carried out by Company or by a reputed agency to be appointed by Company at the sole discretion of Company. The Supplier shall extend full cooperation for smooth completion of the audit mentioned herein.

(v) Notwithstanding anything in this agreement, the Company shall have right to terminate the Agreement forthwith in case, it is found that the Supplier has failed to comply with the terms of the Agreement including AB&C requirements.

(vi) The Supplier may submit/report 'Complaints' pertaining to any violation to the Company's ethical business practices as specified in the Company's Code of Conduct Policy.

External stakeholders such as vendors, customers, business partners etc. have the opportunity to submit 'Complaints'; however, the Company is not obligated to keep 'Complaints' from non-employees confidential or to maintain the anonymity of non-employees. We encourage

individuals sending 'Complaints'/raising of any matter to identify themselves instead of sending anonymous 'Complaints' as it will assist in the effective complaint review process.

Post review, if the complaint is found to have been made with malafide intention, stringent action will be taken against the complainant. We encourage reporting genuine 'Complaints' and those submitted in true faith.

All the 'Complaints' under this policy should be reported to the Group Head-Management Assurance at the following address:

Group Head – Management Assurance,

Vedanta, 75 Nehru Road

Vile Parle (E), Mumbai 400 099

'Complaints' can also be sent to the designated e-mail id: tspl.whistleblower@vedanta.co.in.

19. DEFAULT AND TERMINATION

Either Party may immediately terminate all or part of this Agreement/Purchase Order as under:

(i) by a written notice to the other Party if the other Party has committed any material breach of the terms of this Agreement and has failed to remedy such breach within 30 days from receiving notice from the other Party.

(ii) if other Party

(a) ceases, or threatens to cease, to function as a going concern or conduct its operations in the normal course of business,

(b) commences, or becomes the subject of, any bankruptcy, insolvency, reorganization (other than in the course of a corporate re-organization or to an affiliate), administration, liquidation or similar proceedings,

(c) makes, or plans to make, a general assignment for the benefit of its creditors, or (d) creditor attaches or takes possession of all or a substantial part of said Party's assets;

(iii) The foregoing shall not apply to any action or proceeding which is (a) in the reasonable opinion of the Party, frivolous or vexatious; or (b) discharged, stayed or dismissed within ninety (90) days of commencement;

(iv) if either Party is unable to carry out its obligations by reason of Force Majeure events and the force majeure continues for a period more than 60 days, then either Party may by giving notice in writing, terminate this Agreement with immediate effect. Any such termination shall be without prejudice to any of the right of the Parties accrued prior to the date of such termination. The Company may terminate all or part of this Agreement by one (1) months' written notice without assigning any reason whatsoever or if the Supplier fails to obtain any approval required under the terms of this Agreement.

Upon termination of this Agreement, both Parties shall be relieved of their respective rights and obligations under this Agreement save such obligations and / or liabilities of the Parties set forth herein which (a) that the Parties have expressly agreed will survive any expiration or termination, or (b) by their nature would be intended to be applicable following any such expiration or termination, or (c) the Parties have accrued before expiration or termination, as the case may be. In the event of Supplier's breach of its obligations hereunder, no payment shall be due by Purchaser in respect of such order/Purchaser order, or, in the case of suspension, until the failure or breach has been remedied to the reasonable satisfaction of Purchaser.

20. LIMITATION OF LIABILITY

EXCEPT AS MAY BE OTHERWISE PROVIDED IN THIS AGREEMENT, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER, WHETHER ARISING UNDER CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE, FOR ANY INDIRECT, CONSEQUENTIAL, SPECIAL, PUNITIVE, EXEMPLARY OR INCIDENTAL LOSS OR DAMAGES OF ANY NATURE ARISING AT ANY TIME FROM ANY CAUSE WHATSOEVER.

The limitations of liability and exclusion of warranties as set out in the Agreement shall be to the maximum extent permitted by applicable law. Nothing in this Agreement purports to exclude or limit liability for fraud, death or personal injury.

21. FORCE MAJEURE

Neither the Company nor the Supplier shall be responsible for any failure to fulfil any term or condition of the Agreement if and to the extent that fulfilment has been delayed or temporarily prevented by a force majeure occurrence i.e. (a) Act of God, (b) fire, flood, earthquake, (c) war, riot, insurrection and civil commotion, mobilization or military, or such other events if they impede the performance of the Agreement or make performance unreasonably onerous and which could not reasonably be foreseen after due and timely diligence and which, by the exercise of reasonable diligence, the said Party is unable to provide against ("Force Majeure Events").

The party, which is not able to perform its obligations under this Agreement on account of Force Majeure Event(s), shall without any delay, notify in writing the other party on the initiation and cessation of such Force Majeure Event(s) and shall use diligent efforts to end the failure or delay in performance to minimize effects of such Force Majeure Event. In such a situation, the party, which is not able to perform its obligations under this Agreement on account of Force Majeure Event(s), shall not be liable to the other party for the default or breach of this Agreement for the period of failure or delay.

If the Force Majeure Event(s) continues beyond 30 days, the parties shall make efforts to find an amicable solution for future course of action agreeable to both parties in a fair and equitable manner.

Both Parties agree to use their respective reasonable efforts to cure any event of Force Majeure to the extent that it is reasonably possible to do so. The Parties understand that the settlement of strikes, lockouts, and any other industrial disputes shall be treated to be within the sole discretion of the Party asserting Force Majeure. Upon the cessation of the event of Force Majeure, the party declaring Force Majeure shall immediately give notice thereof to the other party.

22. INDEMNITY

The Supplier shall defend, indemnify and hold the Company harmless from and against any and all Claims in connection with any taxes, levies, costs and charges which may be levied or imposed on the Supplier or its subcontractors by any Government Authority arising out of or in connection with the performance of this Agreement including claims in respect of pollution and contamination which originated from Supplier Group's equipment or materials under the control of any member of the Supplier Group.

The Supplier shall be liable for and shall defend, indemnify and hold the Company harmless from and against and all Claims in connection with any breach, infringement (whether actual or alleged) of Confidentiality, accident, bodily injury, fraud arising out of or in connection with the performance of this Agreement by the Supplier.

Supplier shall at all times be responsible for, shall release and shall defend, protect, indemnify and hold Purchasing Group harmless from and shall keep Purchaser's equipment and property free and clear of all liens, claims, assessments, fines and levies incurred, created, caused or committed by Supplier Group.

This indemnity shall be without prejudice to any other rights or remedies, including injunctive or other equitable relief, which the Company may be entitled to.

Purchaser shall have the right to retain / withhold out of any payment to be made to the Supplier an amount sufficient to indemnify it completely against any such lien, claim, assessment, fine or levy exercised or made and all associated costs.

It is the express intention of the Parties hereto that the provisions of this Agreement / Purchase Order shall exclusively govern the allocation of risks and liabilities of the Parties, it being acknowledged that the Agreement reflected herein has been based upon such express understanding. It is acknowledged that the compensation payable to Supplier as specified in this Agreement and/or applicable Purchase Order has been based upon the express understanding

that risks and liabilities shall be determined in accordance with the provisions of this Agreement and/or applicable Purchase Order.

23. ARBITRATION

Any dispute or difference whatsoever arising between the parties out of or relating to the interpretation,, meaning, scope, operation or effect of this Agreement or the existence, validity, breach or anticipated breach thereof or determination and enforcement of respective rights, obligations and liabilities of the parties thereto shall be amicably settled by way of mediation. If the dispute is not conclusively settled within a period of twenty-one (21) days from the date of commencement of mediation or such further period as the parties shall agree in writing, the dispute shall be referred to and finally resolved by arbitration under the (Indian) Arbitration and Conciliation Act, 1996 (as amended from time to time), which are deemed to be incorporated by reference into this clause. The arbitration shall be conducted as follows: (i) A sole arbitrator shall be appointed in case the value of claim under dispute is less than 5,000,000 (Rupees Five Million Only) / \$ 100,000 (Hundred Thousand United States Dollars) and in any other event by a forum of three arbitrators with one arbitrator nominated by each Party and the presiding arbitrator selected by the nominated arbitrators. (ii) The language of the arbitration proceedings shall be English. The venue of arbitration shall be decided mutually by parties. However, the seat of arbitration shall be Mansa, Punjab. (iii) The award made in pursuance thereof shall be final and binding on the parties.

24. APPLICABLE LAW AND JURISDICTION

This Agreement shall be governed by, construed and enforced in accordance with the laws of India.

The parties submit to the exclusive jurisdiction of the courts of Punjab, India and any courts that may hear appeals from those courts in respect of any proceedings in connection with this Agreement.

25. SET OFF

Only the Company may at any time without notice to the Supplier set off any liability of the Supplier to the Company against any liability of Purchasing Group to the Supplier (in either case howsoever arising and whether any such liability is present or future, liquidated or unliquidated and irrespective of the currency of its denomination) and may for such purpose convert or exchange any currency. Any exercise by the Company of its rights under this clause shall be

without prejudice to any other rights or remedies available to Company under this Agreement or otherwise.

26. CONFIDENTIALITY

Each Party hereto shall, save as otherwise provided herein, maintain in strict confidence, and not disclose or use for a purpose other than the purpose set out herein, any confidential and/or proprietary information (“Confidential Information”) of the other Party including this Agreement and the terms and conditions hereof. The foregoing covenant shall not restrict a Party from disclosing Confidential Information to the extent required in connection with any legal proceeding(s) or required for filing with govt. agencies, courts, stock exchanges or other regulatory agencies under applicable laws and regulations. Each Party shall use its best effort to assure that the provisions of this Agreement and its information disclosed to it concerning the other Party and its assets and business which is not otherwise publicly available, shall be kept confidential, unless other required by law, not to be disclosed without the consent of other Party to anyone other.

The Parties shall restrict access to the Confidential Information only to its own employees or professional advisers who need to have such access for the purposes of performing the obligations or enforcing the rights under this Agreement and who have agreed with such party to abide by the obligations of confidentiality equivalent to those contained herein with such party. The disclosing party shall remain vicariously liable for such disclosure.

Each Party agrees that it will not use the name or logo of the other Party, without the prior written consent of the other Party(ies) hereto.

All Confidential Information developed by Supplier Group as a result of performance of the Services or supply of Material shall be the property of Purchaser. All such Confidential Information shall be delivered to Purchaser within fifteen (15) days after completion of any applicable Purchase Order. Purchaser shall have the unrestricted right to use and disclose such information in any manner and for any purpose without payment of further compensation. Such Confidential Information is proprietary information of Purchaser and subject to the terms of this Clause 21.

Obligations towards all Confidential Information as mentioned above under this clause shall continue to remain valid for the Term and further period of five (5) years from the date of expiry of this Agreement.

No member of Supplier Group shall make use of the name or logo of Purchasing Group for publicity purposes, nor shall publish or permit to be published any information or photographs in connection with this Agreement or any Purchase Order without the prior written consent of Purchaser.

27. MISCELLANEOUS PROVISIONS

Entire Agreement: This Agreement along addendums and with all annexures, if any constitutes the entire agreement and understanding between the parties with respect to its subject matter and overrides and supersedes all previous agreements, representations, written documents, correspondence and understanding of the parties, whether in writing or otherwise.

Severability: If any clause or provision of this Agreement is prohibited, invalid or unenforceable in any jurisdiction, that provision will, as to that jurisdiction, be ineffective to the extent of the prohibition, invalidity or unenforceability without affecting or invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of that provision in any other jurisdiction, unless it materially alters the nature or material terms of this Agreement.

Counterpart: This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original Agreement and all of which, when taken together, will constitute one and the same instrument

Relationship: This Agreement shall not be construed to have any purpose or intent other than for purchase and sale of the Commodity between the Parties on a non-exclusive basis and nothing contained in this Agreement shall be deemed to create any association, partnership, joint-venture or relationship of principal and agent or master and servant between the parties or any affiliates or subsidiaries thereof.

Notices: Any notice required to be given hereunder shall be given by sending the same by facsimile, prepaid post or by hand delivery to the address of the addressee shown in this Agreement or to such other address as either Party may notify to the other for this purpose in writing. If sending by facsimile, notice shall be deemed to have been given upon successful transmission, if by hand upon at the time of dispatch and if sending by post, notice shall be deemed to have been given on the 3rd day on dispatch by post.

Non-Waiver/Exercise Of Right: A failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise, of that right, power or privilege or the exercise of any other right, power or privilege. All waivers under this Agreement must be made in writing.

Binding Effect: This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns

Assignment: Neither this Agreement nor any right, duty or obligation of any Party hereunder may be assigned or delegated by any Party (in whole or in part) without the prior written consent of the other Party(ies) hereto.

Amendments: This Agreement may be amended, modified, renewed or extended only by a written instrument signed by each of the Parties hereto.

Validation: This Agreement shall come into effect when authorized representatives of both Company and Supplier execute and affix their signature hereto in their due capacity, within 3 working days after confirmation of business by Company and constitutes the entire agreement between the Parties relating to its subject matter. Any alteration, amendment or addition to any of the terms of this Agreement shall become binding only when such alteration, amendment or addition is evidenced in writing and is executed by the authorized representatives of the both Parties in their due capacity.

Costs: Each Party shall bear its own legal, professional and advisory fees, commissions and other costs and expenses incurred by it in connection with this Agreement.

Language of the Agreement: English shall be the language of the Agreement and all documentation prepared in relation to it. All of the parties management staff engaged in work arising out of or in connection with this Agreement shall be fluent in English.

Remedies cumulative: Except as expressly provided in this Agreement, all remedies available to the Parties for breach of this Agreement are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.

THIS DOCUMENT "STANDARD TERMS & CONDITIONS" SHALL BE AN INTEGRAL PART OF ANY OF THE PURCHASE ORDERS, INVOICE OR MOU OR OTHER DOCUMENT WHATSOEVER ENTERED BETWEEN THE PARTIES AND SHALL SUPERCEDE ANY CONTRARY TERMS IN SUCH PURCHASE ORDER, INVOICE OR MOU OR OTHER DOCUMENT WHATSOEVER INCLUDING ANY ORDER ACKNOWLEDGEMENT BY THE SUPPLIER AND THIS DOCUMENT AND THE GENERAL TERMS AND CONDITIONS MENTIONED HEREIN SHALL APPLY FOR ALL PURPOSES.

VOLUME - III
ANNEXURES, FORMS & FORMATS

ANNEXURE A
TECHNICAL DECLARATION FORM

Bid Ref No:

Date:

Bidders Name and Address:

To,
Chief Commercial Officer
Talwandi Sabo Power Limited
Talwandi Sabo – Mansa Road Village- Banawala,
Distt- Mansa Punjab-151302
Dear Sir,

Sub: Bidding Document No: TN/28/CM/TSPL/2018-19 for _____

Having examined the Bidding Documents No. TN/28/CM/TSPL/2018-19, the receipt of which is hereby acknowledged, we the undersigned, offer Coal under the above-named Package: _____ for Talwandi Sabo Power Limited Power Plant in full conformity with the said Bidding Documents for the sum (including all taxes and duties).

S.No.	Description	UOM	Particulars
1 #	Name of the PORT		
2	Quantity offered	MT	
3	Firm date of dispatch commencement (Requirement		

Table #1:

Parameters	UOM	Base Specification
GCV (ARB)	Kcal/Kg	
VM (ARB)	%	
Ash (ARB)	%	
FC/VM Ratio		
TM(ARB)	%	
Sulphur (ARB)	%	
IDT Reducing atmosphere	Deg Celcius	
K2O	%	
Na2O	%	

Bidder may bid for more than 1 Port also in such case separate Annexure-A to be submitted

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 the nature and scope of work required. Further, we confirm that we have carried out our own due-diligence and assessment of Scope of Work, feasibility of rail transportation and sampling & testing facilities at TSPL as appropriate for the process and we do not foresee any problem in order to comply with the requirements.

We hereby confirm that contract quantity of coal will be analyzed by any approved IIA appointed by supplier as per quality parameters mentioned in Table #1 before loading of coal to rakes and confirming with buyer.

Quality parameters like IDT, Na₂O and K₂O as analyzed by IIA to be deemed as final quality acceptance and remaining quality parameters as per TSPL plant lab analysis results will be considered as mentioned in Volume II, clause no 7.

We hereby confirm that after evaluation of Technical bid and acceptance by TSPL, then respective price bids will be opened.

We further declare that we have not taken any deviation to provisions of Bidding Documents.

Note: Bid will be rejected in case any deviation to provisions of Bidding Documents.

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 5 working 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.

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 those 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 B
PRICE BID SUBMISSION FORMAT (TO BE SUBMITTED BEFORE AND AFTER CONCLUSION
OF E-BIDDING CUM REVERSE AUCTION PROCESS)

Bid Ref No:

Date:

Bidders Name and Address:

To,
 Chief Commercial Officer
 Talwandi Sabo Power Limited
 Talwandi Sabo – Mansa Road Village- Banawala,
 Distt- Mansa Punjab-151302
 Dear Sir,

Sub: Bidding Document No: TN/28/CM/TSPL/2018-19 for _____

This format to be filled up and submitted in a separate envelope after conclusion of reverse bidding process.

Having examined the Bidding Documents No. TN/28/CM/TSPL/2018-19, the receipt of which is hereby acknowledged, we the undersigned, offer Coal under the above-named Package: _____ for Talwandi Sabo Power Limited Power Plant in full conformity with the said Bidding Documents for the sum (including all taxes and duties).

S.No.	Description	UOM	Particulars
1 #	Name of the PORT		
2	Quantity offered	MT	3,00,000 +/- 20%
3	Guaranteed GCV ARB at TSPL	Kcal/Kg	
4	FOB Price (X3)	USD PMT	
5	Ocean freight	USD PMT	
6	C & F Price (4+5)	USD PMT	
7	Currency exchange rate as per the RBI/FBIL reference rate in terms of tender document	INR/USD	
8	C & F Price (6*7)	INR PMT	
9	Marine Insurance	INR PMT	
10	CIF Price [(8+ 9)]	INR PMT	
11	Total Customs Duty	INR PMT	
12	Handling Charges	INR PMT	

13	GST (@ 5%)	INR PMT	
14	GST Cess	INR PMT	
15	Total Coal value (10+11+12+13+14)	INR PMT	
16	Railway freight (Rs/MT) inclusive of all Taxes and surcharges from mentioned port as per S.No 1 to TSPL plant at actuals	INR PMT	
17	Landed cost to TSPL plant(12 + 13)	INR PMT	
18	Landed cost to TSPL plant(3/14)	Rs/GCV ARB	
19	Firm date of dispatch commencement		
20	Value of applicable Coal Index applicable as on preceding Friday with respect to the last date of Bid submission (X1)	USD PMT	

Bidder may bid for more than one Port also. In case of bidding of multiple ports, then separate

Annexure B for each port to be submitted along with Railway Freight cost from port to TSPL plant as notified by Railways. 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.

- 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. Note: Bid will be rejected in case any deviation to provisions of Bidding Documents take place.
- iii. We confirm that our quoted prices are based on the provisions of the Bidding Documents.

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 5 working 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 agree and understand that price bids will be evaluated on the basis of Landed Rs/GCV ARB at TSPL plant. We understand that TSPL is not bound to accept the lowest or any other Bid. TSPL

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

Further, we confirm participation in this bidding process, as per below specified guidelines of TSPL.

a) TSPL reserves the right to withdraw the auction at any time without assigning any reason.

b) TSPL reserves the right to re-negotiate with the bidders after the online reverse auction.

c) TSPL reserves the right to reject any bid, irrespective of being lowest, without disclosing any reason

d) TSPL reserves the right to renegotiate for better payment & delivery terms

e) Auction to be conducted shall be the final invitation from TSPL's end for bidder's keen participation with no further consideration. TSPL shall not entertain in future regarding this tender.

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 those 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,
Chief Commercial Officer
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 12.0 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 in any one financial year during last three financial years (including current Financial Year) as on the last date of Bid submission is not less than INR 200 Crores per year (Indian Rupees two Hundred Crores only) or USD 27.8 Million (considering 1USD=Rs. 72) and had supplied minimum of 0.5 MMT of any type of Non Coking Coal, in any one financial year during last three financial years (including current Financial Year).

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 from Chartered Accountant / Statutory auditors for any three consecutive years in the below table:

Sr. No.	Financial Year	Annual Turnover		Quantity Supplied (MT)
		Amount in INR Crs.	Amount in USD Mn	
1	2015-16			
2	2016-17			
3	2017-18			
4	2018-19#			

2018-19 may be taken till last day of preceding month of Bid submission.

Date: _____

Signature: _____

Place: _____

Name: _____

Designation: _____

Seal of Firm

ANNEXURE D

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 _____

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 _____ 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

S.no.	List of Banks for issuance of EMD	S.no.	List of Banks for issuance of EMD
1	State Bank of India	28	Dena Bank
2	Punjab National Bank	29	Deutsche Bank
3	Bank of Baroda	30	Federal Bank Ltd.
4	Canara Bank	31	HDFC Bank Ltd.
5	Union Bank of India	32	HSBC Bank
6	Indian Bank	33	ICICI Bank Ltd.
7	Syndicate Bank	34	IDBI Bank Ltd.
8	Andhra Bank	35	Indian Bank
9	Bank of Maharashtra	36	Indian Overseas Bank
10	Vijaya Bank	37	Indusind Bank Ltd.
11	United Bank of India	38	JPMorgan Chase Bank
12	Punjab & Sind Bank	39	Jammu & Kashmir Bank Ltd.
13	ABN AMRO Bank N.V	40	Karnataka Bank Ltd.
14	Allahabad Bank	41	Karur Vysya Bank Ltd.
15	American Express Bank Ltd.	42	Kotak Mahindra Bank Ltd.
16	Andhra Bank	43	Oriental Bank of Commerce
17	Axis Bank Ltd.	44	Punjab & Sind Bank
18	Bank Of Baroda	45	Punjab National Bank
19	Bank of India	46	Standard Chartered Bank
20	Bank of Nova Scotia	47	State Bank Of India
21	Barclays Bank Plc.	48	Syndicate Bank
22	BNP Paribas	49	UCO Bank
23	Canara Bank	50	Union Bank of India
24	Central Bank Of India	51	Vijaya Bank
25	Citibank N.A.	52	Yes Bank Ltd.
26	Corporation Bank	53	RBL Bank Ltd.
27	DBS Bank Ltd.		

ANNEXURE E

Explanation for Price and Methodology

The variation in FOB price will be as per below formula:

Updated FOB Price, $X = (X2 \times X3) / X1$

where,

X1= Index applicable as on preceding Friday with respect to the last date of Bid submission. The same shall remain constant for the entire duration of Contract.

X2= Average of applicable indices on preceding 4 Fridays for railway dispatch (RR invoice date) of the 1st rake of the Month.

X3= FOB component of the quoted price of Successful Bidder and the same is to remain constant for the entire duration of the Contract.

Considering some examples for understanding the index based price variation:

1. Tender Opening date: 24th December 2018 (Monday)

Assume index price for ICI 4 on Preceding Friday i.e., 21st December 2018 is 32 USD

X1= Index price as on 21st December 2018 = 32 USD.

X3 = FOB Price quoted in the bid = 36 USD

Assume dispatch (RR invoice date) of 1st rake for the December 2018 month is on 27th December 2018.

Preceding 4 Fridays to the dispatch of 1st rake of December 2018 month i.e., 27th December 2018 are: 30th November 2018, 7th December 2018, 14th December 2018, 21st December 2018.

Assume ICI 4 index prices on preceding 4 Fridays are as:

30th November 2018: 31 USD

7th December 2018: 31.5 USD

14th December 2018: 31.75 USD

21st December 2018: 32 USD

Average of preceding 4 Fridays to the dispatch (RR invoice date) of 1st rake of December 2018 month i.e., 27th December 2018 is AVERAGE of (31, 31.5, 31.75, 32) USD = 31.5625 USD

X2= Average of preceding 4 Fridays to the dispatch (RR invoice date) of 1st rake of December 2018 month i.e., 27th December 2018 = 31.5625 USD

Updated FOB Price, $X = (X2 \times X3) / X1$

$X = (31.5625 \times 36) / 32$ USD

X = 35.5078 USD

FOB component to be considered is 35.5078 USD in place of quoted 36 USD in the bid.

35.5078 USD will be considered for the rakes dispatched (considering RR invoice date) in the month of December 2018.

Similarly, for the month of Jan-19, Feb-19 and Mar-19 will be calculated as per the corresponding Average of preceding 4 Fridays to the dispatch (considering RR invoice date) of 1st rake of that month.

2. Tender Opening date: 24th December 2018 (Monday)

Assume index price for ICI 4 on Preceding Friday i.e., 21st December 2018 is 32 USD

X1= Index price as on 21st December 2018 = 32 USD.

X3 = FOB Price quoted in the bid = 36 USD

Assume dispatch (RR invoice date) of 1st rake under the tender is on 2nd Jan 2019.

Preceding 4 Fridays to the dispatch (RR invoice date) of 1st rake of Jan 2019 month i.e., 2nd Jan 2019 are:

7th December 2018, 14th December 2018, 21st December 2018, 28th December 2018

Assume ICI 4 index prices on preceding 4 Fridays are as:

7th December 2018: 33 USD
14th December 2018: 32.5 USD
21st December 2018: 32 USD
28th December 2018: 31.5 USD

Average of preceding 4 Fridays to the dispatch (RR invoice date) of 1st rake of Jan 2018 month i.e., 02nd Jan 2019 is AVERAGE of (33, 32.5, 32, 31.5) USD = 32.75 USD

X2= Average of preceding 4 Fridays to the dispatch (RR invoice date) of 1st rake of December 2018 month i.e., 27th December 2018 = 32.75 USD

Updated FOB Price, X= (X2 x X3)/ X1

X= (32.75 x 36)/ 32 USD

X= 36.84375 USD

FOB component to be considered is 36.84375 USD in place of quoted 36 USD in the bid.

36.84375 USD will be considered for the rakes dispatched (considering RR invoice date) in the month of Jan 2019.

3. APPLICABLE PRICING FOR RAKES VIDE ANY LOT DISPATCHED (CONSIDERING RR INVOICE DATE) IN TWO DIFFERENT MONTHS.

Assume against any particular LOT - Five rakes dispatched in January 2019 and 5 rakes dispatched in February 2019.

In this case, for the rakes dispatched (considering RR invoice date) against the said LOT in January 2019 – the January 2019 index based pricing arrived as per tender terms will be applicable and the for the rakes dispatched (considering RR invoice date) in February 2019 - the February 2019 index based pricing arrived as per tender terms will be applicable. i.e. 2 different prices will be applicable for any particular LOT if the rakes are dispatched in 2 different months.