

**MEENAKSHI ENERGY LIMITED**

**Tender Specification No:**

**TN/1/CM/MEL/2023-24/R0**

**BIDDING DOCUMENT FOR**

**SUPPLY OF 40 LMT IMPORTED**

**NON - COKING COAL ON DELIVERED TO PLANT/CIF**

**BASIS TO MEENAKSHI ENERGY LIMITED (MEL),**

**1000 MW (2 x 150 + 2 x 350) THERMAL POWER PLANT**

**VILLAGE - THAMMINAPATNAM, A.P.**

**31<sup>ST</sup> JAN 2024**

\*This document can be amended at the discretion of MEL  
(If needed).

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**VOLUME -I**  
**INSTRUCTION TO BIDDERS**

## 1. INTRODUCTION

Meenakshi Energy Limited (hereinafter referred to as “MEL/Owner/Buyer”), a subsidiary of Vedanta Limited, a Coal based Thermal Power Plant 1000MW (2x150MW & 2x350 MW) located at Thamminapatnam village, Chillakuru Mandal, Tirupati District, Andhra Pradesh.

MEL invites bids for supply of 40 LMT Imported Non-Coking Coal (hereinafter referred to as “Coal”) of specifications mentioned herein, on 'Delivered to plant basis to MEL' therefore, intends to enter into Contract with suppliers for the same. The Order quantity may be subsequently increased beyond the tender quantity of 40 LMT, at discretion of MEL at the same terms and conditions and prices as finalized under this tender.

## 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.

## 3. TIME SCHEDULE FOR BIDDING PROCESS:

Date	Event
9 <sup>th</sup> Feb -24	Publishing of NIT in newspapers
9 <sup>th</sup> Feb -24	Date of availability of Bid document at TSPL website
20 <sup>th</sup> Feb-24	Last date for receipt of comments/suggestions (latest by 18:00 Hrs)
21 <sup>st</sup> Feb-24	Pre-Bid clarifications
21 <sup>st</sup> Feb-24	Commencement of submission of Bid (online – ARIBA) from 11:00 hrs onwards
5 <sup>th</sup> Mar-24	Closing of submission of online Bid on ARIBA (has to be on or before 10:00 Hrs)
7 <sup>th</sup> Mar-24	Receipt of DD for EMD (or in case of RTGS, subject to realization of amount in MEL bank account) has to be on or before 10:00 Hrs, at MEL.
10 <sup>th</sup> Mar-24	Reverse Bidding (Date subjected to change & Time will be intimated to bidders)

Note:

- MEL reserves the right to amend the above schedules. Interested parties should monitor TSPL website for amendments/changes on a regular basis.

- Timelines mentioned above are indicative and are subject to change at the discretion of MEL. MEL 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 abovementioned schedule. All expenses in relation to Bidding to be borne by the Bidder.

#### **4. BIDDING DOCUMENTS**

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

- a. Instruction to Bidders (ITB) - Volume-I
- b. Technical Specifications - Volume-II
- c. Annexure/Formats/Forms - Volume-III
- d. This Bid Document is not an agreement or offer by Meenakshi Energy Limited (MEL) to the prospective Bidders. The purpose of this Bid Document is to provide potential parties with information to assist the formulation of their Bid.
- e. Any other document issued/ made available by MEL 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 must 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).
- f. The Bidder will make independent enquiry and satisfy itself with respect to all the required information, inputs, conditions and circumstances and factors that may have any effect on its Bid. While submitting the Bid, the Bidder will be deemed to have inspected and examined the relevant infrastructure at the Plant for the satisfactory completion of the work. Bidder should note that MEL unloading, and testing facilities

will be used by multiple Parties including suppliers/contractors of MEL.

- g. Bidders in their own interest may communicate to MEL through email their preliminary interest in the Bid process so that in addition to uploading various documents on the website MEL may keep them updated from time to time.
- h. MEL 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, MEL 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](http://www.tsplindia.co/tender.htm)).
- i. The cost on account of preparation and submission of Bid, negotiations, discussions etc., as may be incurred by the Bidder(s) in the process are not reimbursable by MEL, and MEL will in no case be responsible or liable for these costs, regardless of the conduct or outcome of the bidding process.

## **5. PERIOD OF VALIDITY OF BID**

The Bidder shall ensure that its bid remains valid till 180 days from the last date of price bid submission.

## **6. SUBMISSION OF BIDS**

- Based on the EOI received on [TSPL.EOI@vedanta.co.in](mailto:TSPL.EOI@vedanta.co.in), MEL will send a Link for bidder's registration and for online submission of bid & reverse bidding, bidders shall register themselves on ARIBA portal and obtain the login credentials / password for the same and keep the same valid up to completion of bidding process.
- Bidders should understand the online submission procedure thoroughly and then fill up the bids. Bidder must register themselves/their firm on ARIBA portal well in advance to understand the process and formalities for online Technical and Price bid submission. No excuse of insufficient knowledge regarding online submission & physical submission shall not be accepted. Bidders

to submit both technical & commercial bid as per mentioned timeline on ARIBA portal (Clause-3).

- Bidders shall fill-up/submit the bid online in the formats provided in the ARIBA portal.
- Bidders shall submit their bids online and follow the instructions as provided on the screen for submission of bids. A training session on submission of bids shall also be carried out on ARIBA portal, at least two days prior to the bid due date.
- The figures mentioned in the illustrations given in the bid document is only for illustrative purposes. It has no binding on the Contract.
- All communications pertaining to this Bid Document shall be addressed to:

**Head – Fuel Management,  
Meenakshi Energy Limited  
Thamminapatnam village, Chillakuru Mandal,  
Tirupati District, Andhra Pradesh - 524344  
Phone No. 9993568683  
Email: [tspl.eoi@vedanta.co.in](mailto:tspl.eoi@vedanta.co.in) & [harish.sahu@vedanta.co.in](mailto:harish.sahu@vedanta.co.in)**

- The Bidders, in their own interest are advised not to wait till the last moment, to submit their bids. MEL shall not be responsible for any delay in receipt of the bids any reason whatsoever including failure or non- availability of Internet connectivity and/or electrical power, issues related to equipment, hardware and software etc. Any bid received after the expiry of the time specified for receiving the same shall not be entertained. However, MEL at its discretion may extend the timelines for any reasonable cause.

## **7. Reverse Bidding:**

**8.1** After receipt of Price Bid, Reverse Auction shall be carried out.

## **Evaluation for Technical Qualification:**

The Bid will be evaluated as per technical qualification as per clause 15 and clause 9 (Envelope-1) below:

**Note:** MEL reserves the right to verify the authenticity of the documents submitted for meeting the qualification requirement and may request for any additional information and documents.



MEL reserves the right to contact the bidder's bank and third parties' references to verify the bidder's information and documents for the purpose of qualification. In such cases, bidder shall co-operate fully with MEL at their own cost. In case MEL desires to verify copies with originals that are not submitted, bidder is required to make them available at MEL premises.

## **8.2 Evaluation of the Price Bid**

- Evaluation would be based on the landed price (Rs/Mcal) delivered to MEL Plant.
- Only Price Bids of the Qualified Bidders will be considered as per the timelines. Price Bids of Non-qualified bidders shall be remain intact & shall not be entertained further in bidding process.
- The evaluation shall be done based on eligible bid which has offered the lowest landed cost to MEL plant on delivered to MEL plant basis inclusive of taxes, duties, levies.
- Decision of MEL regarding the selection of the successful bidder will be final and binding on all the bidders. MEL also reserves the right not to enter into any contract against this bid document, if the prices quoted/offered are not economical/ beneficial or may prove detrimental to the overall interest of MEL or higher than prices of coal from alternative sources. MEL's decision in this regard shall be final and binding on all the bidders and MEL will not be liable to pay and damages/compensation/cost etc. to any bidder.
- Bidders will abide unreservedly with MEL's decision in the qualification process for selection of qualified bidder and further warrant that under no circumstances, bidder will challenge either MEL's decision or its right to make such decision at any time.
- The successful bidders will be bound to accept LOI(s)/Contract(s)/PO(s), issued pursuant to this bidding process. Failure to do so will be construed as withdrawal of the bid by the successful bidder and will result in consequences for withdrawal of the bid including but not limited to forfeiture of EMD. In such event MEL will also be free to enter into a contract with any other bidder participating in the process.

## **8. NEGOTIATIONS AND AWARD OF CONTRACT**

MEL reserves the right to negotiate with the Bidders (after reverse bidding). Notwithstanding any other provision of this bid document, the contract between MEL and the successful bidder(s) shall come into existence by the following process:

- a) MEL may award a Contract(s) to more than one successful bidder and such

contract shall incorporate the terms of this bid document.

- b) MEL may at its own discretion issue a Letter of Award to the successful bidder(s). Such Letter of Award may include certain conditions which the successful bidder must satisfy before MEL issues a purchase order to such successful bidder.
- c) MEL may issue purchase order(s) to the successful bidder who must comply with the terms of such purchase order(s). MEL shall in no circumstances be obliged to issue any purchase order(s) to any or all the successful bidder(s). However, any failure to comply with the terms of an issued purchase order shall be treated as a breach of the terms of the contract and MEL shall be entitled to exercise its remedies specified in the contract.

The complete Tender document may be downloaded from TSPL website [Tender | TSPL India](#)

Bid submission process consists of online submission of Price Bid and requisite documents in Folder I, Folder II.

Details are as under,

### **Folder I**

Superscribed 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. (Please Note that all documents related to Envelope I shall be submitted online)

- 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.
- Complete company profile
- Documents for quantity supplied in last three financial years. (Annexure C)
- Audited balance sheet for last three financial years.
- Board Resolution/POA from the company authorizing the person signing the bid as authorized signatory & same shall be submitted physically on address as mentioned in Clause No:-6

- Technical declaration form and documents for the quality specification of coal to be submitted under this document as mentioned in Annexure-A.
- Any other documents that Bidder feels is important to establish the qualifications and fulfill the tender requirements.
  - No hand-written price bids will be accepted.

**Folder II-**

- It shall contain the Price Bid and other details as per Volume-III (Annexure –B1 to B3) of the Bidding Documents & shall be submitted through online.
- Price Bid submission form (Annexure B1 to B3).

In the event of any discrepancy between “the original document” and any copy of the document submitted with the bid, interpretation by MEL as per the original document shall prevail. In event of the any computational error, the element wise quoted price will be considered as correct bid.

- Bid must be unconditional and non-suggestive. Bids with conditions/suggestions (including any amendments to the terms & conditions of this Bid Document) being nonresponsive are liable to be summarily rejected in MEL’s sole discretion. Any bidder specifying conditions/suggestions may be debarred from participation in the future bidding process.
- The Bidder shall quote prices for complete Scope of Work of the Bid Document, as per format of Annexure B1 to B3 (as applicable). The bid and supporting documents prepared by the bidder shall be in English language. Documents that are neither in English nor in Hindi shall be supported with notarized English translation. The English translation in such cases shall prevail for all intents and purposes. The prices shall be indicated in figures with landed price as per provided format.
- Price bid shall be submitted online. Price Bid submitted in physical form shall be rejected.

## **9.2 Related and Interested Parties:**

1. Bidder shall submit only one Bid and any of the parent company/ Associate/ affiliate/ Related Parties/ ultimate parent company of the bidder shall not separately participate (directly or indirectly) in the same bidding process.
2. A Bidder shall not have conflict of interest that affects the bidding process. Further, if any bidder is having a common interest with other bidders participating in the same bidding process, the Bids of all such bidders shall be rejected in MEL's sole discretion.
3. A bidder shall be deemed to have a common interest affecting the bidding process in the events:
4. Such Bidder, or any Associate thereof, receives or has received any direct or indirect subsidy, grant, concessional loan or subordinated debt from any other Bidder, or any Associate thereof or has provided any such subsidy, grant, concessional loan or subordinated debt to any other Bidder, its members, or any Associate thereof; or

Such Bidder or any associate thereof having common management control in other participating bidding company or any of its associate participating in the same Bid.

## **9. EARNEST MONEY DEPOSIT**

The bidders are required to deposit the Earnest Money of INR 50,00,000/- (Indian Rupees Fifty Lakhs only) through RTGS in favor of Meenakshi Energy Limited in the following bank account details.

Bank Name : State Bank of India

Address : Nellore Town Branch

Account No : 36133942434

Account Type : Cash Credit

IFSC Code : SBIN0001163

Name of Beneficiary: Meenakshi Energy Limited

Address of Beneficiary:  
 Thamminapatnam Village,  
 Chillakur Mandal,  
 Distt- Tirupati A.P.-524344

EMD will be refunded to bidders as per the table below:

On award of PO to successful Bidders.	Qualified Bidders on whom PO is not to be released	Bidders found non-responsive	Bidders found not qualified
Within 10 working days after acceptance of PO and submission of CPS.	Within 10 working days of acceptance of PO by successful bidder on which POs are released and accepted.	Within 15 working days from the opening of the non-financial bids provided EMD is not liable to be encashed as per the succeeding notes.	Within 15 working days from the opening of the price bids provided EMD is not liable to be encashed as per the succeeding notes.

MEL shall have the undisputed right to encash the EMD if:

1. The Bidder withdraws or modify his bid during the validity period of the bid;
2. The bidder conceals any material information or makes a wrong statement or misrepresents any fact(s) or makes a misleading statement in its bid that has a material impact on the performance required under the contract or tries to influence the outcome of the bid process, in any manner whatsoever or acts in a manner to nullify the tender process.
3. The bidder does not accept the arithmetical correction of its bid price, if MEL finds any discrepancy during evaluation.
4. In the case of successful bidder, if the bidder fails to give the acceptance of Letter of Award (LOA)/PO within the 10 days working days from the date of issuance; and successful bidder does not accept the PO materially aligned with bidding document. The decision of the MEL whether such PO is materially aligned or not w.r.t Bid document will be final and conclusive would not be questioned or objected. Successful bidder rejecting the PO despite decision of MEL with regard to material alignment of PO w.r.t bid document will be authorizing MEL to encash the EMD as per bidding document.
5. MEL shall have the right for verify the documents submitted by the Bidders and bidders

shall be responsible to prove the authenticity and genuineness of the documents submitted. If bidders fails to prove the authenticity and genuineness of the document submitted, MEL shall have the right to forefeet the EMD and treat the bid as not responsive.

**Important Note:**

In case bidder makes false representation with respect to Qualification Requirements, which may be discovered/ revealed during bidding process or during the validity of the Contract, EMD or CPBG may be encashed and forfeited by MEL and Contract/Purchase Order if awarded may be annulled with no liability to MEL. MEL may also take other actions as appropriate including blacklisting/debarring the bidder from current and future participation in tenders issued by MEL.

**10.1 VALIDITY TABLE**

SL NO	DOCUMENT	VALUE (Rs.)	VALIDITY
01.	EMD	50,00,000	180 days from the last date of Bid
02.	PBG	2,00,00,000	90 days beyond last receipt or settlement of dues, if any, whichever is later.
03.	PRICE BID	As per Format in Annexure-B1 to B3 (As appropriate for various options)	The price bid will remain valid till 180 days to order at any point of time within the validity.
The validity of price bid may be extended for supplies beyond 180 days mutually between MEL and bidder. However, implementation of the same can be post approval from appropriate authorities.			

**10. Performance Bank Guarantee/Contract Performance security: -**

- Within 10 working days of award of Contract/LOA/LOI, the successful bidder shall furnish CPS of Rs 2 Crore to MEL. Successful Bidder who has submitted the EMD in the form of Demand Draft (DD) or through RTGS, their EMD will be rolled over as

part of CPS and the balance CPS shall be submitted by the Successful Bidder within the above specified period. The same will be valid as per Clause 5 (Validity table). In case Bidder wishes to submit a Bank Guarantee (CPBG) for CPS then the EMD submitted through DD or through RTGS will be refunded within 7 days of acceptance of CPBG. The Bank Guarantee shall be as per the format provided (Annexure-F). In case, a subsequent PO is issued by MEL, the CPS available with MEL will be considered for supplies against subsequent PO.

- The CPBG submitted should have the validity period of 1 year from the date of submission and claim period of 6 month post the date of validity expiry period.
- The CPBG shall be issued either by ICICI Bank, State Bank of India, HDFC Bank, Axis Bank, Kotak Mahindra Bank, Punjab National bank, Yes Bank.
- Contract Performance Guarantee will be kept as a security against unsatisfactory performance during the Period of the Bid/Contract validity. In case of such unsatisfactory performance, MEL at its discretion may invoke the CPS either in full or in part as the situation may require; and the Bidder will have to submit a fresh CPS or replenish the shortfall amount as appropriate within 2 (two) weeks of such invocation and intimation from MEL for the same to Bidder. If Bidder fails to submit fresh CPBG/replenish the shortfall amount as per the stipulated time of 2 weeks, then MEL will be at liberty to withhold the payment due for supplies already made to the extent of CPBG/replenishment required.
- No interest will be payable on the Contract Performance Security.

#### **11. AGREEMENT/CONTRACT AWARD CRITERIA**

The successful bidder(s), whose bids are found eligible and has offered the lowest price as evaluated by MEL, 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 MEL plant where it has emerged the lowest bidder. In case of non-compliance or refusal to supply the quantities, the bidder would be blacklisted & EMD shall be forfeited. Price will vary as per Volume II clause no. 6 throughout the validity of the contract.

**Note:**

1. It may be noted that MEL is not bound to award the Contract to the lowest Bidder and reserves the right to further re-negotiate the prices. Also, MEL may split the award of the contract (L-1 and others as per coal requirement of MEL at the relevant time) to more than one party in the interest of the plant operations and early delivery.
2. Supplies under this tender may start post completion of balance carried forward supplies under the ongoing contract.

**13. LETTER OF INTENT**

Prior to the expiry of the period of bid validity, MEL 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. MEL reserves its right to make changes/amendments to the terms and conditions of contract which do not have any financial impact.

**14. 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 MEL and shall at all times support and safeguard MEL's legitimate interests.



## 15. QUALIFYING REQUIREMENT

I. The Qualifying Requirement for the Bidders of this tender shall be as under:

	<b>Parameters</b>	<b>Minimum Requirement for the Bidder</b>	<b>Documents Required to be submitted</b>
<b>Technical Qualification Requirements</b>	Supply of Non-Coking/Coking Coal of Foreign or Domestic origin in any one financial year during the preceding three financial year (FY 2021-22, FY 2020-21 or FY 2019-20) or in the current financial year as on the date of bid submission.	20 Lakh MT	(a) Experience/ performance Certificate duly certified by Statutory Auditors as per formats at Annexure C. (b) Experience / performance certificate from purchaser for the executed quantity as per formats at Annexure C.
<b>Financial Qualification Requirements</b>	The Average annual turnover of the Bidder for the preceding three financial years (FY 2021-22, FY 2020-21, FY 2019-20)	Rupees Five Hundred Crores	Turnover and Net Worth duly certified by Statutory Auditors
	The Net worth of the Bidder as on 31.03.2022	Rupees Twenty Crores	
<b>Offered Quantity for any option A1, A2, A3</b>	Minimum Quantity to be offered	6 Lakh MT	To be declared in Covering Letter

### II. 1. Notes:

- Bidding through Consortium is not permitted.
- MEL has right to summarily reject / disqualify Bidder at any stage if it transpires to MEL that Bidder has changed its identity to defeat the past poor record and thus attempted to mislead MEL.
- Award of PO(s) will be based on price competitiveness and requirement of MEL and governed by other terms and conditions of this Bid document.

- Bulk means minimum quantity of 6,00,000 MT in single contract. Single contract(s) with quantities less than 6,00,000 MT will not be considered during technical evaluation of the bid.

**VOLUME -II**  
**TECHNICAL SPECIFICATIONS**

## 1. INTRODUCTION

MEL 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 MEL.
- h) **LOT** –means pack of minimum 10 rakes in one LOT. Last LOT size can vary as per the monthly Ordered Quantity.
- i) **Received Quantity** –means cargo quantity weighed at MEL Weighbridge.
- j) **Base Specification** –means coal quality specifications required by MEL.
- k) **Contracted Quantity** – means the quantity of coal ordered to a Bidder.

## 3. SCOPE OF WORK

- i. Supply of Imported Non-Coking Coal on FOR Delivered basis to Meenakshi Energy Limited (MEL) Plant.
- ii. All coordination from loading point till coal reaches MEL plant
- iii. Facilitating MEL representative as and when MEL request for the

same, for periodic inspection of the stockpile and drawing out independent samples.

#### **4. QUANTITY AND DELIVERY SCHEDULE**

This Tender is for supply of 40,00,000 MT Imported Non-Coking Coal as per specifications mentioned in this tender document.

Imported Coal: Up to 40 Lakh Metric Tons uniformly distributed with Lot wise delivery schedule throughout the period till 31<sup>st</sup> March 2025. The tentative schedule is as under. MEL at its option may change the schedule as desired and will communicate through Lot wise schedule later.

<b>Month</b>	<b>Quantity</b>
April 2024	1.5 Lakh MT
May 2024	1.5 Lakh MT
June 2024	2 Lakh MT
July 2024	2 Lakh MT
August 2024	3 Lakh MT
September 2024	3 Lakh MT
October 2024	4.5 Lakh MT
November 2024	4.5 Lakh MT
December 2024	4.5 Lakh MT
January 2025	4.5 Lakh MT
February 2025	4.5 Lakh MT
March 2025	4.5 Lakh MT

MEL reserves the right to negotiate with the Bidders (after reverse bidding as follows. After negotiations with L1 Bidder, discussion may be carried out with L2 and L3 Bidders in order to match L1 rates. In case the L2 Bidder does not match the L1 price, no LOA/PO will be placed on L2, and subsequent discussion will be carried out with L3 to match the L1 price. However, if L2 matches the L1 rate, no subsequent discussion with L3 shall be carried out.

MEL may award (single/multiple) contract(s) for 70% of the required quantity to L1 Bidder (limited to quantity offered by the Bidder) and then rest 30% to L2 Bidder or L3 Bidder at the L1 prices. However, this is not binding. If in MEL's opinion this is not in its interest, MEL have the liberty to decide as deemed fit. In case quantities to be ordered in a particular

month are lower than the minimum quantity that is required to be offered as above, MEL may decide not to split the quantity for that month.

MEL may place LOA/PO to the Supplier for the quantity over and above the minimum quantity declared by them after taking written consent of the Supplier.

Within the overall norms as above, in order to optimally utilize available coal with different qualified Bidders/ prospective Bidders, swapping may be resorted to as per mutual agreement amongst Bidders and MEL.

#### 4.1 Schedule of Supply

Activity	Timelines
Commencing dispatch of 1 <sup>st</sup> Truck from Loading port	As per firm LOT schedule given by MEL after clearance through email/LOA/PO.
Lot wise Schedule for dispatch	Lot wise firm schedule for dispatch will be communicated 21 days (or earlier as per mutual agreement) prior to the Contractor/Supplier through a letter/ email.
Re-starting the supplies	In case MEL advises to stop supplies for a period more than 15 days, then MEL would confirm in writing for restart of the balance supplies allowing 14 days lead time from the day of written communication of re-start. Liquidated damages applicability will be suitably relaxed for balance supply of lot.
Early dispatches	No incentive is payable for early dispatch. Further, in case of early delivery, base/trigger date for payment will be reckoned from 7 days after scheduled delivery. In the cases where early delivery is desired by MEL, base/trigger date for payment will be considered from actual dispatch date.
Force Majure Condition	Schedule will be extended commensurately in case of Force Majure condition
Conversion of indicative schedule to firm schedule	Lead time of 7 days will be provided for conversion of indicative schedule to firm schedule.

Uniform dispatch for Lot	Contractor is required to dispatch rakes uniformly to the extent practicable and not bunch the same.
--------------------------	--

**Note:**

- a. This Schedule for supply of Coal will be subject to and adjusted to technical requirements of power generation from MEL and approval of its off take, including governing rules and policies as applicable from time to time.
- b. It may be noted that as per the directions of the authorities, MEL cannot make any take or pay commitment.
- c. In case PO is released on more than one Party, MEL may specify staggered/parallel delivery schedule, which will be binding on the bidders within the overall provisions of the bid document.
- d. Liquidated damages (Clause 15) applicability will be amended suitably in case MEL desires amendments/ changes to schedules.
- e. Tolerance on supplied quantity on MEL total received weight basis: Quantity specified in the PO quantity +/- 10%.

**5. Delivery Period: -**

Lot wise schedule for dispatch will be communicated 21 days prior to the Contractor/Supplier through a letter/ email indicating firm schedule for the first LOT and indicative schedule for the next 2 to 3 LOTs. Delivery period shall start for a LOT Once the schedule for a particular LOT is firm, it shall not be changed and shall be considered for LD calculations, subject to opening of Letter of Credit (LC) prior to that particular LOT start. In case of delay in opening of LC prior to start date of LOT, then the start date of LOT shall be considered as the day subsequent to the Letter of Credit (LC) opening date.

**Note: The Lot Size & delivery period of Coal may also change & subject to and adjusted to technical requirements of MEL at its sole discretion by intimation to the supplier in advance. In between the supply of particular lot, then the delivery period of that lot shall not be changed.**

## 6. SPECIFICATIONS OF COAL

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

### Coal Specifications - Option-A1 (SA) 5000 GAR Base GCV:

PARAMETER	BASE PARAMETER FOR PRICE BASIS	REJECTION
Total Moisture (ARB)	14%	>20%
Ash (ARB)	26 %	>28%
Volatile Matter (ARB)	20-27 %	-
Sulphur (ADB)	0.50%	
Gross Calorific Value (GAR)	5000Kcal/ kg	<4400 Kcal/kg
IDT (Deg C)	>1150	N/A
Na2O (%)	<1	N/A
K2O (%)	<1	N/A

In case of evidence of slagging/fouling, MEL/ EIC shall intimate the issue through contractual mail/letter to correct the issue from next lot supply. Bidder shall ensure to supply required quality of coal to avoid slagging /fouling.

### Coal Specifications - Option-A2 (Indo) 5000 GAR Base GCV:

PARAMETER	BASE PARAMETER FOR PRICE BASIS	REJECTION
Total Moisture (ARB)	28%	>32%
Ash (ARB)	15 %	>17%
Fixed Carbon (ADB)		-
Volatile Matter (ARB)	34-40 %	NA
Sulphur (ADB)	0.50%	



<b>Gross Calorific Value (GAR)</b>	5000Kcal/ kg	<4400 Kcal/kg
<b>IDT (Deg C)</b>	>1150	N/A
<b>Na2O (%)</b>	<1	N/A
<b>K2O (%)</b>	<1	N/A

In case of evidence of slagging/fouling, MEL/ EIC shall intimate the issue through contractual mail/letter to correct the issue from next lot supply. Bidder shall ensure to supply required quality of coal to avoid slagging/fouling.

**Coal Specifications - Option-A3 4200 (Indo) GAR Base GCV:**

<b>PARAMETER</b>	<b>BASE PARAMETER FOR PRICE BASIS</b>	<b>REJECTION</b>
<b>Total Moisture (ARB)</b>	25%	>28%
<b>Ash (ARB)</b>	8 %	>10%
<b>Fixed Carbon (ADB)</b>		-
<b>Volatile Matter (ARB)</b>	34-40 %	NA
<b>Sulphur (ADB)</b>	0.50%	
<b>Gross Calorific Value (GAR)</b>	4200Kcal/ kg	<3800 Kcal/kg
<b>IDT (Deg C)</b>	>1150	N/A
<b>Na2O (%)</b>	<1	N/A
<b>K2O (%)</b>	<1	N/A

In case of evidence of slagging/fouling, MEL/ EIC shall intimate the issue through contractual mail/letter to correct the issue from next lot supply. Bidder shall ensure to supply required quality of coal to avoid slagging/fouling.

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 MEL prior to dispatch of each Coal

Consignment as may be required by MEL. MEL 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.

**7. PRICE AND METHODOLOGY**

**7.1 (Index based 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 Dollar Exchange rate as published by SBI TT selling rate as on the preceding Friday of last date of Bid submission, variable. In case this day is a holiday, then the rate of previous working day will be considered

Indices to be followed are as follows:

Option	Type of Coal	Index	Publication
A1	5000 GAR	API4 6000 NAR	Argus/McCloskey's (SA Coal Price Index Report)
A2	5000 GAR	ICI 3, 4600 NAR	Argus/Coalindo ( Indonesian Coal Price Index Report)
A3	4200 GAR	ICI 4, 3800 NAR	Argus/Coalindo ( Indonesian Coal Price Index Report)

**FOB Coal Price Indexation and Indices: -**

Illustration: -

Option	Type of coal	Applicable Index	Let's consider the Index rate of the preceding Friday of due date of bid submission	FOB Price (USD/M T)
A1	5000 GAR South African Origin	API 4, 6000 NAR	70.00	= $\frac{70}{(5000/6300)}$ = 55.56

A2	5000 GAR Indonesian Origin	ICI 3, 4600 NAR	50.00	= 50
A3	4200 GAR Indonesian Origin	ICI 4, 3800 NAR	40.00	= 40

- 1) For Option A1 coal, FOB price will be derived by multiplying pro-rata Index rate (API4 6000 NAR) of the average of applicable indices of the preceding 4 Fridays of 1<sup>st</sup> truck dispatch date shall be considered and the average of SBI TT selling rate shall be of preceding 4 Friday's 1<sup>st</sup> truck dispatch date of the particular lot .
- 2) For Option A2 and A3 coal For price indexation purpose for particular Type of Coal, the average of applicable indices of the preceding 4 Fridays of 1<sup>st</sup> truck dispatch date shall be considered and the average of SBI TT selling rate shall be of preceding 4 Friday's 1<sup>st</sup> truck dispatch date of the particular lot.
- 3) **Discount on Index:** Bidder may quote a firm discount on the prevailing index. The discount will remain firm throughout the contract period.

**Contractor will provide computation along with supporting credible evidence of applicable indices to determine applicable values**

The price shall be calculated through Argus/ICI indices & shall be applicable for all coal dispatched during the particular lot. Contractor will provide computation along with supporting credible evidence of applicable indices to determine applicable values.

Let us consider all types of Coal prorated FOB X = 79.25 and SBI TT selling rate =76 Rs/USD Price shall be calculated for all types of coal as illustrate below:

Option	Type of coal (GAR)	FOB (X)	FOB Price (USD/MT)	FOB Price (Rs/MT)
A1	5000	79.25	$=79.25 \times (5000/6300) = 62.89$	$= 62.89 \times 76 = 4,780.15$
A2	5000	79.25	79.25	$= 79.25 \times 76$

		5		= 6,023.00
A3	4200	79.2 5	79.25	= 79.25 x 76 = 6,023.00

## ii. Ocean Freight

Ocean Freight inclusive of all incidental charges thereto 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 SBI TT selling rate is average of Currency Exchange Rate applicable on preceding 4 Fridays of the receipt of 1<sup>st</sup> truck of the lot.

## v. Custom Duty

To be mentioned for Type of Coal in bid document & 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, truck loading, etc.

## vii. Road Freight

Road freight to be considered uniform during the contracted period for the delivered quantity after quality adjustment including applicable GST.

### Note:

1. Change of handling port may be done with adequate justification and with prior approval from MEL and consequential change in

road freight, payment shall be restricted to standard freight indicated in offer or actual nominal railway freight whichever is less.

2. This element will be eligible for variation in GST. Double taxation, if any, shall be to the account of Bidder.
3. Escalation/descalation on 30% freight value, if diesel price varies above +/-1%.
4. No transshipment is permitted.
5. In case of any deferment of dispatch schedule, no storage / cargo holding charges would be payable by MEL.

#### **8. QUANTITY DETERMINATION**

Weight of coal determined on MEL weighbridge will be considered as "Quantity Delivered" after TM Correction and applicable for the purpose of payment. Weighment of trucks will be carried out on weighbridges (for tare and gross) at MEL. Net weight =Gross weight less the Tare weight as measured at MEL at weighbridge. The bidder may depute its representative for witnessing weighment at MEL through real time CCTV footage.

#### **9. QUALITY INSPECTION**

Sampling and analysis of coal at MEL will be considered for the purpose of payment with adjustments for deviations from base parameters. The supplier's representative will have the option to witness the sample collection, preparation, testing of main sample and final packing of the reserve sample through CCTV real time footage . In case of dispute, bidder can intimate to MEL 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 any of the following referee labs:

- a. M/s INSPECTORATE GRIFFITH INDIA PVT LTD
- b. M/s TCRC GROUP

- c. M/s LEON INSPECTION & TESTING INDIA PVT. LTD
- d. DR. AMIN CONTROLLERS PVT LTD.
- e. Any other agency jointly agreed by both parties

The cost related to testing for the referee sample shall be to the account of the supplier, the same shall be deducted from supplier's bill for the lots. It is to clarify that the supplier shall directly bear the cost of travelling, boarding, lodging and other related expenses for its own representatives and referee part will be discarded within 30 days from the date of referee sample preserved. MEL shall promptly notify bidder the analysis results of sample by email within five working days, after completion of the analysis at MEL.

(a) 5000 GAR for option-A1, 5000 GAR for option-A2 and 4200 GAR for option-A3.

No incentive will be payable for coal received above base GCV and the receipt above base GCV will be capped at 5000 GAR for option-A1, 5000 GAR for option-A2, 4200 GAR for option-A3 for all calculations & payable amount.

Illustration for 5000 GAR Coal for particular lot is as under:

Day	Actual GCV-ARB	Considered GCV-ARB	Approx. Weight (MT)	Payable @ Rs10000/Mt at base GCV of 5000
1	5200	5000	8300	= 74700 X 10000 X 4983/5000
2	5050	5000	8300	
3	4900	4900	8300	
4	5050	5000	8300	
5	5000	5000	8300	
6	5150	5000	8300	
7	5000	5000	8300	
8	4950	4950	8300	
9	5275	5000	8300	
<b>Wt. Avg./ Total</b>		<b>4983</b>	<b>74,700</b>	=Rs 74.44 Crore (for 34650 MT)

## 10. PAYMENT TERMS

TM Adjusted Quantity shall be considered for Billing purpose. 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 D) from date of last receipt of LOT 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 of LC is given in Annexure E. All charges related to Buyer's bank shall be to Buyer's account and all charges related to Seller's 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 in the LOT: LC for 80% of the value of coal supplied shall be accepted 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 Weighbridge Receipts for the trucks in the LOT
- Self certified copy of the applicable index according to actual supply.
- Country of Origin certificate.
- Copy of bill of lading/ Copy of bill of entry

**Note:** In case of deduction 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 %for value of coal supplied under the Contract shall be accepted on presentation of following documents:

1. Bill of exchange for 20 % of invoice value with adjustment as per certificate of adjustments issued by MEL.
  - Copy of Certificate of Analysis issued by MEL.
  - Copy of Certificate of Weighment issued by MEL.
  - Debit/Credit note for adjustments.
  - Certificate issued by MEL confirming the Computation of balance payment.
  - Copy of Tax Invoice in Triplicate already submitted in 80% claim.
  - Copy of self-certified copy ARGUS/Coal Indo -ICI 3/ICI4 reports and document for SBI TT Selling 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 MEL.
- ii. Bill of exchange for 100 % of invoice value with adjustment of as per certificate of adjustments issued by MEL.
- iii. Copy of Certificate of Analysis issued by MEL.
- iv. Copy of Certificate of Weighment issued by MEL.
- 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 MEL confirming the Computation of final payment.

## **12. SECURITY DEPOSIT/PERFORMANCE BANK GAURANTEE**

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 2 Crore. PBG shall be adjusted as per timeline 90 days beyond schedule dispatch of last rake or settlement of dues, if any, whichever is later.



### **13. LIQUIDATED DAMAGES (LD)**

If in any LOT the total quantity dispatched is not dispatched till the last day of that LOT as per schedule, then the quantity which are delayed beyond the last day of the specified LOT schedule will attract LD which will be levied at **0.25%** of value of the nominal value of the coal of balance quantity for each day's delay beyond the last day of the schedule to be dispatched to the plant subject to a ceiling of **2.5%** of the nominal value of coal of balance quantity. The parties agree and confirm that the LD are genuine pre- estimate of the loss, which MEL will suffer on account of such delay.

**Note:**

- a) In case of restriction due to Force Majeure condition, the LD schedule will be correspondingly extended unless the restriction is attributable to the specific Supplier/Contractor/Bidder.
- b) Liquidated damages applicability will be relaxed suitably in case MEL desires amendments/ changes to schedules. In case MEL advises to stop supplies for a period more than 15 day, then MEL would confirm in writing for restart of the balance supplies allowing 14 days lead time from the day of written communication of re-start. Liquidated damages applicability will be suitably relaxed for balance rakes. MEL will not bear / reimburse any storage / cargo handling cost due to whatsoever may be the reason.

**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,  
Head – Fuel Management  
Meenakshi Energy Limited  
Thamminapatnam Village,  
Distt- Tirupati A.P.-524344

Dear Sir

Sub: Bidding Document No: **TN/1/CM/MEL/2023-24/R0** for \_\_\_\_\_

Having examined the Bidding Documents No. **TN/1/CM/MEL/2023-24/R0**, the receipt of which is hereby acknowledged, we the undersigned, offer Imported Non Coking Coal under the above- named Package:\_\_\_\_\_for Meenakshi Energy Limited Power Plant in full conformity with the said Bidding Documents.

S.No.	Description	UOM	Particulars
	Type (A1 to A3)		
1 #	Name of the PORT		
2	Quantity offered (minimum 6,00,000 MT)	MT	
3	Firm date of delivery commencement At MEL site		

**Table #1:**

<b>Parameters</b>	<b>UOM</b>	<b>Base Specification</b>
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 MEL, 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 transportation and sampling & testing facilities at MEL 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 trucks 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 MEL plant lab analysis results will be considered as mentioned in Volume II, clause no 6.

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

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 **180** days from the last date of EOI as stipulated in the Bidding Documents and it shall remain binding upon us and may be accepted by MEL 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 I: COVERING LETTER

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*(To be on the Letter Head of the Bidding Company)*

Date: \_\_\_\_\_

From: \_\_\_\_\_

Tel. #: \_\_\_\_\_

Fax #: \_\_\_\_\_

E-mail address: \_\_\_\_\_

To

Head - Fuel Management  
Meenakshi Energy Limited  
Thamminapatnam Village,  
Distt- Tirupati A.P.-524344

\_\_\_\_\_

Dear Sir,

**Sub: Bid for Supply of Non-Coking Imported Coal to Meenakshi Energy Limited.**

1. Being duly authorized to present and act on behalf of M/s ..... (Insert name of Bidder) (hereinafter called the "**Bidder**") and having read and examined in detail the Bid Document, the undersigned hereby submit our Bid with duly signed formats of documents as stipulated in Bid Document for your consideration.
2. It is confirmed that our proposal is consistent with all the requirements of response as stated in the Bid Document.
3. The information submitted in our Bid is complete, is strictly as per the requirements stipulated in the Bid Document and is correct to the best of our knowledge and understanding. We would be solely responsible for any errors or omissions in our Bid.
4. Further, we also confirm that we have no history of abandoning projects/Contracts/Work Orders.
5. We confirm that there is no Conflict of Interest with any other Bidder.

6. We confirm that we have studied the provisions of relevant Indian laws and regulations required to enable us to carry out our functions as per Scope of Work and to prepare this Bid. Further, we confirm that we have carried out our own due-diligence and assessment of Scope of Work, feasibility of rail transportation, weighment and sampling & testing facilities at Meenakshi Energy Ltd. as appropriate for the process and we do not foresee any significant problem in order to comply with the requirements.

7. We hereby confirm that we will abide unreservedly with MEL's decision in the qualification process for selection of Qualified Bidder and further warrant that under no circumstances we will challenge either MEL's decision or its right to make such decision at any time in the future.

We agree to furnish any additional information and documents as required by MEL to establish representations made by us in this Bid at all times. We also confirm that MEL reserves the right to contact our bank and Parties/Customers/project references and verify the information and documents submitted for the purpose of qualification.

8. The Bid will remain valid for acceptance as per the Clause 10.1 (Validity Table) of the Bid Document for ordering at any point of time during its validity.

9. We confirm that the Bid is unconditional and non-suggestive and that we have not taken any deviation from any of the provisions of Bid Documents.

10. We confirm that we have no record of any previous blacklisting by MEL in any tender process or otherwise under any previous business relationship with MEL.

11. We confirm that we or any of our related parties have not been debarred / blacklisted from supplying imported coal by any State / Central GENCO's/Other Govt. entities/Vedanta group and acknowledge and agree that MEL may reject our Bid if this were to be the case and may take appropriate actions as per the provisions of the Bid Document.

12. We confirm that our quoted prices are based on the provisions of the Bid Documents.

13. We confirm that our rates are firm for supply of the quantum of coal indicated.

14. We confirm that we will supply entire quantity as offered in the Price Bid, in case the same is awarded.

15. We confirm that our Bid includes all taxes except Advance Tax, for which MEL is having exemption. We further confirm that we will be complying with applicable rules and regulations as required for fulfilling our obligations under this Bid Document.

16. We confirm that we have read and understood the requirements regarding blacklisting and are in agreement with the same.

17. We hereby confirm that our minimum quantity offered as follows for supply during the Contract period:

- a. OptionA1 – 5000 GAR Coal (South African Origin): -----MT
- b. OptionA2 – 5000 GAR Coal (Indonesian Origin): -----MT
- c. OptionA3 – 4200 GAR Coal (Indonesian Origin): -----MT

18. The details of contact person are furnished as under:

Name:

Designation:

Name of the Company:

Address of the Bidder:

Phone Nos.:

Yours sincerely,

(Authorized Signatory and Seal)

Name:

.....

Date:

Place:

.....



**ANNEXURE B1: PRICE BID FORMAT (with LC of usance 30/120 days)**

**Meenakshi Energy Limited – Price Bid**  
*(On Letter Head of Bidder)*

To,

Head – Fuel Management  
Meenakshi Energy Limited  
Thamminapatnam Village,  
Distt- Tirupati A.P.-524344

Dear Sir,

**Sub:** Bid Documents for Supply of Non-coking imported coal to **MEL on FOR delivered to MEL plant at delivery point/CIF basis- Base GCV 5000 GAR.**

Having examined the Bid Documents No. **TN/1/CM/MEL/2023-24/R0** including its revisions/ Amendments/ Addenda/ Corrigenda and Clarifications if any (Insert Numbers), the receipt of which is hereby acknowledged, we the undersigned, offer Non-Coking Coal under the above- named Package: "Supply of Up to 40.0 Lakh Metric Tons Non-Coking Imported Coal for Meenakshi Energy Limited" in full conformity with the Base parameter specifications at Clause. 14 of the said Bid Documents for the sum, inclusive of all taxes and duties but **excluding Advance Tax (Entry Tax) for which MEL is exempted:**

SL. NO	PARTICULARS	UO M	Usance Period (30 Days)	Usance Period (120 Days)
	<b>Option-A4</b>			
a.	Offered quantity	(in Metric Ton)		
b.	Published Index (API4 6000 NAR) on preceding Friday of due date for bid submission	(USD /MT)		
c.	Discount on index	(USD /MT)		
d.	Ocean Freight	(USD /MT)		
e.	Dollar Exchange Rate (SBI TT selling rate as on preceding Friday of due date of bid submission, variable)	(Rs/USD)		
f.	Applicable FOB, $f = (b - c + d) \times e$	(Rs /MT)		
g.	Marine insurance -Firm	(Rs /MT)		
h.	Total Customs duty (details to be furnished)	(Rs /MT)		
i.	Discharge Port stevedoring, port handling, interacting, logistics up to truck loading, other administrative charges and incidental charges there to (Firm)(NA for CIF supply)	Basic (Rs/MT)		

j.	Road freight (Rs/MT) (indicating Loading Port side to MEL's plant. (Firm)(Escalation/descalation on 30% freight value if diesel price varies +/-1%(NA for CIF supply)	Freight (Rs/MT)		
		Freight Distance		
		Loading Port Side		
k.	Sub Total (f + g + h + l + j)(Variable)	Amount (Rs/MT)		
l.	GST @ 5% on (k) Tax rate (Variable)	Amount (Rs/MT)		
m.	GST Compensation CESS (Variable)	RS/MT		
n.	Landed Cost to MEL (k + l + m)	(Rs/MT)		
o.	Landed Cost to MEL (n/5700)	(Rs/Mcal)		

**Note:**

- i. **Landed cost is computed based on applicable taxes excluding Entry Tax for which MEL has exemption. Contractor to comply with the procedures as required.**
- ii. **Eligible Input tax credit has been indicated in the above price bid format and the same will be eligible during supply.**

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

We hereby confirm our acceptance and compliance to all the provisions of the Bidding Documents. We declare that the work will be executed strictly in accordance with the requirement and Bidding Documents provisions and good industry practice. We confirm that we have taken into account all taxes and levies (GOI/State Govt/Bodies) applicable as on date. We acknowledge MEL is liable to reimburse/recover only in case of changes/additions/deletions.

We agree to abide by this Bid as stipulated in the Bid Documents and it will remain binding upon us and may be accepted by MEL at any time as per the Clause 5 (Validity Table).

Note: Price bid evaluation will be based on the landed price (Rs/Mcal) derived from the applicable prevailing indices.

Signature:.....

Name:.....

Designation:.....

**ANNEXURE B2: PRICE BID FORMAT (with LC of usance 30/120 days)**

**Meenakshi Energy Limited – Price Bid**  
(On Letter Head of Bidder)

To,

Head – Fuel Management  
Meenakshi Energy Limited  
Thamminapatnam Village,  
Distt- Tirupati A.P.-524344

Dear Sir,

**Sub:** Bid Documents for Supply of Non-coking imported coal to **FOR delivered to MEL plant at delivery point/CIF basis - Base GCV 5000 GAR.**

Having examined the Bid Documents No. **TN/1/CM/MEL/2023-24/R0** including its revisions/ Amendments/ Addenda/ Corrigenda and Clarifications if any (Insert Numbers), the receipt of which is hereby acknowledged, we the undersigned, offer Non-Coking Coal under the above- named Package: "Supply of Up to 40.0 Lakh Metric Tons Non-Coking Imported Coal for Meenakshi Energy Limited" in full conformity with the Base parameter specifications at Clause. 14 of the said Bid Documents for the sum, inclusive of all taxes and duties but **excluding Advance Tax (Entry Tax) for which MEL is exempted:**

SL. NO	PARTICULARS	UO M	Usance Period (30 Days)	Usance Period (120 Days)
	<b>Option-A4</b>			
a.	Offered quantity	(in Metric Ton)		
b.	Published Index (ICI3 4600 NAR) on preceding Friday of due date for bid submission	(USD /MT)		
c.	Discount on index	(USD /MT)		
d.	Ocean Freight	(USD /MT)		
e.	Dollar Exchange Rate (SBI TT selling rate as on preceding Friday of due date of bid submission, variable)	(Rs/USD)		
f.	Applicable FOB, $f = (b - c + d) \times e$	(Rs /MT)		
g.	Marine insurance -Firm	(Rs /MT)		
h.	Total Customs duty (details to be furnished)	(Rs /MT)		
i.	Discharge Port stevedoring, port handling, interacting, logistics up to truck loading, other administrative charges and incidental charges there to (Firm) ( <b>NA for CIF supply</b> )	Basic (Rs/MT)		

j.	Road freight (Rs/MT) (indicating Loading Port side to MEL's plant. (Firm)(Escalation/descalation on 30% freight value if diesel price varies +/-1%( <b>NA for CIF supply</b> ))	Freight (Rs/MT)		
		Freight Distance		
		Loading Port Side		
k.	Sub Total (f + g + h + l + j)(Variable)	Amount (Rs/MT)		
l.	GST @ 5% on (k) Tax rate (Variable)	Amount (Rs/MT)		
m.	GST Compensation CESS (Variable)	RS/MT		
n.	Landed Cost to MEL (k + l + m)	(Rs/MT)		
o.	Landed Cost to MEL (n/5000)	(Rs/Mcal)		

**Note:**

- iii. **Landed cost is computed based on applicable taxes excluding Entry Tax for which MEL has exemption. Contractor to comply with the procedures as required.**
- iv. **Eligible Input tax credit has been indicated in the above price bid format and the same will be eligible during supply.**

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

We hereby confirm our acceptance and compliance to all the provisions of the Bidding Documents. We declare that the work will be executed strictly in accordance with the requirement and Bidding Documents provisions and good industry practice. We confirm that we have taken into account all taxes and levies (GOI/State Govt/Bodies) applicable as on date. We acknowledge MEL is liable to reimburse/recover only in case of changes/additions/deletions.

We agree to abide by this Bid as stipulated in the Bid Documents and it will remain binding upon us and may be accepted by MEL at any time as per the Clause 5 (Validity Table).

Note: Price bid evaluation will be based on the landed price (Rs/Mcal) derived from the applicable prevailing indices.

Signature:.....

Name:.....

Designation:.....

**ANNEXURE B3: PRICE BID FORMAT(with LC of usance 30/120 days)**

Meenakshi Energy Limited – Price  
(On Letter Head of Bidder)

To,

Head – Fuel Management  
Meenakshi Energy Limited  
Thamminapatnam Village,  
Distt- Tirupati A.P.-524344

Dear Sir,

**Sub:** Bid Documents for Supply of Non-coking imported coal to **MEL on FOR delivered to MEL plant at delivery point/CIF basis - Base GCV 4200 GAR.**

Having examined the Bid Documents No. **TN/1/CM/MEL/2023-24/R0** including its revisions/ Amendments/ Addenda/ Corrigenda and Clarifications if any (Insert Numbers), the receipt of which is hereby acknowledged, we the undersigned, offer Non-Coking Coal under the above- named Package: “Supply of Up to 40.0 Lakh Metric Tons Non-Coking Imported Coal for Meenakshi Energy Limited” in full conformity with the Base parameter specifications at Clause. 14 of the said Bid Documents for the sum, inclusive of all taxes and duties but **excluding Advance Tax (Entry Tax) for which MEL is exempted:**

SL. NO	PARTICULARS	UO M	Usance Period (30 Days)	Usance Period (120 Days)
	<b>Option-A5</b>			
a.	Offered quantity	(in Metric Ton)		
b.	Published Index (ICI4 3800 NAR) on preceding Friday of due date for bid submission	(USD /MT)		
c.	Discount on index	(USD /MT)		
d.	Ocean Freight	(USD /MT)		
e.	Dollar Exchange Rate (SBI TT selling rate as on preceding Friday of due date of bid submission, variable)	(Rs/USD)		
f.	Applicable FOB, $f = (b - c + d) \times e$	(Rs /MT)		
g.	Marine insurance -Firm	(Rs /MT)		
h.	Total Customs duty (details to be furnished)	(Rs /MT)		

<b>i.</b>	Discharge Port stevedoring, port handling, interacting, logistics up to truck loading, other administrative charges and incidental charges there to (Firm)( <b>NA for CIF supply</b> )	Basic (Rs/MT)		
<b>j.</b>	Road freight (Rs/MT) (indicating Loading Port side to MEL's plant. (Firm)(Escalation/descalation on 30% freight value if diesel price varies +/-1%( <b>NA for CIF supply</b> )	Freight (Rs/MT)		
		Freight Distance		
		Loading Port Side		
<b>k.</b>	Sub Total (f + g + h + I + j)(Variable)	Amount (Rs/MT)		
<b>l.</b>	GST @ 5% on (k) Tax rate (Variable)	Amount (Rs/MT)		
<b>m.</b>	GST Compensation CESS (Variable)	RS/MT		
<b>n.</b>	Landed Cost to MEL (k + l + m)	(Rs/MT)		
<b>o.</b>	Landed Cost to MEL (n/5500)	(Rs/Mcal)		

**Note:**

- v. Landed cost is computed based on applicable taxes excluding Entry Tax for which MEL has exemption. Contractor to comply with the procedures as required.**
- vi. Eligible Input tax credit has been indicated in the above price bid format and the same will be eligible during supply.**

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

We hereby confirm our acceptance and compliance to all the provisions of the Bidding Documents. We declare that the work will be executed strictly in accordance with the requirement and Bidding Documents provisions and good industry practice. We confirm that we have taken into account all taxes and levies (GOI/State Govt/Bodies) applicable as on date. We acknowledge MEL is liable to reimburse/recover only in case of changes/additions/deletions.

We agree to abide by this Bid as stipulated in the Bid Documents and it will remain binding upon us and may be accepted by MEL at any time as per the Clause 5 (Validity Table).

Note: Price bid evaluation will be based on the landed price (Rs/Mcal) derived from the applicable prevailing indices.

Signature:.....

Name:.....

Designation:.....

## ANNEXURE C - FORMAT OF QUALIFICATION REQUIREMENT

To,

Head - Fuel Management  
Meenakshi Energy Limited  
Thamminapatnam Village,  
Distt- Tirupati A.P.-524344

Dear Sir,

**Subject: Bid for Supply of Non-Coking Imported Coal to Meenakshi Energy Limited (summary of credentials)**

A. We hereby certify that M/s\_\_\_\_\_ (Bidder) have supplied bulk quantity of Non-coking / coking coal of Foreign or Domestic origin in continuous 12 months under the contract(s) mentioned below:

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 preceding three consecutive years in the below table:

Sr. No	Financial Year	Name of Purchaser	Type of Coal (Non-coking / coking)	Origin (Domestic or Foreign)	Contract(s) Ref. No. and Dated	Period of Supply (From-to)	Quantity Supplied (MMT)
1	2019-20						
2	2020-21						
3	2021-22						
4	2022-23						

B. We Certify that: We have examined the books of accounts, records and other relevant documents, along with other necessary information and explanations furnished by M/s (insert name of the Bidder)

<b>Financial Qualification Requirement</b>	<b>(Insert name of Bidder)'s annual turnover for the financial year 2021-22:</b>	<b>Rupees _</b>
	<b>(Insert name of Bidder)'s annual turnover for the financial year 2020-21:</b>	<b>Rupees _</b>
	<b>(Insert name of Bidder)'s annual turnover for the financial year 2010-20:</b>	<b>Rupees _</b>
	<b>(Insert name of Bidder)'s annual turnover for the financial year 2018-19:</b>	<b>Rupees _</b>
	<b>(Insert name of Bidder)'s annual turnover for the financial year 2017-18:</b>	<b>Rupees _</b>
	<b>(Insert name of Bidder)'s net worth as on 31st March 2022:</b>	<b>Rupees _</b>

*(Signature and stamp of any whole-time Director (supported by a specific Board Resolution)/Manager of Bidding Company) Name:*

*Date:*

*Place:*

*(Signature and Stamp of statutory Auditors of Bidding Company)*

*Name:*

*Date:*

*Place:*

*Please also affix common seal of Bidding company.*



## ANNEXURE D- 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: Meenakshi Energy Limited  
Thamminapatnam Village,  
Distt- Tirupati A.P.-524344

Beneficiary:

Quantity:

Amount:

Price

Loading Point:

Date & Place of Expiry \_\_\_\_\_IN LC ISSUING BANK

Latest Shipment Date

Discharge Point: Meenakshi Energy Limited

Partial Shipment: ALLOWED

Transshipment: NOT

ALLOWED Description:

SPECIFICATIONS AS PER CONTRACT ARE:

Parameters	UOM	Base Specificati on	REJECTION
GCV (ARB)	Kcal/K g		

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 RECEIPT DATE OF LAST TRUCK OF LOT AT MEL

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 "MEENAKSHI ENERGY LIMITED".
- c. TAX INVOICE IN TRIPLICATE ISSUED AT LC PRICE ON TRUCK WEIGHT AT LOADING PORT AND SHOULD BE MARKED WITH INVOICE NO, CONTRACT DATE.
- d. PHOTOCOPY OF THE SALE AND PURCHASE AGREEMENT.

**IN CASE OF DEDUCTION 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 MEL
- b. COPY OF TAX INVOICE ALREADY SUBMITTED IN 80% CLAIM.
- c. COPY OF CERTIFICATE OF ANALYSIS AND CERTIFICATE OF WEIGHT ISSUED BY MEL IN LOT.

- d. DEBIT/CREDIT NOTE FOR ADJUSTED VALUE TOWARDS DAMAGES/BONUS ETC, IF ANY.
- e. 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.
- f. COPY OF ARGUS/COALINDO ICI3 REPORTS) AND PROOF OF RBI/FBIL CURRENCY EXCHANGE REFERENCE RATES.

**NOTE:** FOR THE LAST LOT OF 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 MEL.
- ii. BILL OF EXCHANGE FOR 100 % OF INVOICE VALUE WITH ADJUSTMENT AS PER ADJUSTMENT CERTIFICATE ISSUED BY MEL.
- iii. COPY OF CERTIFICATE OF ANALYSIS ISSUED BY MEL.
- iv. COPY OF CERTIFICATE OF WEIGHMENT ISSUED BY MEL.
- 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. MEL – means MEENAKSHI ENRGY 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  
–
10. [AK.AGARWAL@VEDANTA.CO.IN](mailto:AK.AGARWAL@VEDANTA.CO.IN)  
[M.BABU@VEDANTA.CO.IN](mailto:M.BABU@VEDANTA.CO.IN),  
[HARISH.SAHU@VEDANTA.CO.IN](mailto:HARISH.SAHU@VEDANTA.CO.IN)
11. 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/PAYMENTAS PER THE INSTRUCTIONS OF NEGOTIATING BANK WITHIN FIVE (5) BANK WORKINGDAYS.

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.

**ANNEXURE - E (BG FORMAT)**

Format of Performance Bank Guarantee - Indian

Date :

Guarantee No. :

To,

Head - Fuel Management  
Meenakshi Energy Limited  
Thamminapatnam Village,  
Distt- Tirupati A.P.-524344

Dear Sir,

WHEREAS, \_\_\_\_\_, a company incorporated under the laws of \_\_\_\_\_ and \_\_\_\_\_ having its registered / principal office at \_\_\_\_\_ (hereinafter referred to as the "Party" which expressions shall include its successors and assigns) has in terms of LOI No/ Contract No. \_\_\_\_\_ dated \_\_\_\_\_ (hereinafter referred as the "Contract") entered between you and the said Party, contracted to supply the good or perform the works and services as stated in the Contract.

AND WHEREAS, as per provision of the said Contract, the Party is required to furnish to you a Bank Guarantee for \_\_\_\_\_ (Rupees \_\_\_\_\_ only) towards due and faithful performance of the Party's obligations under the Contract.

Now, we \_\_\_\_\_ (name of the bank, branch) at \_\_\_\_\_ (address) ( which include our successors and assigns) hereby irrevocably and unconditionally agree and undertake as follows :

1. We hereby irrevocably and unconditionally guarantee to pay to you the sum in aggregate not exceeding \_\_\_\_\_ (Rupees \_\_\_\_\_ only), without demur, merely on the first written demand signed by your representative stating that the amount claimed is due by reasons of breach by the said Party of any of the terms or conditions contained in the said Contract or by reasons of the Party's failure in performance of the Contract and / or any other agreement, if any. Any such demand made on us shall be conclusive as regards the amount due and payable to you by us under this guarantee.
2. Notwithstanding anything to the contrary, your decision as to whether the Party has made any such default or defaults under the aforesaid Contract and / or any other agreement, if any and the amount or amounts to which you are entitled by reason thereof, will be binding on us and we shall not be entitled to ask you to establish your claim or claims under this guarantee and / or be concerned with any dispute, if any between you and the Party and / or refer to the Party and / or rely upon any communication of the Party, but will pay forthwith the sum demanded by you on first written demand without any protest or demur.
3. This guarantee shall come into force from the date of issue of this guarantee and shall remain in

full force and effect up to and including\_\_\_\_\_. Should it be necessary to extend the validity of this guarantee beyond the said date, we undertake to extend the period of the guarantee on your request till such time as may be mutually agreed between you and the Party.

4. We further agree that you shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said Contract and all other written agreement, if any relating to the Contract and/or to extend the time for performance by the Party from time to time.

5. Notwithstanding anything contained hereinabove our liability under this guarantee is restricted to \_\_\_\_\_(Rupees \_\_\_\_\_only). Unless a claim in writing is lodged with us within a period of 6 (six) months from the date of expiry of the guarantee i.e. up to and including\_\_or up to an extended date as per clause 3 hereinabove, unless otherwise extended, all your rights under this guarantee shall stand forfeited and we shall be released and discharged from all liabilities under this guarantee whether or not this document shall have been returned to us.

THIS GUARANTEE SHALL BE SUBJECT TO THE LAWS OF INDIA AND THE JURISDICTION OF THE COURTS IN MANSA, PUNJAB, INDIA

SIGNED AND DELIVERED this \_\_\_\_ day of \_\_\_\_\_, 20\_.

For and on behalf of Bank:

(Authorized Signatory Of Bank)

Address :

## STANDARD TERMS & CONDITIONS

### 1. TAXES AND DUTIES

#### 1.1. Definitions

For the purposes of this Clause 1 (Taxation):

- (a) "Tax" or "Taxes" means taxes, levies, duties, fees, charges and contributions as amended from time to time and any interest or penalties thereon;
- (b) "Government Authority" or "Government Authorities" means any local or national government or authority of any country, competent to levy any Tax;
- (c) "Goods & Services Tax" or "GST" shall include Central Goods & Service Tax ("CGST"), State Goods & Service Tax ("SGST"), Integrated Goods & Service Tax ("IGST"), Union Territory Goods & Service Tax ("UTGST") & GST Compensation Cess.

#### 1.2. Person Responsible for payment of Taxes

##### 1.2.1. General

Except as may be expressly set out in this Contract, the Supplier shall be responsible for:

- (a) the payment of all Taxes now or hereafter levied or imposed on the Supplier or its subcontractors or on the personnel of the Supplier or its subcontractors by any Government Authority in respect of any wages, salaries and other remuneration paid directly or indirectly to persons engaged or employed by the Supplier or its subcontractors (hereinafter referred to as "Personal Income tax");
- (b) the payment of all Taxes now or hereafter levied or imposed by any Government Authority on the actual/assumed profits and gains made by the Supplier or its subcontractors (hereinafter referred to as "Corporate Income tax");
- (c) the payment of all GST now or hereafter levied or imposed by any Government Authority on the supply of goods or services, if any, provided to the Company by the Supplier or its subcontractors;
- (d) the payment of all Taxes now or hereafter levied or imposed by any Government Authority on the mentioned goods only, namely, petroleum crude, HSD, Petrol, Natural Gas & ATF, if any, sold to the Company by the Supplier or its subcontractors (hereinafter referred to as "Sales tax/VAT/CST");
- (e) the payment of all Taxes now or hereafter levied or imposed by any Government Authority on the mentioned goods only, namely, petroleum crude, HSD, Petrol, Natural Gas & ATF, if any, manufactured by the Supplier or its subcontractors for sale to the Company (hereinafter referred to as "Excise Duty");and
- (f) the payment of any other Taxes now or

hereafter levied or imposed by any Government Authority on the Supplier or its subcontractors as a result of the performance of this Agreement.

##### 1.2.2. Exception to General:

Prior to commencing the Services, the Supplier shall notify the Company whether or not it has Fixed Establishment in India. If the Supplier notifies the Company that it does not have Fixed Establishment in India, then, any Indian GST chargeable on the services provided by the Supplier under this Agreement shall be paid by the Company directly to the relevant Government Authority.

##### 1.2.3. Reimbursement of Taxes to the Supplier

It is acknowledged that responsibility for payment of Taxes to the Government Authority will be governed as per clause 1.2.1 and 1.2.2, the Supplier will be reimbursed only for such Taxes which will be agreed to be reimbursed in the Compensation Schedule or any of the Purchase Order(s) issued under the Agreement.

##### 1.2.4. Pricing

The Parties agree that details of Taxes included in, or excluded from, the Supplier's prices and/or rates shall be as stated in the Compensation Schedule to the Agreement and nothing in this Clause 1 shall be construed to affect or prejudice such details as stated in the Compensation Schedule.

##### 1.3. Withholding taxes and Withholding certificates

1.3.1. The Company shall, at the time of its payments due to the Supplier, withhold the necessary taxes at such rate as is required by any Government Authority, unless and to the extent that the Supplier shall produce to the Company any certificate issued by a Government Authority (having authority to issue such certificate) entitling the Supplier to receive the payments under the Agreement for a prescribed period without deduction of any tax or deduction at a lower rate.

1.3.2. The Company shall provide the necessary withholding tax certificates to the Supplier within the time stipulated by the relevant law to enable the Supplier to file the same with the Government Authority as a proof of payment of such taxes.

##### 1.4. Person Responsible for filing of returns / information to Government Authorities

1.4.1. The Supplier shall be responsible for filing all necessary Tax returns (including, without limitation, returns for Corporate Income tax, Personal Income tax, GST, Sales tax and Excise Duty) 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.

1.4.2. 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.
- 1.4.3. The Company, with respect to the tax withheld from the Supplier in accordance with Clause 1.3 (Withholding Tax and Withholding Tax Certificates), shall be responsible for filing the withholding tax returns with the relevant Government Authorities in accordance with applicable statutory requirements.
- 1.5. **Company's rights, if treated as representative assessee by Government Authorities**  
 In certain situations, a Government Authority may treat the Company as the representative assessee of the Supplier and/or its subcontractors and recover the Taxes due to the Government Authority by the Supplier or its subcontractors from the Company. In such situations, the Company shall have the following rights:
- (a) The Company shall be entitled to recover from the Supplier, the Taxes paid on behalf of the Supplier or its subcontractors (together with any costs and expenses incurred by the Company in connection therewith) or to retain the same out of any amounts to be paid to the Supplier or its subcontractors that may be in its possession (whether due under this Agreement or otherwise) and shall pay only the balance, if any, to the Supplier; and
- (b) If the Company is required to furnish any details or documents in such capacity, the Company shall request the details or documents to be furnished to it by the Supplier and the Supplier shall immediately furnish the same to the Company. If the Supplier fails to comply with the foregoing, any penalty/interest levied on the Company for non-filing or late filing of details or documents in this regard shall be recoverable from the Supplier.
- 1.6. **Indemnity**  
 The Supplier shall defend, indemnify and hold the Company Group harmless from and against any and all claims, liabilities, costs, damages and expenses (including court costs and legal fees) in connection with any Taxes 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.
- 1.7. **Changes in Law**  
 If, after the date of execution of this Agreement, there is any change in law, , excluding any change(s) as result of interpretation by competent authority, tribunal & Court, which results in a change in the rate of any Tax included in the Supplier's prices or rates or the introduction of a new Tax and such change results in an increase or decrease in the cost to the Supplier of performing this Agreement then the Parties shall agree to a revision in pricing to reflect such change provided that:
- (a) the Party requesting such revision shall promptly (and in any case prior to submission of the Supplier's final invoice under this Agreement) but not later than 7 business days notify the other Party that such change in law has arisen; and
- (b) the Party requesting such revision shall provide the other Party with documentary proof of such change in cost to the reasonable satisfaction of the other Party; and
- (c) the provisions of this Clause 1.7 shall not apply to changes in Personal Income tax or Corporate Income tax or to changes in non-Indian Taxes.
- 1.8. **GST Compliances by Supplier**
- 1.8.1. Notwithstanding anything contained hereinabove, the Supplier shall strictly and in a timely manner, adhere to and undertake all acts, omissions and compliances required under the applicable GST laws to ensure that the Company is able to avail the Input Tax Credit/set off/rebate/refund of the GST (along with cesses and surcharges, if relevant) as applicable on the Services or any supplies if applicable made by the Supplier under this Agreement to the fullest extent possible under law. In this regard, without limiting the generality of the foregoing obligation in any manner whatsoever, Company reserves the right to specify to the Supplier, particulars including but not limited to the following:
- (a) whether Supplier should charge IGST or CGST-plus-SGST;
- (b) GST registration number of the Company;
- (c) whether the Supplier should be responsible to generate the E-Way Bill;
- (d) the format of invoices/credit and debit notes/advance receipt vouchers;
- (e) the requirement for maintenance of a 'GST compliance rating score' above a specified threshold; etc. and
- (f) the relevant timelines for such compliances based on the applicable GST laws.
- 1.8.2. The Supplier acknowledges that any failure in the foregoing obligations (including undertaking the ones specifically instructed by the Company, if any) can cause significant losses to the Company in the form of loss of GST credit, statutory interest liability on such credit loss (under applicable GST laws) and adverse impact on the 'GST compliance rating score' and thus, undertakes to carry out this foregoing obligation with sincerity, due diligence and without any delay or demur.
- 1.8.3. The Parties agree that the Company reserves the right to reimburse the GST component on supplies received only when the corresponding credit has become available in the electronic credit ledger of the relevant GST registration of Company.
- 1.8.4. Without prejudice to any other indemnification obligation under this Agreement, the Supplier agrees to, at all times, to hold harmless and indemnify Company from and against all claims, liabilities, expenses, proceedings, costs and losses that may be suffered or incurred by Company which may arise out of or in connection with any failure by the Supplier to adhere to its obligations including but not limited to its obligations under clause 1.8.1 above. In this regard, the Supplier also hereby indemnifies Company from any costs, claim or liability arising out of any claim or action or omission by any employee or consultant or agent or outsourced staff or subcontractor of the Supplier.
- 2. STATUTORY COMPLIANCES/LICENCES**



2.1 The Supplier shall be solely liable for statutory compliance in respect of all applicable laws of land

2.2 Purchaser is obligated to ensure that its suppliers meet the criteria for security mandated by the Customs-Trade Partnership Against Terrorism (C-TPAT) program. In order to comply with these requirements, Purchaser requires Supplier to be a C-TPAT certified participant where applicable, or satisfy comparable security program policies and procedures as follows:

(i) If Supplier is C-TPAT Certified, upon receipt and certification of the SVI # (Status Verification Indicator), Purchaser requests a copy of the official letter, a copy of the C-TPAT Certificate to Supplier, and the Supplier SVI letter for file and audit record.

(ii) If Supplier is not C-TPAT certified or does not qualify under Customs terms to be C-TPAT certified, Supplier must provide evidence its approved under a similar supply chain security program that is endorsed and sponsored by its local country (For e.g., P.I.P. in Canada) OR must provide a statement from a company senior executive officer of its intent and plan to provide its supply chain security policy and procedure that describes its supply chain security systems that meet or exceed those expectations in U.S. C-TPAT. Upon written request, Supplier shall provide Purchaser with copies of its written tracking procedures to verify the Supplier's compliance with comparable supply chain security measures as required under C-TPAT.

(iii) Supplier shall grant to Purchaser or its designated Representative the right from time to time, upon prior written notice to Supplier and at reasonable date and hours, to visit Supplier's facilities to perform an audit of Supplier compliance with its security obligations. Upon completion of any review by Purchaser, Supplier will be advised in writing if any corrective action is required to assure compliance with the C-TPAT program. Based on the type of corrective action required, the parties will mutually establish a time period for implementation of the corrective measures required. If Supplier does not comply within a reasonable time period with the requirements for C-TPAT compliance, Purchaser will be entitled to treat Supplier's failure to comply as a material breach of this MPA.

### 3. **INSURANCE**

Insurance shall be arranged according to the applicable INCOTERM as provided in the Scope of Contract.

### 4. **WARRANTIES AND REPRESENTATION**

4.1 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 as detailed in the Scope of Contract 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, 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.

4.2 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.

4.3 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;

(ii) 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

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

#### 5. **RISKPURCHASE/SUBSTITUTED PERFORMANCE**

5.1.1 Without prejudice to any other rights of the Company under the Agreement, relevant Purchase Order/(s) and/ or at law, if the Supplier fails to perform its obligations as per the provisions of this Agreement and/or the relevant Purchase Order/(s), the Company may procure the Material from third party sources at the risk and costs of the Supplier. Provided however that prior to exercising this right, the Company shall give a prior written notice of 30 (thirty days) to the Supplier for rectifying the breach.

#### 6. **BUSINESS ETHICS**

6.1. 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.

6.2. 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.

6.3. The Supplier agrees to comply with the provisions of the Company's Supplier Code of Conduct which includes Anti-bribery and Corruption requirements (a copy of which is also available at [http://www.vedantalimited.com/media/104182/supplier\\_code\\_of\\_conduct\\_-\\_december\\_2016.pdf](http://www.vedantalimited.com/media/104182/supplier_code_of_conduct_-_december_2016.pdf)) and the Company's Human Rights Policy (a copy of which is available at [http://www.vedantalimited.com/media/80325/vedanta\\_human\\_rights\\_policy.pdf](http://www.vedantalimited.com/media/80325/vedanta_human_rights_policy.pdf)) including the Modern Slavery Act and in case of breach thereof, the same shall be treated as a breach of this Agreement.

6.4. The Supplier shall maintain records and provide to the Company upon request such records and evidences, as the Company may reasonably require, confirming the Supplier's compliance with the obligations under this clause.

6.5. The Company shall have a right to initiate "audit proceedings" against the Supplier to verify compliance with the requirements under this clause. 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.

6.6. Notwithstanding anything in this agreement, Company shall have right to terminate the Agreement forthwith and recover from the Supplier, the amount of any loss arising from such termination in case, it is found that the Supplier has failed to comply with requirements under this clause including any corrupt practices. 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

6.7 If at any time during execution or performance of this Agreement the Supplier becomes aware of any unethical practices or is faced with any undue demand, request for gratification or favor from any employee of the Company or a person connection with such employee, the Supplier must report the same immediately 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: [sgl.whistleblower@vedanta.co](mailto:sgl.whistleblower@vedanta.co).

#### 7. **DEFAULT AND TERMINATION**

7.1 Notwithstanding anything contained herein to the contrary, the Company may immediately terminate all or part of this Agreement/Purchase Order as under:

(i) by a written notice to the Supplier in case of any breach of the terms of this Agreement by Supplier and has failed to remedy such breach within 30 days from receiving notice from the Company.

(ii) if Supplier (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 Company, frivolous or vexatious; or (b) discharged, stayed or dismissed within ninety (90) days of commencement;

(iv) if Supplier 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 Company 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 Supplier accrued prior to the date of such termination.

(v) if the price of the Commodity/Material falls below 95% or exceeds 105% of the benchmark market index rates.

7.1 Notwithstanding anything contained herein to the contrary, 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.

7.2 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 (i) 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.

7.3 Upon termination, the sole liability of the Buyer towards the Seller under the Agreement shall be to make payment of all direct and documented costs which have been incurred by the Supplier till the date of termination.

7.4 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,

## **8. LIMITATION OF LIABILITY**

**8.1 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.**

8.2 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, misrepresentation, death or personal injury.

## **9.0 FORCE MAJEURE**

9.1 For the purposes of this Agreement, "Force Majeure" means the occurrence of any event or circumstance or combination of events or circumstances that is beyond the reasonable control of a Party, has a material and adverse effect on the performance by that Party of its obligations under or pursuant to this Agreement, and that demonstrably could not have been foreseen by the Parties; provided, however, that such material and adverse effect could not have been prevented, overcome or remedied by the affected Party through the exercise of diligence and reasonable care; but provided, further, that the exercise of diligence and reasonable care will not include the obtaining or maintaining of insurance beyond the requirements of this Agreement.

9.2 Subject to clause 9.1 hereinabove, Force Majeure includes without limitation, the following events and circumstances, but only to the extent that each satisfies the above requirements as provided under Clause 9.1: (a) Act of God, (b) fire, flood, earthquake, epidemic, pandemic, natural disaster or extreme natural event (c) war, riot, insurrection, civil commotion, mobilization or military, call up of a comparable scope, which has been notified in accordance with this Clause 9 any direction, judgement, decree or any other order passed by any judicial/quasi-judicial/administrative authority and/or any direction passed by the government authority/(ies) restraining the performance of obligations, whether in part or in full, of the affected party provided that such orders or directions must not emanate out of actions directly attributable to the affected party or (e) any event owing to any restrictions, directives/directions imposed or passed by the government, judicial, quasi-judicial authorities if they impede or delay the performance of the Agreement (Force Majeure Events)

## **FORCE MAJEURE EXCLUSIONS**

Force Majeure will expressly not include the following conditions, except and to the extent that they result from an event or circumstance otherwise constituting Force Majeure:

- (i) unavailability, late delivery or changes in cost of machinery, equipment, materials, spare parts or consumables;
- (ii) failure or delay in performance by any Subcontractor;
- (iii) normal wear and tear or flaws in materials and equipment or breakdowns in equipment.
- (iv) any labour unrest/strikes or any other event of the like nature caused by the personnel of the Supplier (which includes its subcontractors) shall not be considered as a force majeure occurrence

9.3 In the event of a Force Majeure occurrence, the party that is or may be delayed in performing the Agreement shall notify in writing to the other party without delay but not later than fifteen (15) business days on the initiation 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. Provided, however, that the occurrence of such an event would entitle the parties to renegotiate the time frame for performance of the respective obligations, taking into consideration the nature of such 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 said notice is not received by the other party within fifteen (15) business days, after the party who fails to perform knew or ought to have known of the impediment, it is liable for damages resulting from such non-receipt.

- 9.4 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. Upon the cessation of the event of Force Majeure, the party declaring Force Majeure shall immediately but not later than three (3) business days give notice thereof to the other party.
- 9.5 Neither Party shall be liable in any manner whatsoever to the other party in respect of any loss, damage, costs, expense, claims, demands and proceedings relating to or arising out of occurrence or existence of any Force Majeure Event or exercise of any right pursuant hereof. The costs associated with taking all steps required to mitigate the effects of the Force Majeure Event and restore its ability to perform its obligations under this Agreement as soon as reasonably practicable shall be borne by the respective parties.
- 9.6

#### **10. INDEMNITY**

- 10.1 The Supplier shall defend, indemnify and hold the Company, its directors, officials & employees etc., harmless from and against any and all against any and all claims, liabilities, costs, damages and expenses (including court costs and legal fees) in connection with any claim made by any third party (including, but not limited to, any claim made by any governmental or statutory authority) against the Company arising out of or in connection with the performance by the Supplier of its obligations under this Agreement.
- 10.2 The Supplier shall be liable for and shall defend, indemnify and hold the Company its directors, officials & employees etc., 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.
- 10.3 The 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.
- 10.4 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.

- 10.5 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.

- 10.6 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 these 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.

#### **11. ARBITRATION**

11.1 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 by meeting(s) between senior management representatives of each Party.. 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 mediation and arbitration proceedings shall be English. The seat of arbitration shall be Hyderabad, India.

(iii) The award made in pursuance thereof shall be final and binding on the parties

It is clarified that the works/supplies under the Agreement shall be continued by the Supplier during the arbitration proceedings unless otherwise directed in writing by the Purchaser/Company. Save as those which are otherwise expressly provided in the contract, no payment due or payable by the Purchaser shall be withheld on account of such arbitration proceedings, unless it is the subject matter or one of the subject matters thereof.

#### **12. APPLICABLE LAW AND JURISDICTION**

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

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

### **13. SET OFF**

13.1 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.

### **14. CONFIDENTIALITY**

14.1 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 any 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.

14.2 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.

14.3 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.

14.4 All Confidential Information developed by Supplier Group as a result of 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 13.

14.5 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.

14.6 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.

### **15. MISCELLANEOUS PROVISIONS**

15.1 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.

15.2 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.

15.3 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

15.4 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.

15.5 Notices: Any notice required to be given hereunder shall be given by sending the same by facsimile, E mail, 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 3<sup>rd</sup> day on dispatch by post.

15.6 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.

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

15.8 Assignment: Neither this Agreement nor any right, duty or obligation of any party hereunder shall be assigned or

delegated by any party (in whole or in part) without the prior written consent of the other party (ies) hereto.

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

15.10 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.

15.11 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.

15.12 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.

15.13 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.

**15.14 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.**