

MB POWER (MADHYA PRADESH) LTD

Tender Specification No.: MBPMPL/Supply/Tender-Imported/18-19/02R

BIDDING DOCUMENT FOR

**SUPPLY OF 1,50,000+/-5% IMPORTED (Indonesian Origin) NON - COKING COAL ON
FOR DELIVERED BASIS
TO
ANUPPUR THERMAL POWER PLANT, JAITHARI DISTT. ANUPPUR (MP)**

20TH 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, Imported (Indonesian Origin) Coal (hereinafter referred to as "Coal") by Rail 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 04.01.2019 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
- 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

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

6. QUANTITY AND DELIVERY SCHEDULE

Tentative delivery schedule will be 1,50,000 MT +/-5%. Supplies to start within 7 working days from date of LC opening date. 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 Imported (Indonesian Origin) Coal to be supplied shall be as per specifications furnished hereunder

Sr.No.	Parameter	Typical	Rejection
1	Total Moisture (ARB)	35%	Above 38 %
2	Inherent Moisture (ADB)	14%	NA
3	Ash (ADB)	8%	Above 9%
4	VM (ADB)	42%	NA
5	Sulphur(ADB)	0.8%	Above 0.8%
6	GCV (GAR/ARB) k.cal/kg	4200	Below 3800
7	Size	0-50 mm	NA
8	IDT	>1200	<1200
9	HGI (min)	48	Below 45

8. CONTRACT PRICE

The payment shall be made on per MT basis for the quantity as received at plant. Weight measured at plant In-Motion Weight Bridge will be final. The Contract Price shall be considering GCV (ARB) of 4200 K.cal/kg.

The rates quoted must include all other charges towards handling, clearing & forwarding and loading etc. incurred for loading of Coal onto the rakes, safe transportation tarpaulin covering and delivery till Anuppur Project site.

MB Power (Madhya Pradesh) Limited

Registered Off: Laharpur, Jaithari, Anuppur, Madhya Pradesh – 484330

Corporate Off: 239, Okhla Industrial Estate Phase-III, New Delhi 110020, India. Phone 91-11-47624100, Fax: 91-11-47624229.

CIN: U40101MP2008PLC022066, Website: www.hindustanpowerprojects.com Email Id: contact@hppoil.in

Any charges towards detention, plot rent, demurrage etc. shall be on account of Supplier.

9. TAXES AND DUTIES

The quoted Price is inclusive of all taxes & duties except GST @ 5% and GST Compensation Cess @ Rs. 400 per Ton.

In lieu of TCS, we will issue Form-27C.

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

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

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

10. PAYMENT TERMS AND MODE OF PAYMENT

Payment of the coal value to be paid out of, an irrevocable Letter of credit (LC) with Usance opened through nationalized bank and in the mutually acceptable format. MBPMPL shall provide LC before start of dispatches. LC shall be opened in parts in accordance with the quantity of delivery schedule as confirmed by the buyer.

All charges related to 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) 90% payment shall be made on submission of following documents:

- a. Invoice
- b. Railway Receipt Copies.
- c. Debit note towards usance interest.
- d. BOE
- e. Other statutory documents, if any.

(b) Balance 10% shall be paid on weighted average basis after receipt of quality report of all the rakes.

- a. Invoice
- b. Copy of Quality report
- c. Railway Receipt Copies
- d. BOE
- e. Debit note/ Credit Note for an adjustment as per terms of the order

MB Power (Madhya Pradesh) Limited

Registered Off: Laharpur, Jaithari, Anuppur, Madhya Pradesh – 484330

Corporate Off: 239, Okhla Industrial Estate Phase-III, New Delhi 110020, India. Phone 91-11-47624100, Fax: 91-11-47624229.

CIN: U40101MP2008PLC022066, Website: www.hindustanpowerprojects.com Email Id: contact@hpppl.in

11. SPECIAL TERMS AND CONDITIONS

(1) Total Moisture

The Total Moisture in Coal should not be more than 38%. In case Total Moisture is more than 38 % in a rake, the proportionate weight loss due to higher moisture will be reduced from the rake-wise quantity (for payment purpose) which shall be calculated with the following formula:-

$$\text{Receipt WEIGHT} - \frac{[\text{Receipt Weight} \times (\text{Actual TM (ARB in percentage)} - 38)]}{100}$$

(2) Quality of Coal

- (i) Supplier shall ensure to supply Coal having GCV of 4200 K.cal/kg on ARB.
- (ii) If GCV (ARB) falls below the 4200 K.cal/kg and upto 3800 K.cal/kg, penalty shall be applicable as per following formula:

$$\frac{\text{Agreed Coal price PMT} \times (4200 - \text{Actual GCV (ARB) during rake loading})}{4200 \text{ Kcal/kg}}$$

- (iii) If GCV (ARB) falls below the 3800 K.cal/kg, penalty shall be applicable as per following formula:

$$2 \times \frac{\text{Agreed Coal price PMT} \times (4200 - \text{Actual GCV (ARB) during rake loading})}{4200 \text{ Kcal/kg}}$$

- (iv) If Sulphur exceeds 0.8% then on every increase of 0.1% of Sulphur content, deduction @ Rs. 50 per MT shall be done on pro rata basis.
- (v) If Ash content exceeds 8% then on every increase of 1% of Ash content, deduction @ Rs.50 per MT shall be done.

(3) Sampling and Quality analysis:

Sampling and analysis of coal at MBPMPL will be considered for the purpose of payment with adjustments for deviations from base parameters.

Sampling of coal will be in accordance with the ASTM Methods. The sampling process will be broadly as under:

Sample shall be drawn by semi-auto sampler installed after crusher at our plant. The Gross Sample collected will be reduced in accordance with the ASTM Standard The sample arrived at after crushing and reduction by coning & quartering to be divided into three parts as A1, A2 & A3 (referee sample). All samples should be sealed and signed jointly. Sampling process can be witnessed by Agency representative but shall not be discontinued if Agency's representative is not available. In this respect, no communication shall be made with Agency either in writing or verbal. A1 to be handed over to Agency for their own analysis, A2 to be analysed by Third Party as appointed by MBPMPL. A3 to be kept as referee sample in case MBPMPL or Agency disputes the results. Analysis of umpire sample A3 to be carried out by mutually agreed independent third party at their own lab and its results will be final and binding to both parties for all commercial purposes.

Analysis of samples by third party agency shall be done in its accredited lab will be in accordance with the ASTM. The agency is not expected to participate in analysis of samples and results declared by the MBPMPL will be binding on the agency.

The agency must familiarize with the ASTM Standards specified above before quoting their price. It will be presumed by MBPMPL that an agency quoted its price is familiar with the sampling and analysis procedure and results declared by MBPMPL for a quantity will be final and binding on the agency.

(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) 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:

(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,

MB Power (Madhya Pradesh) Limited

Registered Off: Laharpur, Jaithari, Anuppur, Madhya Pradesh – 484330

Corporate Off: 239, Okhla Industrial Estate Phase-III, New Delhi 110020, India. Phone 91-11-47624100, Fax: 91-11-47624229.

CIN: U40101MP2008PLC022066, Website: www.hindustanpowerprojects.com Email Id: contact@hppoil.in

- (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 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

MB Power (Madhya Pradesh) Limited

Registered Off: Laharpur, Jaithari, Anuppur, Madhya Pradesh – 484330

Corporate Off: 239, Okhla Industrial Estate Phase-III, New Delhi 110020, India. Phone 91-11-47624100, Fax: 91-11-47624229.

CIN: U40101MP2008PLC022066, Website: www.hindustanpowerprojects.com Email Id: contact@hppoil.in



harmless from and against and all Claims in connection with any breach, infringement (whether actual or alleged) of Confidentiality, accident, bodily injury, fraud arising out of or in connection with the performance of this Agreement by the Supplier.

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

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

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

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

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

MB Power (Madhya Pradesh) Limited

Registered Off: Laharpur, Jaithari, Anuppur, Madhya Pradesh – 484330

Corporate Off: 239, Okhla Industrial Estate Phase-III, New Delhi 110020, India. Phone 91-11-47624100, Fax: 91-11-47624229.

CIN: U40101MP2008PLC022066, Website: www.hindustanpowerprojects.com Email Id: contact@hpppl.in