

**M B POWER (MADHYA PRADESH) LTD**

**Tender Specification No.: MBPMPL/Supply/Tender-Domestic/18-19/01**

**BIDDING DOCUMENT FOR**

**SUPPLY OF 1,50,000+/-5% DOMESTIC NON - COKING COAL ON FOR  
DELIVERED BASIS**

**TO**

**ANUPPUR THERMAL POWER PLANT, JAITHARI DISTT. ANUPPUR  
(MP)**

**20<sup>TH</sup> DECEMBER, 2018**

## 1. INTRODUCTION

MB Power (Madhya Pradesh) Ltd. (MBPMPL) has set up 2 x 600 MW Anuppur Thermal Power Plant (Phase-I) at Jaithari, Dist. - Anuppur, in the state of Madhya Pradesh. The project site is located at a distance of about 2 Kms. from Jaithari Railway station on Katni - Bilaspur Broad Gauge (BG) section of South East Central Railway (Main Line). Anuppur is the nearest town situated at 15 km. The nearest airports are Jabalpur and Raipur.

MBPMPL invites bids for supply of 1,50,000 MT Non-coking, Domestic Coal (hereinafter referred to as "Coal") by Rail or Road to 2x600 MW Anuppur Thermal Power Plant at Jaithari, Anuppur district, Madhya Pradesh from legal source on FOR basis (hereinafter referred to as "Coal").

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

## 2. GENERAL INFORMATION

The interested bidders are invited to submit their bid 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

Last date and time for receipt of Bid shall be 27.12.2018 by 1 PM.

Note: Timelines mentioned above are indicative and are subject to change at the discretion of MBPMPL. MBPMPL reserves the right to amend the above schedule or modify/cancel the bid process at its own discretion. The successful bidder shall not be entitled to any loss / claim / damage arising out of or related to the amendment / modification / change in the above mentioned schedule.

All expenses in relation to Bidding to be borne by the Bidder.

Interested suppliers/bidders can contact the authorised persons as per the details mentioned below for submission of bids:

- a. M P Singh (AVP- Procurement & Contracts)  
MB Power (Madhya Pradesh) Ltd,  
239, Okhla Industrial Estate Phase III, New Delhi - 110 020  
Tel: +91-11-47624100, Extn: 242  
Mobile:+91 9958857270  
Email ID - [mp.singh@hpppl.in](mailto:mp.singh@hpppl.in)
- b. Himanshu Jain (Procurement & Contracts)  
MB Power (Madhya Pradesh) Ltd,  
239, Okhla Industrial Estate Phase III, New Delhi - 110 020  
Tel: +91-11-47624100, Extn: 491  
Mobile:+919654587405  
Email ID – [himanshu.jain@hpppl.in](mailto:himanshu.jain@hpppl.in)

## 4. PERIOD OF VALIDITY OF BID

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

## 5. SCOPE OF WORK

1. Supply of Coal on FOR Delivered basis to Plant.
2. All coordination from loading point till rake reaches MPMPL plant including but not limited to

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rake indents placement, rake loading, e-way bills generation, covering wagons with tarpaulin to be part of Scope of Work of Supplier.

3. Bidder may also give coal to Road by Automated Tripper duly covered with tarpaulin.

#### 6. QUANTITY AND DELIVERY SCHEDULE

Tentative delivery schedule will be 1,50,000 MT +/-5%. Supplies to start within 3 working day from date of LOI/ Purchase order. Quantity to be despatched in the following manner:

- January – 50,000 MT,
- February – 50,000 MT,
- March – 50,000 MT,

The delivery schedule shall be given by MBPMPL prior to start of deliveries as per MBPMPL's requirement. For delay in supplies, LD will be applicable as per clause no. 11(5).

MBPMPL may also change the delivery schedule at its sole discretion by intimating the supplies in advance.

The above mentioned quantity is tentative and MBPMPL can issue Order for whole or part quantity. Decision of MBPMPL in this regard will be final.

Bidder can quote for entire quantity or part quantity as per their convenience.

#### 7. SPECIFICATIONS OF COAL

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

Parameters	Guaranteed Value
Gross Calorific Value (ARB)	3800 to 4000 K.cal/kg
Total Moisture (TM)	10+ 1%
Size	-100 MM

#### 8. CONTRACT PRICE

The payment shall be made on per GCV basis.

The Contract Price shall be worked out considering GCV of 4000 K.cal/kg.

#### 9. TAXES AND DUTIES

The quoted Price shall be inclusive of Freight, Royalty (if any), surcharge, all taxes and duties including GST.

Payment of all taxes, fees, levies, duties, or other charges of whatsoever nature including GST and in respect of any wages, salaries and other remuneration paid directly or indirectly to persons engaged or employed by the Supplier or its subcontractors levied or imposed now or hereinafter as a result of the services provided hereunder and the performance of this Agreement shall be the sole responsibility of and be paid by the Supplier. Nothing contained herein shall prevent the Company from deducting tax at source as required by law from the payments due to the Supplier.

The Supplier shall be responsible for filing all necessary tax returns (including, without limitation, returns for corporate income tax, personal income tax, GST) with the relevant Government Authorities in accordance with all applicable statutory requirements and shall be responsible for providing all information requested by such Government Authorities.

The Supplier shall also ensure that its subcontractors file such returns as stipulated by the relevant

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Government Authorities and furnish such information as requested for by the relevant Government Authorities.

## 10. PAYMENT TERMS AND MODE OF PAYMENT

Following shall be the payment terms:-

- (a) 75% shall be paid within 15 days from the date of receipt of coal at site & submission of correct invoice along with all supporting document.
- (a) Balance 25% shall be released within 30 days from the date of receipt of coal at site & submission of correct invoice along with all supporting documents or within 10 days of finalization of Penalty / Incentive based upon quality report as per the terms of this ENQUIRY.

Payment shall be made by the MBPMPL to the Supplier by Cheque / RTGS as decide by the MBPMPL.

## 11. SPECIAL TERMS AND CONDITIONS

### (1) Total Moisture

The Total Moisture in Coal should not be more than 11%. In case Total Moisture is more than the 11 % on any day/ Rake, the proportionate weight loss due to higher moisture will be reduced from the day-wise receipt quantity (for payment purpose) which shall be calculated by the following formula:

$$\frac{\text{Receipt Weight} \times (100 - \text{Actual TM (ARB in percentage)})}{(100 - 11)}$$

### (2) Quality of Coal

- (i) Supplier shall ensure to supply Coal having GCV in the range of 3800 to 4000 K.cal/kg on ARB.
- (ii) If received GCV (ARB) on weighted average basis for entire supplied quantity at plant end is less than above mentioned guaranteed value, proportionate Penalty/Incentive shall be recovered as per following slab:-

GCV Slab (k.cal/kg)	Incentive/Penalty	Rate (Rs/MT)
≤3200	Rejected Coal	No payment shall be made
3201 - 3400	Penalty	50% of the agreed prices shall be Paid.
3401 - 3600	Penalty	1.20 x Pro-rata*
3601-3799	Penalty	1.10 x Pro-rata*
3800-4000	NIL	Agreed Charges shall be paid on per GCV basis.
4001-4100	Incentive	1.10 x Pro-rata*
≥ 4101	Incentive	Incentive is restricted to GCV of 4100 only.

\*Pro-rata rate arrived vide clause No. (iv) & (v) below.

- (iii) If Coal having GCV less than or equal to 3200 k.cal/kg received in a day/rake, it shall be treated as rejected Coal and it shall be forfeited. No payment shall be made for such quantity and it shall not be qualified for inclusion in arriving at the weighted average price of the lot.
- (iv) The following formula shall be applied for calculation of pro-rata Rate (Rs/MT) of Penalty :

$$\frac{\text{Rate}^* \times \text{Difference in GCV (Received GCV - 3800)}}{3800 \text{ k.cal/kg}}$$

\*Rate includes Transportation Charges

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- (v) The following formula shall be applied for calculation of pro-rata Rate (Rs/MT) of Incentive :

$$\frac{\text{Rate} * \text{Difference in GCV (Received GCV - 4000)}}{4000 \text{ k.cal/kg}}$$

\*Rate includes Transportation Charges

- (vi) The Incentive/Penalty shall be calculated on weighted average basis for complete supply.

- (3) Quality analysis shall be done on daily basis by MBPMPL with procedure as mentioned in the Tender document as mentioned below:-

- (a) Samples shall be drawn in accordance with the procedure laid down in IS:436 (Part I/Sec 1)-1964 and any amendment thereof from time to time, Indian Standard for METHOD FOR SAMPLING OF COAL AND COKE). **Sample shall be drawn by semi-auto sampler installed after crusher at our plant.** Similarly, analysis will be as per IS:1350 (Part-I) – 1984 proximate analysis.
- (b) The sample arrived at after crushing and reduction by coning & quartering to be divided into three parts as A1, A2 & A3 (umpire sample). All samples should be sealed and signed jointly. Sampling process can be witnessed by Supplier's representative but shall not be discontinued if supplier's representative is not available. In this respect no communication shall be made with Supplier either in writing or verbal. A1 to be handed over to supplier for their own analysis, A2 to be analysed by third party agency appointed by the MBPMPL.
- (c) A3 to be kept as referee sample in case Supplier disputes the results of buyer. Analysis of referee sample A3 to be carried out by an independent third party nominated by Buyer at its lab and the results will be final and binding on both parties for all commercial purposes
- (d) The results shall be communicated through e-mail to Supplier.

- (4) Quantity variation

Quantity variation of  $\pm 5\%$  is allowed. However, payment shall be made based upon the actual quantity of coal receipt at site after adjustment of loss due to higher moisture/Bonus/ penalty/ recoveries as per the terms of Enquiry.

- (5) Penalty in case of delay in Coal Supply:

If the SUPPLIER fails for reasons solely attributable to SUPPLIER, to complete the supplies as per Contract, the SUPPLIER shall be liable to pay Penalty @ 2% of the Contract Price per week of delay or part thereof subject to a maximum of 20% of the Contract Price on undelivered portion of coal quantity.

- (6) Penalty for Oversize Coal: In case of coal size received at Plant shall be more than -100 mm, Penalty @ Rs. 100 per MT shall be deducted.

- (7) SECURITY DEPOSIT

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

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

## 12. GENERAL TERMS AND CONDITIONS

- (i) Force Majeure: - Neither Party shall be in breach of Contract if it is unable to fulfill its contractual obligations due to Force Majeure events. The Force Majeure events shall mean the events or circumstances beyond reasonable control of MBPMPL and Supplier such as:

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- (a) Act of God;
- (b) An act of war, (whether declared or undeclared) hostilities, invasion, acts of terrorism, armed conflict or an act of foreign enemies, blockade, embargo, revolution, military action,;
- (c) Contamination by radio-activity from any nuclear fuel, or from any nuclear waste from the combustion of nuclear fuel, radioactive toxic explosive, or other hazardous properties;
- (d) Riot, civil commotion, terrorism or disorder, unless solely restricted to employees of the Supplier or of its Sub-Contractor; Either Party has the right to terminate the contract if a single Force Majeure event lasts more than 30 (thirty) days or events in aggregate last more than 90 (ninety) days.

(ii) DEFAULT AND TERMINATION:-

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

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

(ii) if other Party

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

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

(c) makes, or plans to make, a general assignment for the benefit of its creditors, or

(d) creditor attaches or takes possession of all or a substantial part of said Party's assets;

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

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

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

(iii) ARBITRATION

In the event of any dispute or difference at any time arising between the parties relating to PO or any other clause(s) or any content of the right and liabilities of the parties or other matters specified herein or otherwise in relation to the terms, whether during the terms of this ENQUIRY or thereafter, such disputes or differences shall be endeavored be resolved by mutual negotiation. If however, such negotiations are infructuous, the dispute should be finally settled by 'Arbitration and Conciliation Act 1996' by three arbitrators appointed in accordance with the said act. The

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arbitrators shall give reasoned and speaking award. The venue of the arbitration shall be Delhi and the proceeding shall be in English Language.

**(iv) JURISDICTION**

The Courts of Delhi shall have Jurisdiction to decide on all matters arising out of or concerning PO, including any interim measure either before the commencement of the arbitration proceedings or a pending final award by the arbitration tribunal

**(v) INDEMNITY**

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

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

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

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

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

It is the express intention of the Parties hereto that the provisions of this Agreement / Purchase

Order shall exclusively govern the allocation of risks and liabilities of thee 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.

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