



TALWANDI SABO POWER LIMITED

Tender Specification No: TN/6/CM/TSPL/2019-20/R0

BIDDING DOCUMENT FOR

**SUPPLY OF 300 KT IMPORTED
NON - COKING COAL FOR DELIVERED BASIS TO**

TSPL, MANSA, PUNJAB

17th October, 2019

*This document can be amended at the discretion of TSPL (if needed).

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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 Imported 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 price bids 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 for submitting tender related queries	21 st Oct 2019
2	Response to bidder’s queries	22 st Oct 2019
3	Last date and time for Receipt of Bid (Technical Bid) in Hard copy	25 th Oct 2019 by 10.00 AM
4	Opening of EMD (Envelope-I) and Technical Bid & Checking of Responsiveness (Envelope-II)	25 th Oct 2019 by 10:30 AM
5	Opening of price bids	25 th Oct 2019 by 12:00 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 prior to the timeline given as per clause 2 of Volume I and not during 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 90 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.

3. No hand-written price bids will be accepted.

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 –B1 & B2) of the Bidding Documents.

- Price Bid submission form (Annexure B1 & B2).

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

Bids must be received at TSPL along with presence of authorized representative of the bidder during tendering process, 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 DEARNEST MONEY DEPOSIT

The bidders are required to deposit the Earnest Money of INR 50,00,000/- (Indian Rupees FIFTY Lakhs only) through RTGS in favour of Talwandi Sabo Power Limited in the following bank account details.

Bank Name : State Bank of India Address : CAG, BKC Branch, Mumbai

Account No : 35216862121

Account Type : Cash Credit

IFSC Code : SBIN0016376

Name of Beneficiary : Talwandi Sabo Power Limited

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

In case of tenders of unsuccessful bidders not accepted, the earnest money shall be refunded within 15 working days of the award of order/contract or after the expiry of validity period of the bids, whichever is earlier. EMD of successful bidder(s) shall be returned on submission of security deposit amount. Any bid not accompanied by an acceptable EMD, in a separate sealed envelope, will be considered as rejected by TSPL.

6. 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.
- b) Bidder's Authorized Representative may attend the opening of technical & Price Bids

7. AGREEMENT/CONTRACT AWARD CRITERIA

The successful bidder(s), 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(s) 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:

1. It may be noted that TSPL is not bound to award the Contract to the lowest Bidder & reserves the right to further re-negotiate the prices. Also, TSPL may split the award of the contract (tentatively 70% and 30% to L-1 and others as per coal requirement of TSPL at the relevant time) to more than one party in the interest of the plant operations and early delivery.

8. 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.

9. 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.

10. 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 Imported/ Domestic 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 27.8million (considering 1USD=Rs. 72).

C. Minimum Bid quantity shall be 75,000 MT

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.

11. PREQUALIFICATION

Successful Bidders and bidders to whom contract has been awarded or whose price bids were opened for supply of Imported Non-Coking Coal vide various Imported Non-Coking coal tenders called for by M/s. TSPL post April 2018 are not required to submit the documents mentioned in clause 10 above.

VOLUME -II
TECHNICAL SPECIFICATIONS

1. INTRODUCTION

TSPL has a requirement of Imported 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.
- k) **Contracted Quantity** – means the quantity of coal ordered to a Bidder

3. SCOPE OF WORK

- 1. Supply of Imported Non-Coking 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

This Tender is for supply of 3,00,000 MT Imported Non-Coking Coal as per specifications mentioned in this tender document.

Delivery Period: The bidder shall ensure Dispatch of each lot of 10 rakes within 12 days till completion of order quantity. Bidders to start the Delivery within 35 days of tender opening date but not later than 29th November 2019 in any case. TSPL shall open the LC prior to starting of coal delivery by the bidder. In case of lot less than 10 rakes, the Delivery Period will be prorated. Else Liquidated Damages shall be applicable as defined in clause -15 of Volume II.

In case of split in order quantity and dispatch of coal from same port by bidders, then Delivery Period for 10 rakes will be 16 days instead of 12 days as mentioned above.

For example: For order quantity of 1,00,000 MT, the delivery shall be made in 3 lots as given below (assuming 1 rake quantity is 4,000 MT)

Lot No	No. of Rakes	Delivery Period	Cumulative Days
1	10	12 days	12
2	10	12 days	24
3	5	6 days	30

- TSPL may also change the delivery schedule at its sole discretion by intimating the supplier in advance.

5. SPECIFICATIONS OF COAL

The Imported 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	5000	4700 – 5000	<4700
VM (ARB)	%	30-35	N/A	N/A
Ash (ARB)	%	8	8 – 10	>10
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	5800	5500 – 5800	<5500
VM (ARB)	%	32-38	N/A	N/A
Ash (ARB)	%	8	8 – 10	>10
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-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	<5500
VM (ARB)	%	20-28	N/A	N/A
Ash (ARB)	%	18	18 – 20	>20
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	6300	6000 – 6300	<6000
VM (ARB)	%	20-28	N/A	N/A
Ash (ARB)	%	18	18 – 20	>20
TM(ARB)	%	15	15 – 17	>17
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 provide vessel details (as applicable), load port certificate of quality including proximate analysis and ash analysis if any, discharge port certificate of quality including proximate analysis and ash analysis, 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 all types of coal as mentioned above, certificate of quality including ash analysis comprising of IDT, K2O, Na2O to be analyzed by IIA appointed by supplier before start of dispatches by supplier 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 (Financial Benchmark India Private Ltd.) 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 3 (5000 GAR)	Argus/Coalindo Coal Index Report
2	For Type-2	ICI 2 (5800 GAR)	Argus/Coalindo Coal Index Report
3	For Type-3	API 3 (5800 GAR)	Argus/McCloskey's Coal Price Index
4	For Type-4	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.

In case, if any LOT dispatches (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 D 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:

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

The price calculated vide above formula shall be applicable for all rakes dispatched (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 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. Any additional charges in Railway receipts including but not limited to OTC charges of INR 20 PMT, PCLA, overloading, punitive etc. shall be borne by supplier.

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

Minimum of Weight of coal determined on TSPL in-motion weighbridge (IMWB) and RR quantity will be considered as "Quantity Delivered" and applicable for the purpose of payment. The bidder may depute its representative for witnessing weighment 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

I) 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: -

$$\frac{\text{Base Price} \times \{\text{Guaranteed GCV (ARB)} - 1.0 \times [\text{Guaranteed GCV(ARB)} - \text{Actual GCV(ARB)}]\}}{\text{Guaranteed GCV (ARB)}}$$

(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: -

$$\frac{\text{Base Price} \times \{\text{Guaranteed GCV (ARB)} - (1.0 \times 300) - 2 \times [(\text{Guaranteed GCV(ARB)} - 300) - \text{Actual GCV(ARB)}]\}}{\text{Guaranteed GCV (ARB)}}$$

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.

$$\text{Adjusted Price} = \frac{\text{INR } 5000 \times \{4900 - 1.0 \times [4900 - 4750]\}}{4900} = \text{INR } 4846.94 \text{ PMT}$$

II). For Ash (ARB)

(A) For every 1% increase in Ash (ARB) for the LOT above base specification and up to 2% above base specification mentioned in Clause 5, of Type-1 to 4 coals, Damage for Deviation of INR 50 PMT 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 = 40,000 Tonnes

Penalty for Ash (ARB): $\text{INR } 50 \times (9.8\% - 8\%) \times 100 \times 40,000 = \text{INR } 36,00,000$ (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 4 coals, Heavy Damage for Deviation @ INR 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 PMT 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 @ INR 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: $\text{INR } \{10 \times 10 \times 100 \times (1\% - 0.5\%)\} + \{25 \times 10 \times 100 \times (1.26\% - 1\%)\} \times 40,000$

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 4 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 4))

Example: Base TM (ARB): 8% and Received wtd. avg. TM (ARB): 9%, and received quantity of the LOT 40,000 MT

Corrected quantity = $40,000 \times (1 - (9\% - 8\%)) = 39,600$ 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 4 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*(Actual TM% analysed at TSPL lab – Base line TM% mentioned in Clause 5, Type-1 to 4 -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. If Under-loading /Over loading/ any other penalty is charged in RR then same shall be fully deducted and will 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 Friday's 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 30/120 days (Refer Annexure B1 & B2, TSPL shall select any of the bids at its own discretion) from RR (Railway Receipt) date of last rake of LOT (lot size is 10 rakes refer Clause 2.0 (Definitions) of Volume II, 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. The format is LC is given in Annexure E.

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) 80 % payment for value of coal supplied in the LOT as per Railway Receipts for the rakes in the LOT: 80% of the value of coal supplied shall be released on presentation of following documents;
 - Bill of exchange for 80% of Invoice value
 - Tax Invoice in Triplicate at LC Price
 - 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 20 % payment, then same shall be adjusted against 80% payment of the subsequent LOT.

b) Balance 20 % Payment for value of coal supplied under the Contract: The balance 20 % payment for value of coal supplied under the Contract shall be released on presentation of following documents:

- Bill of exchange for 20 % of invoice value with adjustment as per certificate of adjustments issued by TSPL.
- Copy of Certificate of Analysis issued by TSPL.
- Copy of Certificate of Weighment issued by TSPL.
- Debit/Credit note for adjustments.
- Certificate issued by TSPL confirming the Computation of balance payment.
- Copy of Tax Invoice in Triplicate already submitted in 80% claim.
- Copy of ARGUS/Coal Indo –ICI 3 reports and document for FBIL/RBI exchange reference rates.

Note: For the last LOT of the LC quantity & value opened there shall not be any 80% payment and 20% payment. Direct 100% payment shall be made after all deductions as per the contract upon submission of following documents:

- i. Tax Invoice in Triplicate at FOB Price calculated as per clause 6 of Volume II. Copy of Certificate for Coal price as per price methodology will be provided by TSPL.
- ii. Bill of exchange for 100 % of invoice value with adjustment of as per certificate of adjustments issued by TSPL.
- iii. Copy of Certificate of Analysis issued by TSPL.
- iv. Copy of Certificate of Weighment issued by TSPL.
- v. Debit/Credit note for adjustments.
- vi. Copy of Railway Receipts for the rakes in the LOT
- vii. Copy of ARGUS/Coal Indo –ICI 3 reports and document for FBIL/RBI exchange reference rates.
- viii. Certificate issued by TSPL confirming the Computation of final payment.

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: (Contracted Price + GST + GST cess) x Contracted Quantity

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:

In case, the bidder does not dispatch all the rakes in each lot as per the Contracted Quantity/LC Quantity within the last day of Delivery Period of the lot as defined in clause 4 of this tender document, then per day liquidated damages shall be applicable at 0.25% of invoice value of delayed quantity of coal (excluding railway freight).

For example: For order quantity of 1,00,000 MT, the delivery shall be made in 3 lots as given below (assuming 1 rake quantity is 4,000 MT)

Lot No.	No. of Rakes	Delivery Period without (LD)	Cumulative Days (C)	Starting Date (A)	Last Date (B)	Actual no. of Rakes in Period (D)	No. Rakes in LD (E)	LD Days (F)	Total LD (G)
1	10	12 days	12	Next date of LC	12th day from 'A' of Lot 1	8	2	3	'E' x 4000 x 'F' x 0.25% x (rate of coal without Railway Freight)
2	10	12 days	24	'B' of Lot 1	12th day from 'A' of Lot 2	8	2	4	'E' x 4000 x 'F' x 0.25% x (rate of coal without Railway Freight)
3	5	6 days	30	'B' of Lot 2	12 th day from 'A' of Lot 3	9	0	0	Nil

RR Invoice date will be considered as dispatch 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-day 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 be 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.

MODERN SLAVERY ACT (2015):

As a supplier to Vedanta Ltd,

- Supplier shall comply with all applicable laws and regulations of UK Modern Slavery Act (2015);
- supplier shall not employ under age employee or contract workmen as defined under the applicable local laws;
- supplier shall not engage or employ people against their own free will, nor shall personnel be required to lodge 'deposits' or identity papers upon commencing employment;
- supplier shall comply with local law regarding working hours and adequate compensation for overtime;
- supplier shall ensure that minimum wages are paid to employees/ labourers in terms of the applicable local laws;
- supplier shall treat our employees equally and fairly. Supplier shall not tolerate any form of harassment or discrimination;
- supplier shall promote that potential business partners, agents, suppliers and intermediaries adopt the principles set forth in this Supplier Declaration;
- supplier shall ensure that there are no instances of human trafficking, sexual exploitation, slavery and bonded / forced labour on our employees/ contract labour.

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 documented appendix a shall be an integral part of any of the purchase orders, invoice or MoU or other document whatsoever entered between the parties and shall supersede 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.

Appendix- A: Supplier Code of Conduct

This Supplier Code of Conduct is applicable to all ‘Suppliers’ globally. ‘Supplier’ here refers to suppliers/ service providers/ vendors/ traders / agents/ consultants/ contractors/ joint venture partners/ third parties including their employees, agents and other representatives, who have a business relationship with and provide, sell, seek to sell, any kinds of goods or services to Vedanta Resources Plc or any of its subsidiaries, affiliates, divisions (“Vedanta”).

This Code sets forth the basic requirements that we ask our Suppliers to respect and adhere to when conducting business with Vedanta. This Code embodies Vedanta’s commitment to internationally recognized standards, including the Core Conventions of the International Labour Organization, United Nations’ Universal Declaration of Human Rights as well as prevalent industry standards, and all other relevant and applicable statutory requirements concerning Environment Protection, Minimum Wages, Child Labour, Anti-Bribery, Anti-Corruption, Health and Safety, whichever requirements impose the highest standards of conduct.

▪ **LABOUR & HUMAN RIGHTS**

Adhering to all Labour Laws and Human Rights Laws, Suppliers shall:

- Comply with all applicable local, state and national laws regarding human rights.
- Comply with the Company’s Human Rights Policy.
- Ensure that all their employees are hired on their own free will and guarantee that all their operations are free from forced, bonded, compulsory, indentured, prison labour or any other form of compulsory labour and child labour.
- Ensure that all its employees are provided equal employment opportunities, an environment conducive to their growth, free from any form of discrimination and harassment.
- Ensure compliance with minimum working hours and minimum wages prescribed by applicable laws and regulations.
- Comply with all slavery and human trafficking laws. Suppliers must ensure they have taken steps to ensure their business operations are free from slavery and human trafficking practices both internally and within their supply chains and other external business relationships.
- Ensure that employees are not be charged any fees or costs for recruitment, directly or indirectly;
- Not confiscating or withholding worker identity documents or other valuable items, including work permits and travel documentation of any of its workers/ employees.

▪ **HEALTH, SAFETY & ENVIRONMENTAL SUSTAINABILITY**

- The Supplier shall provide its employees with a safe and healthy working environment and comply with all applicable laws and regulations regarding working conditions.
- Supplier shall follow all Environmental, Health and Safety and other operational policies of the Company while executing any work or contract at the company site.
- Supplier shall follow all laws of the land including laws on Environment sustainability and protection while executing any work for the Company.

▪ **BUSINESS INTEGRITY**

Anti-Bribery: The Supplier shall not, directly or through intermediaries, take any recourse to any unethical behaviour (implicit or explicit), or offer or promise any personal or improper advantage in order to obtain or retain a business or other advantage from a third party, whether public or private, including with any employee of Vedanta. More specifically:

- Shall not offer or accept bribe or use other means of obtaining undue or improper advantage, offer or accept any kickbacks, and shall not take any actions to violate or cause its business partners to violate any applicable anti-bribery laws and regulations including the Foreign Corrupt Practices Act of USA (FCPA), Bribery Act of United Kingdom and Prevention of Corruption Act of India.
- Shall not take any advantage of any family/ social/ political connections to obtain favorable treatment or for the advancement of business or obtaining any favours. Merit shall be the sole attribute of association with Vedanta.
- Shall not enter into a financial or any other relationship with a Vedanta employee that creates any actual or potential conflict of interest for Vedanta. The Supplier is expected to report to Vedanta any situation where an employee or professional under contract with Vedanta may have an interest of any kind in the Supplier's business or any kind of economic ties with the Supplier.
- Shall not offer any gift, hospitality or entertainment for the purpose of obtaining any advantage, order or undue favor.

Unfair Trade Practices: Supplier shall desist from any unfair or anti-competitive trade practices.

▪ **REPORTING OF UNETHICAL PRACTICES AND GRIEVANCE ADDRESSAL MECHANISM**

The Supplier shall ensure that an effective grievance procedure has been established to ensure that any worker/ employee, acting individually or with other workers, can submit a grievance without suffering any prejudice or retaliation of any kind.

Suppliers shall also forthwith report any unethical activity or discrimination if practiced by any Vedanta employee/other Suppliers as per Vedanta whistle-blower policy (uploaded on the company website).

▪ **INTELLECTUAL PROPERTY**

The Supplier shall take appropriate steps to safeguard and not infringe any Vedanta confidential and proprietary information/intellectual property/ technology which come to its knowledge during the course of its business relationship/ dealings with Vedanta. In case of sub-contracting, sharing of confidential information should be made with the consent of Vedanta.

▪ **THIRD PARTY REPRESENTATION**

The Suppliers shall not be authorized to represent Vedanta or to use Vedanta's brands without the written permission of Vedanta. Third parties and their employees who are authorized to represent Vedanta are expected to abide by the Vedanta's Code of Conduct & Business Ethics Policy in their interaction with, and on behalf of Vedanta including the confidentiality of information shared with them and to sign a non-disclosure agreement to support confidentiality of information.

▪ **PROHIBITION ON INSIDER TRADING**

If the Supplier becomes aware of material, non-public information relating to Vedanta or its business, it may not buy or sell Vedanta securities or engage in any other action to take advantage of that information, including passing that information on to others. In addition, if the Supplier becomes aware of material, non-public information about any other company, including Vedanta customers, suppliers, vendors or other business partners, that is obtained by virtue of the supplier's interaction with Vedanta, then the Supplier shall not buy or sell that company's securities or engage in any other action to take advantage of that information, including passing that information on to others.

▪ **SUPPLIER'S COMPLIANCE COMMITMENT**

Vedanta expects the Supplier to adhere to all applicable laws and regulations and in particular comply with this Code in letter and spirit. It is the Supplier's responsibility to read and understand the contents of this Code and Vedanta's Code of Conduct & Business Ethics Policy. As a condition of doing business with Vedanta, the Supplier must comply with this Code and agree to uphold such values during its business association with Vedanta.

The Supplier shall maintain adequate documentation to demonstrate compliance with the principles of this Code, and allow access to Vedanta to check compliance upon request with reasonable notice. The Supplier shall notify Vedanta regarding any known or suspected improper behaviour by the Supplier relating to its dealings with Vedanta, or any known or suspected improper behaviour by Vedanta employees.

Please contact the concerned Head commercial/ Company Secretary if you have any questions about this Code.

VOLUME - III
ANNEXURES, FORMS & FORMATS

<< To be submitted on the letter head of the company submitting the bid>>

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/6/CM/TSPL/2019-20/R0 for _____

Having examined the Bidding Documents No. TN/6/CM/TSPL/2019-20/R0, the receipt of which is hereby acknowledged, we the undersigned, offer Imported Non Coking Coal under the above-named Package: _____ for Talwandi Sabo Power Limited Power Plant in full conformity with the said Bidding Documents.

S.No.	Description	UOM	Particulars
1 #	Name of the PORT		
2	Quantity offered (minimum 75,000 MT)	MT	
3	Firm date of delivery commencement At TSPL site (Requirement latest 29 th Nov '19)		

Table #1:

Parameters	UOM	Base Specification
GCV (ARB)	Kcal/Kg	
VM (ARB)	%	
Ash (ARB)	%	
TM(ARB)	%	
Sulphur (ARB)	%	
IDT Reducing atmosphere	Deg Celsius	
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 8.

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 **90** days from the last date of Bid opening 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:

<< To be submitted on the letter head of the company submitting the bid>>

ANNEXURE B1- PRICE BID SUBMISSION FORMAT (with LC of usance 120 days)

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: Tender Document No: TN/6/CM/TSPL/2019-20/R0 for _____

Having examined the Bidding Documents No. TN/6/CM/TSPL/2019-20/R0, the receipt of which is hereby acknowledged, we the undersigned, offer Imported Non Coking 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 (minimum 75,000 MT)	MT	
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 (15 + 16)	INR PMT	
18	Landed cost to TSPL plant (17/3)	Rs/GCV ARB	
19	Firm date of delivery commencement At TSPL site (Requirement latest 29 th Nov '19)		
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 B1 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 90 days from the last date of Bid opening 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 reject any bid, irrespective of being lowest, without disclosing any reason
- b) TSPL reserves the right to renegotiate for better payment & delivery terms

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:

<< To be submitted on the letter head of the company submitting the bid>>

ANNEXURE B2 - PRICE BID SUBMISSION FORMAT (with LC of Usance 30 days)

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: Tender Document No: TN/6/CM/TSPL/2019-20/R0 for _____

Having examined the Bidding Documents No. TN/6/CM/TSPL/2019-20/R0, the receipt of which is hereby acknowledged, we the undersigned, offer Import Non Coking 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 (minimum 75000 MT)	MT	
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(15 + 16)	INR PMT	
18	Landed cost to TSPL plant(17/3)	Rs/GCV ARB	
19	Firm date of delivery commencement At TSPL site (Requirement latest 29 th Nov '19)		
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 B2 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 90 days from the last date of Bid opening 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 reject any bid, irrespective of being lowest, without disclosing any reason
- b) TSPL reserves the right to renegotiate for better payment & delivery terms

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 - FORMAT OF 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 11.0 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 Imported 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			

Date: _____

Signature: _____

Place: _____

Name: _____

Designation: _____

Seal of Firm

ANNEXURE D - 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: 12th April 2019 (Friday)

Assume index price for ICI 4 on Preceding Friday i.e., 5th April 2019 is 32 USD

X1= Index price as on 5th April 2019 = 32 USD.

X3 = FOB Price quoted in the bid = 36 USD

Assume dispatch (RR invoice date) of 1st rake for the May 2019 month is on 02nd May 2019.

Preceding 4 Fridays to the dispatch of 1st rake of May 2019 month i.e., 02nd May 2019. are:

5th April 2019, 12th April 2019, 19th April 2019, 26th April 2019.

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

5th April 2019: 31 USD

12th April 2019: 31.5 USD

19th April 2019: 31.75 USD

26th April 2019: 32 USD

Average of preceding 4 Fridays to the dispatch (RR invoice date) of 1st rake of May 2019 month i.e., 02nd May 2019 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 May 2019 month i.e., 02nd May 2019 = 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 May-19.

Similarly, for the month of Jun-19, Jul-19 and Aug-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. 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 May 2019 and 5 rakes dispatched in June 2019.

In this case, for the rakes dispatched (considering RR invoice date) against the said LOT in May 2019 – the May 2019 index based pricing arrived as per tender terms will be applicable and the for the rakes dispatched (considering RR invoice date) in June 2019 - the June 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.

ANNEXURE E- FORMAT OF LETTER OF CREDIT

This format may change subject to changes in contract (if any) or any requirement of Bank at the time of issuance of LC.

Letter of Credit to be issued as **IRREVOCABLE NON TRANSFERABLE AT USANCE LETTER OF CREDIT**

Opening Bank: STATE BANK OF INDIA, CORPORATE ACCOUNTS GROUP II BRANCH,
THE CAPITAL, A WING, BKC, MUMBAI - 400051

Advising Bank:

Applicant: TALWANDI SABO POWER LIMITED,
VILLAGE BANAWALA, MANSA – TALWANDI SABO ROAD,
DISTT. MANSA, PUNJAB – 151302

Beneficiary:

Quantity:

Amount:

Price

Loading Point:

Date & Place of Expiry _____ IN LC ISSUING BANK

Latest Shipment Date

Discharge Point: TALWANDI SABO POWER LIMITED (CODE – MTSS)

Partial Shipment: ALLOWED

Transshipment: NOT ALLOWED

Description:

SPECIFICATIONS AS PER CONTRACT ARE:

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			
VM (ARB)	%			
Ash (ARB)	%			
FC/VM Ratio				
TM(ARB)	%			

Sulphur (ARB)	%			
IDT	Deg C			
Na2O	%			
K2O	%			

Negotiations: AVAILABLE WITH ANY BANK FOR NEGOTIATION ON DRAFTS DRAWN AT LC OPENING BANK ON 30/120 DAYS USANCE BASIS FROM RAILWAY RECEIPT DATE OF LAST RAKE OF LOT (LOT SIZE = 10 RAKES)

Tolerance

Confirmation NO

Documents:

1. FOR 80% CLAIM BASIS RAILWAY RECEIPT AT LOAD PORT

- a. BILL OF EXCHANGE FOR 80% OF THE INVOICE AMOUNT.
- b. COPY OF RAILWAY RECEIPT CLEARLY SPECIFYING THE CONSIGNEE NAME AS "TALWANDI SABO POWER LIMITED" WITH CONSIGNEE SIDING CODE AS "MTSS".
- c. TAX INVOICE IN TRIPLICATE ISSUED AT LC PRICE ON RR WEIGHT AT LOADING PORT AND SHOULD BE MARKED WITH INVOICE NO, CONTRACT DATE.
- d. PHOTOCOPY OF THE SALE AND PURCHASE AGREEMENT.

IN CASE OF DAMAGES FOR DEVIATION AND HEAVY DEVIATION OF ANY LOT EXCEEDS THE BALANCE 20% PAYMENT, THEN SAME SHALL BE ADJUSTED AGAINST 80% PAYMENT OF SUBSEQUENT LOT.

2. FOR 20% CLAIM BASIS CERTIFICATE OF ANALYSIS AND WEIGHT AT DISCHARGE POINT

- a. BILL OF EXCHANGE FOR 20% OF THE INVOICE AMOUNT WITH ADJUSTMENTS AS PER COPY OF ADJUSTMENT CERTIFICATE ISSUED BY TSPL
- b. COPY OF TAX INVOICE ALREADY SUBMITTED IN 80% CLAIM.
- c. COPY OF CERTIFICATE OF ANALYSIS AND CERTIFICATE OF WEIGHT ISSUED BY TSPL IN LOT SIZE OF 10 RAKES.
- d. DEBIT/CREDIT NOTE FOR ADJUSTED VALUE TOWARDS DAMAGES/BONUS AND DEAD FREIGHT
- e. , IF ANY.

- f. CERTIFICATE TO BE ISSUED BY APPLICANT ON ITS LETTER HEAD CONFIRMING THE BALANCE AMOUNT TO BE PAID AND AMOUNT OF BILL OF EXCHANGE SHOULD NOT BE GREATER THAN THIS.
- g. COPY OF ARGUS/COALINDO ICI3 REPORTS) AND PROOF OF RBI/FBIL CURRENCY EXCHANGE REFERENCE RATES.

NOTE: FOR THE LAST LOT OF THE LC QUANTITY & VALUE OPENED THERE SHALL NOT BE ANY 80% PAYMENT AND 20% PAYMENT. DIRECT 100% PAYMENT SHALL BE MADE AFTER ALL DEDUCTIONS AS PER THE CONTRACT UPON SUBMISSION OF FOLLOWING DOCUMENTS:

- i. TAX INVOICE IN TRIPLICATE AT FOB PRICE CALCULATED AS PER PRICE METHODOLOGY CLAUSE OF CONTRACT. COPY OF COAL PRICE CERTIFICATE AS PER PRICE METHODOLOGY CLAUSE OF CONTRACT WILL BE PROVIDED BY TSPL.
- ii. BILL OF EXCHANGE FOR 100 % OF INVOICE VALUE WITH ADJUSTMENT AS PER ADJUSTMENT CERTIFICATE ISSUED BY TSPL.
- iii. COPY OF CERTIFICATE OF ANALYSIS ISSUED BY TSPL.
- iv. COPY OF CERTIFICATE OF WEIGHMENT ISSUED BY TSPL.
- v. DEBIT/CREDIT NOTE FOR ADJUSTMENTS.
- vi. COPY OF RAILWAY RECEIPTS FOR THE RAKES IN THE LOT
- vii. COPY OF ARGUS/COAL INDO –ICI 3 REPORTS AND DOCUMENT FOR FBIL/RBI EXCHANGE REFERENCE RATES
- viii. CERTIFICATE TO BE ISSUED BY APPLICANT ON ITS LETTER HEAD CONFIRMING THE FINAL AMOUNT TO BE PAID AND AMOUNT OF BILL OF EXCHANGE SHOULD NOT BE GREATER THAN THIS.

Special Conditions:

- 1. ALL DOCUMENTS MUST BE IN ENGLISH.
- 2. TRANSPORT DOCUMENT PRIOR TO LC DATE WILL NOT BE ACCEPTABLE.
- 3. SPELLING MISTAKES OR TYPING ERRORS THAT DO NOT AFFECT THE MEANING OF A WORD OR THE SENTENCE IN WHICH IT OCCURS DO NOT MAKE THE DOCUMENTS DISCREPANT
- 4. THIS LC IS SUBJECT TO UCP 600 & ANY LATEST VERSION
- 5. APPLICANT BANK CHARGES WILL BE ON APPLICANT ACCOUNT AND BENEFICIARY BANK CHARGES WILL BE ON BENEFICIARY ACCOUNT.
- 6. DOCUMENTS PRESENTED WITHIN CREDIT VALIDITY ARE ACCEPTABLE.
- 7. ORIGINAL SET OF DOCUMENTS MUST BE SENT IN ONE LOT TO STATE BANK OF INDIA, CORPORATE ACCOUNT GROUP II BRANCH, THE CAPITAL, A WING, BKC, MUMBAI – 400051

8. TSPL – means TALWANDI SABO POWER LIMITED
9. PHOTOCOPY OF EMAIL TO THE EFFECT THAT 1 SET OF NON-NEGOTIABLE COPIES OF THE DOCUMENTS (AS LISTED IN ABOVE) HAVE BEEN E-MAILED TO THE APPLICANT AT –
MANDEEP.SINGH@VEDANTA.CO.IN, RAVIMARAN.P@VEDANTA.CO.IN,
P.LAKSHMANAN@VEDANTA.CO.IN, RISHABH.GUPTA@VEDANTA.CO.IN
10. INSTRUCTION TO PAYING/ACCEPTING BANK
 - i. DOCUMENTS TO BE FORWARDED BY COURIER TO THE STATE BANK OF INDIA, CORPORATE ACCOUNTS GROUP II BRANCH, THE CAPITAL, A WING, BKC, MUMBAI – 400001
 - ii. UPON RECEIPT OF CREDIT COMPLIED DOCUMENTS, WE WILL EFFECT ACCEPTANCE/PAYMENT AS PER THE INSTRUCTIONS OF NEGOTIATING BANK WITHIN FIVE (5) BANK WORKING DAYS.

THE TERM 'BANKING DAY' WHEREVER IT APPEARS SHALL MEAN ANY DAY EXCEPT A SATURDAY, SUNDAY AND A DAY THAT IS A BANK OR PUBLIC HOLIDAY IN EITHER.