



THE STATE TRADING CORPORATION OF INDIA LTD
(A GOVT. OF INDIA ENTERPRISE)
Jawahar Vyapar Bhawan, Tolstoy Marg, New Delhi 110001

**BRANCH OFFICE: "STC TRADE CENTRE", A-29, Thiru-Vi-Ka Industrial Estate,
Guindy, CHENNAI 600 032.**

Notice Ref No: STC/CHN/COAL/TM/2017-18/02 DT 26.10.2017

**NOTICE FOR INVITING TRADE MARGIN QUOTATIONS CLOSING ON 30.10.2017 AT 1100 HRS
FOR SELECTING THE BACKUP SUPPLIER / THEIR AUTHORISED AGENTS
FOR ONWARD PARTICIPATION IN TNPL'S TENDER SUPPLY OF 3,00,000 MT +/-5% OF STEAMING (NON
COKING) COAL IN BULK (IMPORTED) WITH HIGH GCV AND 60,000MT +/- 5% OF STEAMING (NON
COKING) COAL IN BULK (IMPORTED) WITH LOW GCV ON DELIVERED AT TNPL FACTORY BASIS
WHICH IS CLOSING ON 31.10.2017 AT 1500 HRS.**

Against the subject enquiry floated by Tamil Nadu Newsprint and Papers Limited (TNPL), the suppliers / their authorised agents of IMPORTED STEAMING COAL OF ANY ORIGIN are invited for participation in said tender of TNPL as our backup supplier **AS PER THE FOLLOWING TERMS & CONDITIONS IN LINE WITH THE TNPL TENDER DOCUMENT.**

Tamil Nadu Newsprint and Papers Limited (TNPL), would like to procure 3,00,000 MT 5% of Steaming (Non Coking) Coal in Bulk (Imported) with High GCV and 60,000MT 5% of Steaming (Non Coking) Coal in Bulk (Imported) with Low GCV on delivered at TNPL factory basis against the above referred tender. In this connection, please find enclosed the following:

Please note that the tender quantity of 3,60,000 MT includes TNPL's requirement of 2,55,000 MT (High GCV) & 60,000MT (Low GCV) for Unit I at Karur and 45,000 MT (High GCV) for Unit II at Mondipatti (near Trichy). Supply to TNPL's Unit II will be on stock & sale basis as per the terms mentioned in clause 2a of Annexure II (B) & II (C) of Specification of High & Low GCV Coal. Suppliers are requested to **kindly** consider the same while offering the C&F rate.

Tenderers (suppliers / their authorised agents) may offer their trade margin to STC along with the name of CHA and Transporter. The successful supplier shall be selected based on the highest Trade Margin received and based on their offered price STC shall participate in TNPL's coal tender after adding Trade Margin for both High GCV and Low GCV Coal (Total quantity - 3,60,000MT) or for either High GCV Coal (3,00,000MT for Unit-I & Unit-II) or Low GCV Coal (60,000MT for Unit-I) and delivery will be till the factory premises of TNPL as mentioned in the below.

Please note that the points asked for as per Annexure-I are the qualifying factors of the Tender. Tenderers who do not comply with the conditions with documentary proof (wherever required) will not be qualified in the Tender for reverse auction stage.

TENDER FINALISATION METHOD:

STC shall participate in the TNPL tender with back-up supplier arrangement. The back-up supplier should note that they have to quote the rate on C&F Karaikal basis taking the following into consideration.

1. Quantity and quality determination at TNPL site as per terms and conditions of the tender.

2. The contract would be split into 2 parts
 - a) Purchase order on the overseas principals for material on C&F Karaikal basis.
 - b) Work order on you/your authorized agency towards stevedoring, handling at port up to loading operations @ Rs.275/MT (Applicable GST extra).
3. The customs duty paid by tenderer.
4. Railway freight would be paid by TNPL as per details given in the tender.
5. Pre-berthing delay, if any, will be to supplier's account only.

The tenderers, on their own interest, should ensure that all the documents required for further participation in TNPL tender are furnished at the time of tender participation.

Tenders not able to submit the relevant documents shall be summarily rejected.

Tenderers are advised to take note of the payment terms as per TNPL tender given in clause 7 of Annexure II (D) - Terms and Conditions for Unit-I & clause 6 of Annexure - II (E) - Terms and conditions for Unit-II of the enclosed terms and conditions for Unit-I & II .

TNPL/STC reserve the right to reject any or all tenders at it's own discretion without assigning any reason whatsoever and TNPL is not responsible for postal or any other delay in submission of bid on due date and in time.

Name of the Company with full address	Trade Margin for STC in % (Nett to STC)
Name & Address of the CHA	
Name & Address of the Transporter	

- Note: 1. We hereby agree to offer the entire quantity for both High GCV and Low GCV Coal (Total quantity - 3,00,000MT for Unit-I & Unit-II) and Low GCV Coal (60,000MT for Unit-I) and delivery will be till the factory premises of TNPL as per their tender requirement.
2. We have also gone through the TNPL tender ref. No. MM/SP/TENDER/171813003531 dt. 23.10.2017 published on TN Government Tender website for better clarification.
 3. The CHA and transporter shall be paid as per the rates mentioned in the TNPL tender.

Annexure – I: Qualifying Criteria

1. The Steaming (Non Coking) Coal in Bulk offered should conform to TNPL specifications.
2. **Submission of Tender Fee and Earnest Money Deposit (EMD) by the successful bidder:**
TENDER FEE & EMD : Tender fee of Rs. 590/- and EMD of Rs. 10,00,000/- (Rupees Ten Lac only) should be submitted to STC for onward submission of DD drawn in favour of TAMIL NADU NEWSPRINT AND PAPERS LIMITED payable at KARUR. STC/TNPL will not entertain any request for adjusting the EMD from the tenderer's due/running bills or from the EMD/Security Deposit of any other tender participated by the tenderer.

STC/TNPL will not entertain any request for adjusting the EMD from the tenderer's due/running bills or from the EMD/Security Deposit of any other tender participated by the tenderer.

3. Acceptance to provide Performance Bank Guarantee for a value of Rs.5 Crore against the order by the successful bidder.

4. **Support Letter from the Mines:**
In case of submission of offer by an Agent, the tenderer should furnish a copy of support letter from the Mine Owner (as per format attached) for offering Non Coking coal(Imported) to STC against this tender.

The detailed specifications of coal offered against this tender should be furnished in the above support letter. The Mine Support Letter should have been issued in favour of the supplier on whom the order is to be released.

The original support letter should be sent by the mine owner(as per format attached) directly to STC mentioning in capital letters as "MINE SUPPORT LETTER" on top of the cover and the same should reach STC within the due date.

5. Acceptance of sampling and analysis given in clause 8 of General terms and conditions.
6. The tenderer should commit to supply the entire tender quantity and confirm the delivery schedules given in the tender.
7. Acceptance of price validity as per tender terms
8. Submission of tender within the due date and time

NOTE:

Tenderers who do not comply with the above conditions will not be qualified in the tender for further processing.

ANNEXURE - II (A) - GENERAL TERMS AND CONDITIONS

1. MATERIAL & QUANTITY:

**I. Steaming (Non Coking) Coal in Bulk (Imported) (High GCV)
(Basis : GCV – 6000Kcal/Kg (ADB) and Total Moisture – 18% (ARB))**

Quantity: 3,00,000 5%. (2,55,000 MT 5% for unit I & 45,000 MT 5% for unit II)

**II. Steaming (Non Coking) Coal in Bulk (Imported) (Low GCV)
(Basis: GCV – 5600 Kcal/Kg (ADB) and Total Moisture – 25% (ARB))**

Quantity: 60,000 MT 5% for unit I

Origin: of Indonesian / Australian / South African / Russian / Chinese origin.

STC/TNPL reserves the right to alter the number of shipments and quantum of procurement based on requirement.

2. PRICE:

The price should be quoted by the selected supplier on C&F Karaikal basis inclusive of STC's trade margin, all port charges (both loading and unloading ports), all other incidental expenses such as pilotage and berth hire charges, light dues, harbour dues, other taxes, assessment, night/holiday charges and other charges with respect to the vessel at port of discharge.

3. The price quoted and accepted against the tender would be FIRM for the entire duration of the contract.

4. The price quoted is also inclusive of all rights (if any) of patent, registered design or trade mark and the Supplier shall indemnify the Purchaser against all claims in respect of the same.

5. SAMPLING AND ANALYSIS:

Each consignment should be accompanied by certification of Sampling and Analysis as per ISO/British/ASTM Standard or any other International Standards mutually agreed upon. The certificate shall contain the necessary details including conformity of size stipulations of contract. The certificate shall be arranged by the Supplier at his cost.

On arrival of the consignment at TNPL site, the 3rd party Inspection Agency to be appointed by TNPL shall draw samples in the presence of the representatives of Purchaser and Supplier. All analysis shall be in accordance with the following standard test methods.

Mechanical Sampling Procedure: IS 436(Part I / Section II).

TNPL has installed an Automatic Coal Sampler in the Coal Conveyor for collecting sample and sampling would be done with Automatic Coal Sampler only in both Unit I & II.

NOTE: In case of any break down of the mechanical sampling system, TNPL would follow manual sampling procedure as per IS 436(Part I / Section I).

Total Moisture: ISO 589 : 2008 (E) Method – B2

Moisture(Inherent): IS 1350 (Part-I) – 6.3.2 Method II

Volatile Matter: IS 1350 (Part-I) – 7

Ash: IS 1350 (Part-I) –8

Size: Sieve analysis of Imported Coal will be tested as per the standard ASTM D4749-87. This test will be carried out by third party testing agent in presence of Buyer's and seller's representative only once. Retest will not be entertained on either side.

Gross Calorific Value: ISO 1928.

One part will be analysed by the 3rd party Inspection Agency at TNPL lab in the presence of TNPL and seller and this will be binding on all parties.

Second part to be retained as referee sample under joint lock under the custody of 3rd party Inspection Agency and TNPL for a period of 3 months for reference.

The final results of analysis given by the 3rd party Inspection Agency carried out at TNPL with the first part of sample will be binding on both Purchaser and Supplier for all purposes including payment.

The charges incurred for conducting discharge port analysis and at TNPL site by the 3rd party Inspection Agency shall be borne by Purchaser.

The Supplier shall furnish a certificate of sampling and analysis issued at the load port, stating the following to the Purchaser.

1. Gross Calorific Value(ADB)	2 Total Moisture (ARB)	3. Inherent Moisture (ARB)	4. Ash(ADB).
5. Volatile Matter (ADB).	6 Fixed Carbon (ADB).	7. Sulphur (ADB).	8. Size of Coal

6. VALIDITY:

The rate should be valid for a period of 15 days from the date of e-auction/price bid opening by TNPL. No tenderer is permitted to withdraw his quoted rate within the validity period. In case of withdrawal of offer, the EMD will be forfeited and STC/TNPL may claim additional expenses, if any incurred, from the tenderer due to withdrawal of offer by him.

7. FORCE MAJEURE:

If, at any time during the continuance of the contract, the performance in whole or in part of any obligations under this contract shall be prevented or delayed by reasons of any war, hostility, acts of public enemy, acts of civil commotion, strikes, lockouts, sabotages, fire, floods, explosions, epidemics, quarantine restrictions or other acts of God, Acts of

Government in the country of Origin(hereinafter referred to as eventualities) then provided notice of the happening of any such eventualities is given by the Supplier within 7 days from the date of occurrence thereof, neither party shall, by reasons of such eventuality, be entitled to terminate this contract not shall have any claim for damages against the other. Deliveries under this contract shall be resumed as soon as practicable after such eventuality has come to an end or ceased to exist. Provided that if the performance in whole or part by the Supplier or any obligation under this contract is prevented or delayed by reasons of any eventuality for a period exceeding 30 days, STC/TNPL may at its option terminate this contract by notice in writing.

8. LIQUIDATED DAMAGES(LD) CLAUSE:

In the event of Supplier's failure to ship the material within the time specified for shipment, the Supplier shall have to pay Liquidated Damages a sum equivalent to Half percent of the C&F price of material, which the Supplier had failed to ship as aforesaid, for each and every week (part of a week being treated as a full week) during which the material is not shipped after the contracted shipment period provided. However, such liquidated damages shall not apply to any period of extension granted

by the Purchaser under Force Majeure conditions. The total liquidated damages shall not exceed five percent (5%) of the contract price of the material so delayed.

The Purchaser will also be at liberty to cancel the order/resort to Risk Purchase as per the terms of the tender, if the supply is not completed within the accepted delivery period notwithstanding the liquidity damages applicable for the belated supplies.

9. PENALTY FOR SUPPLY OF COAL WITH SHALES AND STONES:

In case the material supplied is found contaminated with shales and stones, such rejects would be segregated and the additional cost incurred for segregation of shales and stones will be debited from Supplier's stevedoring bills.

Also STC/TNPL reserves the right to reject the entire cargo of such contaminated supplies.

10. DAMAGE OCCURRED DURING UNLOADING:

In case of any damage occurs during unloading of material at TNPL site due to Material problem (High moisture, Lumps, More fines etc.), the cost incurred to repair the damage occurred (material cost, Additional manpower engaged, railway DC charges, if any)will be debited to supplier account

11. GUARANTEE:

The Supplier shall warrant that the material supplied shall comply fully with the specifications laid down. If material supplied is not in conformity with the conditions as laid down in Clause No 1 of Annexure II (B) & II (C) above, the Purchaser shall recover the customs duty, railway freight etc., already made for the rejected quantity.

The decision of the Purchaser in regard to the Supplier's liability under this guarantee shall be final and conclusive.

12. PERFORMANCE BANK GUARANTEE:

The successful bidder should provide a Bank Guarantee for a value of Rs 5 crore towards performance within 7 days of Purchase Order as per TNPL's standard format valid for a period of one year from the date of order through any reputed Bank in India or any reputed foreign bank having Branches in India. In case of Bank Guarantee through a foreign bank, the same should be counter guaranteed by a reputed bank in India.

13. EARNEST MONEY DEPOSIT(EMD):

- The successful bidders is required to pay an EMD of Rs.10,00,000/- (Rupees Ten Lac) to STC.
- The EMD amount will not bear any interest.
- STC/TNPL will not entertain any request for adjusting the EMD from the tenderer's due/ running bills or from the EMD/Security Deposit of any other tender participated by the tenderer.
- In case of withdrawal of offer within the validity period of the offer or before finalization of the order, the EMD amount paid will be forfeited.
- The EMD amount of the successful bidder will be converted into interest free security deposit.

The EMD of the unsuccessful bidders will be returned after finalization of the tender.

14. SECURITY DEPOSIT:

In the event of an order, the EMD amount of the successful bidder will be converted into interest free security deposit and will be returned on successful completion of order. In the event of cancellation of order due to unsatisfactory performance of the supplier, the security deposit amount shall stand forfeited.

15. TRANSFER AND SUBLETTING:

The Supplier shall not sublet, transfer, assign or otherwise part with the contract or any part thereof, either directly or indirectly, without the previous written permission of the Purchaser.

The Supplier shall be entirely responsible for the execution of the contract by the subcontractor, if any permitted by the Purchaser. For this purpose, the Supplier shall at his own cost ensure adequate inspection of their works by an independent organisation acceptable to the Purchaser.

16. ACCEPTANCE OF SUPPLY:

In the event of an order, the Imported Coal supplied will be tested as per the above clause and analysis report of the Independent Inspection Agency at TNPL site will be final and STC's/TNPL's decision on acceptance or rejection will be final and binding on the supplier.

17. REJECTION OF MATERIAL:

If the consignment of coal is rejected due to non conformity of the specifications as detailed in clause 8 "Sampling and Analysis" of Annexure II (A) "General Terms & Conditions", the successful Supplier shall reimburse the expenditure incurred by TNPL towards Customs Duty, Stevedoring charges (expenses from the date of rejection), wharfage charges, transportation and handling charges if any from Discharge Port to Plant Site at Kagithapuram and other charges within a week, on receipt of intimation from STC/TNPL and clear the consignment from TNPL site.

18. CANCELLATION:

In the event of unsatisfactory performance in executing the order as per the terms, the order is liable for cancellation. In the event of cancellation, the Security Deposit will be forfeited. STC/TNPL also reserves the right to exercise the Risk Purchase Option given in Clause (27) of the Tender.

19. RISK PURCHASE:

In the event of Purchaser terminating the contract in whole or in part due to poor performance of the successful supplier, purchaser may procure the same on such terms and in such manner as purchaser deems appropriate and the successful Supplier shall be liable to the Purchaser for any excess costs for such procurement. However, in case of part termination of contract by the Purchaser, the successful Supplier shall continue the performance of the contract to the extent it is not terminated under provisions of this clause.

20. MARINE RISK INSURANCE:

Marine Insurance will be arranged by TNPL at their cost. The successful supplier should intimate the shipment details to TNPL's Insurance Company along with copy of B/L by FAX/E-MAIL on the same date of B/L to STC/TNPL.

21. JURISDICTION FOR LEGAL PROCEEDINGS:

Notwithstanding anything contained herein, it is hereby agreed that only the Courts at Chennai shall have exclusive jurisdiction for the adjudication of any disputes between the parties hereto, to the specific exclusion of all other courts.

22. STC/TNPL reserves the right to split the order on more than one vendor. STC/TNPL also reserves the right to place order for full tender quantity or part quantity thereof.

23. STC/TNPL is not bound to accept the lowest quotation and STC/TNPL may accept (or) reject the lowest quotation or any quotation at its own discretion and go for re-tendering in case the lowest rate obtained in the tender is considered higher.

24. FINANCIAL STATUS:

Please give your sales turn over for the past 3 years along with supporting documents. Tenderers should provide an audited balance sheet / IT returns acknowledgement copies without fail.

25. INFORMATION / DOCUMENTS:

Tenderer should provide true and correct information/documents wherever asked for in the tender. At any point of time, if the information/supporting documents provided by the tenderer is found to be false/fabricated, tenderer's offer shall be disqualified automatically.

26. ARBITRATION:

If at any time, any question, dispute or difference whatsoever shall arise between TNPL and STC arising out of or in connection with the contract, the parties thereto shall use their best efforts to settle such question, dispute or difference amicably by mutual negotiations.

Should agreement not reached, either party may forthwith give to the other, notice in writing of the existence of such question, dispute or difference and the same shall be referred to arbitration by two arbitrators, one of whom will be nominated by STC and the other by TNPL.

The said two arbitrators, will before entering upon arbitration, appoint an umpire, to decide on questions of disputes or differences on which the two arbitrators may differ. Award by the Arbitrators/Umpire shall be final and binding on STC and TNPL which in turn will be binding on the successful supplier.

27. Accidental Risk Coverage :

In case representative of supplier or transporter nominated by supplier met with an accident inside or outside TNPL's mill premises, successful supplier shall take sole responsibility to make arrangements for the medical treatment of the person injured in a good hospital and the Hospitalization expense shall be fully borne by the successful supplier. In case if the successful supplier fails to do so, the Hospitalization expense shall be debited to Supplier's Stevedoring Bills.

28. The tenderer is permitted to deal only with STC

ANNEXURE - II (B)- SPECIFICATION OF HIGH GCV COAL

1. **SPECIFICATION FOR HIGH GCV COAL:** Tenderer should be in position to supply the material as per TNPL specification given below:

Description	Specification	Total Rejection Level
Gross Calorific Value(Kcal/Kg) (ADB)	6000	Below 5600
Inherent Moisture (ADB)	Around 10%	-
Total Moisture (ARB)	18%	Above 25%
Ash (ADB)	Max 8%	Above 12%
Sulphur (ADB)	Max 0.8%	-
Volatile Matter (ADB)	25 to 45%	Above 45%
Initial Deformation Temperature (IDT) In Reducing Atmosphere	Above 1200° C	-
Ash Fusion Temperature (AFT) In Reducing Atmosphere	Above 1350° C	-
Hard Groove Index (No.)	<50	-
Fines Content (minus 3mm)	Max 20%	
(ADB: Air Dried Basis, ARB - As Received Basis). Specifications are as per analysis at TNPL lab.		

NOTE:

- a) Size: 0 to 50mm.
- Size analysis in percentage of coal offered in various sieve sizes to be provided in your offer.
- b) Ratio of Fixed Carbon/Volatile Matter should be between 0.9 and 1.2
- The consignment would be totally rejected in case of supplies exceeding the rejection levels for GCV, Total Moisture, Ash and Volatile Matter.

PENALTY/BONUS CLAUSE:

- a) The Quantity and C&F Rate per MT shall be adjusted as follows based on quantity and quality determined at TNPL site.

GROSS CALORIFIC VALUE(GCV):

Prorata adjustment will be made for GCV on ADB in excess or below 6000 Kcal/kg respectively as per the formula given below.

Adjusted C&F Rate =	Actual GCV on ADB	X	C&F Rate as per Purchase Order
	6000		

Note: The premium payment for excess GCV is limited to 6400 Kcal/kg.

- b) **i) TOTAL MOISTURE – above 18% and upto 21% (ARB):**

For Total Moisture above 18% and upto 21%, the adjusted weight of each consignment will be worked out as per the following formula.

Adjusted Quantity =	Quantity Received	X	118 - (1.0 x Actual Moisture)	100
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ii) TOTAL MOISTURE - above 21% and upto 25%(ARB):

For Total Moisture above 21% and upto 25%, the adjusted weight of each consignment will be worked out as per the following formula.

Adjusted Quantity	=	Quantity Received	X	$\frac{118 - (1.1 \times \text{Actual Moisture})}{100}$
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iii). In case of Total Moisture exceeding 25%, the consignment will be rejected.

Note: No upward increase in quantity would be accepted in case the Total Moisture received is below 18%(ARB). Final price payable will be based on the adjusted weight.

c) ASH content (ADB):

If the Ash contents exceeds 8%(on ADB), penalty @ USD 0.20/MT on C&F Price(arrived after GCV adjustment as above) for every 1% increase in the Ash Content or part thereof will be levied. In case of Ash content exceeds 12%, the consignment will be rejected.

d) Ratio of Fixed Carbon / Volatile Matter (FC/VM):

If the ratio of FC/VM exceeds 1.2, penalty @ USD 0.25/MT on C&F Price for every 0.1 increase or part thereof will be levied.

e) Fines Content:

➤ **Fines Content - Above 20% and upto 25%**

For Fines Content above 20% and upto 25%, a penalty @ USD 0.10/MT on C&F price for every 1% increase of Fines Content or parts thereof will be levied

➤ **Fines Content - Above 25%**

For Fines Content above 20% and upto 25%, a penalty @ USD 0.10/MT on C&F price for every 1% increase of Fines content or parts thereof will be levied.

In addition to the above, for Fines Content above 25%, a penalty @USD 0.13/MT on C&F price for every 1% increase of Fines Content or parts thereof will be levied.

(Please refer the sample worksheet attached for illustration of the penalty application for Fines Content)

3. Premium and penalty for GCV and weight correction for Total Moisture:

For the purpose of assessment of Coal quality, the sample shall be taken from each rake and analyzed for each rake. The premium/penalty for GCV and weight correction shall be applicable considering the weighted average results on vessel basis i.e. all rakes despatched from the vessel as follows. However, in case the Total Moisture(TM) of any particular rake exceeds 25%, the same shall be multiplied by 1.2 and considered as the penalized TM for that particular rake. This value will be considered along with the results of TM of other rakes to arrive at the overall weighted average TM. (Please refer the sample work sheet attached for illustration of the penalty application for Total Moisture).

ANNEXURE - II (C)- SPECIFICATION OF LOW GCV COAL

1. SPECIFICATION FOR HIGH GCV COAL: Tenderer should be in position to supply the material as per TNPL specification given below:

Description	Specification	Total Rejection Level
		Below 5400
Gross Calorific Value(Kcal/Kg) (ADB)	5600	Kcal/Kg
Inherent Moisture (ADB)	12% to 15%	-
Total Moisture (ARB)	25%	Above 30%
Ash (ADB)	Max 8%	Above 12%
Sulphur (ADB)	Max 0.8%	-
Volatile Matter (ADB)	25 to 45%	Above 45%
Initial Deformation Temperature (IDT) in Reducing Atmosphere	Above 1200°C	-
Ash Fusion Temperature (AFT) in Reducing Atmosphere	Above 1350 °C	
Iron Content as Fe ₂ O ₃ in Coal Ash	8%	
Hard Groove Index (No.)	<50	
Fines Content (minus 3mm)	Max 20%	-

(ADB: Air Dried Basis, ARB – As Received Basis).

Specifications are as per analysis at TNPL lab.

NOTE:

a) Size: 0 to 50mm.

- Size analysis in percentage of coal offered in various sieve sizes to be provided in your offer.

b) Ratio of Fixed Carbon/Volatile Matter should be between 0.9 and 1.2

The consignment would be totally rejected in case of supplies exceeding the rejection levels for GCV, Total Moisture, Ash and Volatile Matter.

2. PENALTY/BONUS CLAUSE:

The Quantity and C&F Rate per MT shall be adjusted as follows based on quantity and quality determined at TNPL site.

GROSS CALORIFIC VALUE(GCV):		
Prorata adjustment will be made for GCV on ADB in excess or below 5600 Kcal/kg		
a)	Actual GCV on ADB	C&F Rate as per
		Purchase Order
Adjusted C&F Rate =	$\frac{\text{Actual GCV on ADB}}{5600}$	\times

Note: The premium payment for excess GCV is limited to 5700 Kcal/kg.

i) TOTAL MOISTURE – above 25% and upto 28% (ARB):

For Total Moisture above 25% and upto 28%, the adjusted weight of each consignment will be worked out as per the following formula.

Adjusted Quantity	=	Quantity Received	\times	$\frac{125 - (1.0 \times \text{Actual Moisture})}{100}$
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ii) TOTAL MOISTURE - above 28% and upto 30%(ARB):

b) For Total Moisture above 28% and upto 30%, the adjusted weight of each consignment will be worked out as per the following formula.

Adjusted Quantity	=	Quantity Received	X	$\frac{125 - (1.1 \times \text{Actual Moisture})}{100}$

iii). In case of Total Moisture exceeding 30%, the consignment will be rejected.

Note: No upward increase in quantity would be accepted in case the Total Moisture received is below 25%(ARB). Final price payable will be based on the adjusted weight.

c) ASH content (ADB):

If the Ash contents exceeds 8%(on ADB), penalty @ USD 0.20/MT on C&F Price(arrived after GCV adjustment as above) for every 1% increase in the Ash Content or part thereof will be levied. In case of Ash content exceeds 12%, the consignment will be rejected.

d) Ratio of Fixed Carbon / Volatile Matter (FC/VM):

If the ratio of FC/VM exceeds 1.2, penalty @ USD 0.25/MT on C&F Price for every 0.1 increase or part thereof will be levied.

e) Fines Content:

b) Fines Content - Above 20% and upto 25%

For Fines Content above 20% and upto 25%, a penalty @ USD 0.10/MT on C&F price for every 1% increase of Fines Content or parts thereof will be levied

ii) Fines Content - Above 25%

For Fines Content above 20% and upto 25%, a penalty @ USD 0.10/MT on C&F price for every 1% increase of Fines content or parts thereof will be levied.

In addition to the above, for Fines Content above 25%, a penalty @USD 0.13/MT on C&F price for every 1% increase of Fines Content or parts thereof will be levied.

(Please refer the sample worksheet attached for illustration of the penalty application for Fines Content)

3. Premium and penalty for GCV and weight correction for Total Moisture:

For the purpose of assessment of Coal quality, the sample shall be taken from each rake and analyzed for each rake. The premium/penalty for GCV and weight correction shall be applicable considering the weighted average results on vessel basis i.e. all rakes despatched from the vessel as follows. However, in case the Total Moisture(TM) of any particular rake exceeds 30%, the same shall be multiplied by 1.2 and considered as the penalized TM for that particular rake. This value will be considered along with the results of TM of other rakes to arrive at the overall weighted average TM. (Please refer the sample work sheet attached for illustration of the penalty application for Total Moisture).

ANNEXURE - II (D)- TERMS AND CONDITIONS FOR UNIT - I

1. SCOPE OF WORK:

Supply of Steaming (Non Coking) Coal in Bulk (Imported) on C&F Karaikal basis and arrange delivery of the material at TNPL Unit I site at Kagithapuram by wagons (all activities of stevedoring, handling, arranging railway rakes, loading, transportation etc are in successful supplier's scope).

2. QUANTITY: 3,15,000 MT ± 5%.

(2,55,000MT ± 5% for High GCV & 60,000MT ± 5% for Low GCV)

STC/TNPL reserves the right to alter the number of shipments and quantum of procurement based on requirement.

3. The tenderers are advised to note the following:

- a) The applicable Customs Duty paid by TNPL would be limited only to the actual quantity delivered at TNPL and in case of any short delivery; the excess customs duty paid would be recovered from the stevedoring bills.
- b) The Railway freight would be paid by TNPL through e-payment. However, the same would be restricted to the actual quantity received at TNPL site and any excess railway payment is recoverable from Stevedoring Bills.
- c) Charges at the discharge port towards stevedoring, handling at port upto loading operations, @ Rs.275/MT(Applicable GST extra) would be paid to the STC which shall be in-turn paid to the successful supplier or their authorized agent for the quantity actually received at site. Separate work order would be issued with payment terms of 15 days from the date of receipt of entire cargo of the shipment. Additional charges for port handling if any is to be borne by the supplier only.
- d) Pre-berthing delay, if any, will be to successful supplier's account.
- e) During unloading at TNPL Site, in case of delay in unloading due to high moisture, shales etc., the demurrage charges shall be borne by successful supplier.
- f) All other charges like demurrage / despatch, overloading/under loading charges etc as applicable for Port and Railways shall be to the account of successful bidder. Any delay/detention of Rakes at TNPL siding shall be to the account of TNPL.
- g) In case of movement by road through trucks, prevailing railway freight (Net of GST) (or) the actual road movement freight whichever is lower will be paid. Applicable GST will be paid Extra.

Though the tender is for C&F Karaikal basis, the supplier is permitted to perform the shipment either through Karaikal or any other ports depending on his convenience. **In case of shipments through other ports, the following charges applicable for Karaikal port (or) the actual charges, whichever is lower, would be paid:**

Sl.no	Description	Charges applicable
1.	Charges for stevedoring, handling at port upto	Rs.275/MT (Applicable GST extra) (or) the actual charges applicable to the discharge port
2	Railway freight	The Railway freight would be paid as applicable for movement from Karaikal to Pugalur Siding (or) the actual freight from the port of discharge to Pugalur siding, whichever is lower, on the date of actual movement. (Present Railway freight from Karaikal to Pugalur siding is Rs.618.37/MT) (Net of GST)

4. DELIVERY:

- Delivery of the 1st rake should start within 5 days of arrival of the vessel and the entire cargo should be delivered within 30 days of completion of vessel discharge.

- In case of delay in delivery, STC/TNPL is at liberty to impose suitable penalty and the decision of STC/TNPL on this matter is final.

The entire cargo of the shipment should be delivered only to TNPL and no part to be diverted to any other customer.

5. DELIVERY SCHEDULE:

TNPL requires the material strictly as per the following schedules. Delivery is the essence of the contract and the supplier should strictly adhere to the delivery schedule given below.

a) **For High GCV Coal:**

Sl.no	Description	Schedule
1	1 st Shipment - ETA Karaikal	60,000 MT - by 1 st week of Dec-2017
2	2 nd Shipment - ETA Karaikal	60,000 MT - by 1 st week of Jan-2018
3	3 rd Shipment - ETA Karaikal	60,000 MT - by 3 rd week of Jan-2018
4	4 th Shipment - ETA Karaikal	75,000 MT - by 3 rd week of Feb-2018
b) For Low GCV Coal:		
1	ETA Karaikal	60,000 MT - by 2 nd week of Dec-2017

Note: Before effecting the shipment, acceptance of TNPL should be obtained by the supplier for the vessel nomination and the period of ETA at discharge port. TNPL reserves the right to alter the shipment schedules depending on the requirement.

6. METHOD OF INVOICING:

Material shall be invoiced initially based on the draft survey weight at the loading port by an Independent Agency at the cost of the successful Supplier for provisional customs duty assessment. However, Quantity as per TNPL wagon tippler weight and quality as per 3rd party inspection agency's sampling & analysis conducted at TNPL end shall be conclusive and form the basis for the Invoice to be submitted for payment purposes. Successful Supplier may depute their representative for witnessing weighment, sampling and analysis at TNPL factory. Free Boarding and Lodging for one representative would be provided by TNPL.

Documents for Customs Duty:

For supplies from Association of South East Asian Nations(ASEAN) countries, we are entitled to avail concessional import duty. Therefore, in case of supplies from ASEAN, the successful supplier should provide necessary CERTIFICATE OF ORIGIN (FORM A1) in the prescribed format to avail applicable concessional Import Duty. Otherwise STC/TNPL would recover the additional duty amount paid if any from the successful Supplier's due payment.

CUSTOMS DUTY REFUND:

Provisional duty assessment would be made for every shipment based on the BL quantity and: Load port analysis. After the completion of supply and analysis at out plant, final duty assessment would be arrived based on the quantity received and the results analysed at TNPL's plant. In case, the final duty amount is lower than the provisional duty paid by us, the excess duty paid would be withheld in the successful supplier's stevedoring bills. Later, on receipt of refund from Customs, the amount refunded by Customs will be paid to the supplier.

7. PAYMENT TERMS:

- I. On receipt of payment from TNPL against their 100% inland 360 days usance L/c after discounting, STC shall release payment to the successful supplier after deducting STC's trade margin and other charges.
- II. In case the supplier requires foreign L/c, 100% payment of C&F value shall be made by STC by establishing the same on sight basis in favour of successful foreign supplier. However, such

foreign L/c shall be established only after getting equivalent inland L/c from TNPL with 360 days usance period in favour of STC against submission of following documents drawn in English (Sr. No. a - i).

- III. In case the supplier requires inland L/c, 100% payment of C&F value shall be made by STC by establishing a inland sight L/c only after getting equivalent inland L/c from TNPL for 360 days usance period against submission of following documents drawn in English (Sr. No. a - i).
- a) All openers' bank charges @0.54% & other charges if any, are to the account of successful supplier.
 - b) Discounting charges (interest) from the acceptance of bill of exchange are to the account of the successful bidder / beneficiary for usance period.
 - c) 2/3 sets of original on Board Clean Ocean Bill/s of Lading
 - d) Signed commercial invoices in triplicate for the quantity of receipt at TNPL Site as certified by the 3rd party inspection agency and quality based on analysis carried out by the 3rd party inspection agency at TNPL for the cargo received. The Invoice should made after making due adjustment for Moisture, Ash, and Gross Calorific Value.
 - e) Bill of exchange to be drawn for 100% of the invoice value.
 - f) The third party inspection report carried out at TNPL Lab certifying that the material is in accordance with the specification of the contract alongwith STC's certificate confirming the same.
 - g) Certificate of origin in quadruplicate (Form A1).
 - h) A certificate in quadruplicates that one negotiable copy of Bill of Lading along with four copies of non-negotiable copies. Invoice based on load port analysis report and other documents mentioned above have been sent direct to the Purchaser within 7 days from the date of Bill of Lading.
 - i) Copy of Fax/e-mail advice of shipment in quadruplicate.
- IV. **The transaction shall be on High Sea Sale basis. If payment mode is through Inland L/c, payment will be effected in Indian Rupees at the inter banking closing cash rate (after deducting cash spot from spot rate) prevailing on the date of Bill Of Entry. If Bill of Entry date falls on non market day, the exchange rate prevailing on previous working day as above will be applicable. In case of payment mode being Foreign L/c, the exchange rate prevailing on the bill of entry date will be taken for conversion to USD. Similarly, If Bill of Entry date falls on non market day, the exchange rate prevailing on previous working day as above will be applicable. On receipt of credit complaint documents, the supplier will be paid immediately**
8. All the shipment documents, including non-negotiable copies, should be in ENGLISH only and should be SIGNED by the supplier.
 9. Original shipping documents should be presented to the Bankers with a clear instruction that they should send the original documents to the L/C opening Bank by Courier Service. Courier charges will be to Supplier's account.
 10. The above intimation should be followed by Non-negotiable copy of documents to the addresses as mentioned in the Purchase Order.
 11. The supplier should instruct the shipping company at loading point to advise the concerned at discharge point to issue delivery order against Indemnity Bond.
 12. In order to facilitate provisional customs duty assessment the following documents are to be sent to TNPL by courier/fax.
 - a) Commercial Invoice based on the load port sampling & analysis report and draft survey report.
 - b) Copy of Bill of Lading
 - c) Copy of Certificate of Origin (Form A1).
 - d) Copy of Load port Certificate of Sampling & Analysis
 - e) Copy of Certificate of Weight
 - f) Copy of Draught Certificate
 - g) Copy of Shipping Advice

13. In case the original Bill of Lading bears any printed terms on backside, the detail of such terms should be sent along with non-negotiable copies also.

14. Third party Bill of Lading is not acceptable.

15. **WEIGHT:**

Weight determination at Supplier's cost at the port of loading by draft survey by a reputed independent inspection agency shall be provisional for the purpose of provisional customs duty assessment.

Final determination shall be done at TNPL site conducted at Purchaser's cost by a reputed mutually accepted Independent Surveyor. The weight so determined at TNPL site shall be taken for final settlement after making due adjustment for higher moisture. Supplier may have a representative of his own choice to be present at all times, when the weight is being computed or calculated.

16. In case the successful bidder wish to supply coal directly through an overseas supplier, which should be a subsidiary or sister concern on C&F Karaikal basis for foreign currency remittance. Details of such supplier should be furnished along with the tender. Also the letter of no objection and acceptance of all terms and conditions of the tender should be furnished from such supplier.

Please note that such involvement of overseas supplier will not reduce responsibility of the bidder.

Under such circumstances, the order shall be split into 2 parts i.e. the C&F part shall be placed on overseas subsidiary/sister concern and the Indian operations shall be awarded to the bidder.

17. **Vessel & Age:**

- Supplier shall be free to fix charter/liner vessels excluding overaged/unclassed vessels. However, shipments will be entertained only through conference line vessels/Liner Vessels certified by Lloyds (or) Equivalent agency.

- **Vessel age should be less than 26 years.** The requirement that all the vessels should be "Classified vessels" that are classified with one of the classification societies as per the "Institute Classification Clause" has also to be complied with. Certificate for Sea worthiness of the vessel and for the age of the vessel should be provided along with shipping documents, Certified by the respective shipping companies.

In case the supplier prefers over aged vessel, the extra insurance premium paid by us for such overage will be recovered from the Supplier.

18. **METHOD OF SHIPMENT:**

Vessel & Age.

Supplier shall be free to fix charter/liner vessels excluding overaged/unclassed vessels. However, shipments will be entertained only through conference line vessels/Liner Vessels certified by Lloyds (or) Equivalent agency.

Vessel age should be less than 26 years. The requirement that all the vessels should be

18"Classified vessels" that are classified with one of the classification societies as per the "Institute Classification Clause" has also to be complied with. Certificate for Sea worthiness of the vessel and for the age of the vessel should be provided along with shipping documents, Certified by the respective shipping companies.

In case the supplier prefers over aged vessel, the extra insurance premium paid by us for such overage will be recovered from the Supplier.

19. On fixing the vessel, Supplier shall intimate the following details immediately to Purchaser by Fax/e-mail.

Name of vessel, length over all(LOA), Extreme beam width, Flag, Year of build, Number of Hatches/Grabs and capacity of grabs and lifting capacity and outreach of Cranes etc.

20. On completion of loading of the material, Supplier shall intimate the following details immediately to the Purchaser by Fax/e-mail.

Name of Vessel, Description, Exact quantity, Value, Bill of Lading No and Date.

21. Supplier shall also courier one negotiable copy of Bill of Lading, four non-negotiable copies of Bill of Lading, copy of invoice, certificate of provisional weight, certificate of sampling and analysis at load port and certificate of origin to Purchaser within seven days from the date of Bill of Lading.

22. The suitability of the ship to berth in Karaikal Port is the responsibility of the Supplier.

23. The Supplier shall pay and bear all Port charges(except cargo unloading and cargo related charges), tonnage dues, light dues and other taxes, assessments and charges which are customarily payable loading / discharge ports to be borne by the Supplier.

ANNEXURE - II (E)- TERMS AND CONDITIONS FOR UNIT - II

1. SCOPE OF WORK:

Supply of Steaming (Non Coking) Coal in Bulk (Imported) on delivery of the material at TNPL Unit II site at Mondipatti (Near Trichy) by road through trucks on Stock & Sale Basis.

2. QUANTITY: 45,000 MT 5%.

3. Rate: The following terms would be considered to arrive at the rate in INR

- C&F rate finalized in USD for the total tender quantity of 3,00,000 MT for High GCV Coal.
- Stevedoring & handling charges of Rs.275/MT (excluding GST).
- The inter banking closing cash rate (after deducting cash spot from spot rate) prevailing on the date of 3rd party inspection, for conversion of USD into INR.
- Applicable Basic customs duty, and Cess, if any for C&F rate in USD.

An illustration of rate working for supply under Stock & Sale basis is enclosed as annexure for reference.

4. DELIVERY SCHEDULE:

Sl.No	Description	Schedule
1	1 st Shipment – ETA Karaikal 15,000 MT – By 1 st	week of Jan-2018
2	2 nd Shipment – ETA Karaikal 15,000 MT – By 1 st	week of Feb-2018
3.	3 rd Shipment – ETA Karaikal 15,000 MT – By 1 st	week of Mar-2018

Note: Minimum 500 MT/day shall be delivered to TNPL's Unit II by road through trucks.

5. METHOD OF INVOICING:

Material shall be invoiced based on the 3rd party inspection agency's sampling & analysis conducted at TNPL Unit II. Supplier may depute their representative for witnessing weighment, sampling and analysis at TNPL Unit II. Free Boarding and Lodging for one representative would be provided by TNPL.

6. PAYMENT TERMS:

- I. On receipt of payment from TNPL against their 100% inland 360 days usance L/c after discounting, STC shall release payment to the successful supplier after deducting STC's trade margin and other charges.
- II. In case the supplier requires foreign L/c, 100% payment of C&F value shall be made by STC by establishing the same on sight basis in favour of successful foreign supplier. However, such foreign L/c shall be established only after getting equivalent inland L/c from TNPL with 360 days usance period in favour of STC against submission of following documents drawn in English (Sr. No. a - i).
- III. In case the supplier requires inland L/c, 100% payment of C&F value shall be made by STC by establishing a inland sight L/c only after getting equivalent inland L/c from TNPL for 360 days usance period against submission of following documents drawn in English (Sr. No. a - i).
 - a) All openers' bank charges @0.54% & other charges if any, are to the account of successful supplier.
 - b) Discounting charges (interest) from the acceptance of bill of exchange are to the account of the successful bidder / beneficiary for usance period.
 - c) 2/3 sets of original on Board Clean Ocean Bill/s of Lading
 - d) Signed commercial invoices in triplicate for the quantity of receipt at TNPL Site as certified by the 3rd party inspection agency and quality based on analysis carried out by the 3rd

party inspection agency at TNPL for the cargo received. The Invoice should be made after making due adjustment for Moisture, Ash, and Gross Calorific Value.

- e) Bill of exchange to be drawn for 100% of the invoice value.
- f) The third party inspection report carried out at TNPL Lab certifying that the material is in accordance with the specification of the contract along with STC's certificate confirming the same.
- g) Certificate of origin in quadruplicate (Form A1).
- h) A certificate in quadruplicates that one negotiable copy of Bill of Lading along with four copies of non-negotiable copies. Invoice based on load port analysis report and other documents mentioned above have been sent direct to the Purchaser within 7 days from the date of Bill of Lading.
- i) Copy of Fax/e-mail advice of shipment in quadruplicate.

IV. **The transaction shall be on High Sea Sale basis. If payment mode is through Inland L/c, payment will be effected in Indian Rupees at the inter banking closing cash rate (after deducting cash spot from spot rate) prevailing on the date of Bill Of Entry. If Bill of Entry date falls on non market day, the exchange rate prevailing on previous working day as above will be applicable. In case of payment mode being Foreign L/c, the exchange rate prevailing on the bill of entry date will be taken for conversion to USD. Similarly, If Bill of Entry date falls on non market day, the exchange rate prevailing on previous working day as above will be applicable. On receipt of credit complaint documents, the supplier will be paid immediately**

7. **WEIGHT:**

Weight recorded at TNPL Unit II weighbridge is final and binding for payment process.

8. **Duties & Taxes :**

GST will be extra to TNPL account.

9. **Transportation:**

Freight charges of Rs.525/MT will be paid for road transportation of Coal from Karaikal to TNPL Unit II. Supplier has to nominate their transporter on whom TNPL will issue work order for road transportation. Transporter shall provide their LR/GC and invoice copy for claiming payment.

Applicable GST will be extra to TNPL account.

No escalation in the above road freight on any account will be considered during the contract period.

10. **3rd Party Sampling & Analysis:**

3rd party sampling & analysis will be carried out as mentioned in Clause 8 of Annexure II A "General terms & Conditions".

Note: Total Moisture would be tested on daily basis and other quality parameters would be tested for every 1500MT (approximately)

Test report would be prepared on weighted average basis for every 15,000MT.

Annexure – III: Technical cum commercial bid

1. For Sl.No.1: Specifications of Imported Coal Offered (High GCV Coal):

Description	TNPL Specifications	Total Rejection Level	Specifications Offered
			by the Tenderer
Gross Calorific Value (GCV) (Kcal/Kg) (ADB)	6000	Below 5600	
Inherent Moisture (ADB)	Around 10%	-	
Total Moisture (ARB)	18%	Above 25%	
Ash (ADB)	Max 8%	Above 12%	
Sulphur (ADB)	Max 0.8%	-	
Volatile Matter (ADB)	25 to 45%	Above 45%	
Initial Deformation Temperature (IDT) In Reducing Atmosphere	Above 1200° C	-	
Ash Fusion Temperature (AFT) In Reducing Atmosphere	Above 1350° C	-	
Hard Groove Index (No.)	<50	-	
Fines Content (minus 3mm)	Max 20%	-	

For Sl.No.2 : Specifications of Imported Coal Offered (Low GCV Coal):

Description	TNPL Specifications	Total Rejection Level	Specifications Offered
			by the Tenderer
Gross Calorific Value (GCV) (Kcal/Kg) (ADB)	5600	Below 5400	
Inherent Moisture (ADB)	12% to 15%	-	
Total Moisture (ARB)	25%	Above 25%	
Ash (ADB)	Max 8%	Above 12%	
Sulphur (ADB)	Max 0.8%	-	
Volatile Matter (ADB)	25 to 45%	Above 45%	
Initial Deformation Temperature (IDT) In Reducing Atmosphere	Above 1200° C	-	
Ash Fusion Temperature (AFT) In Reducing Atmosphere	Above 1350° C	-	
Hard Groove Index (No.)	<50	-	
Fines Content (minus 3mm)	Max 20%	-	

FORMAT FOR THE LETTER FROM MINE OWNER:

DGM (P&BM)
Tamil Nadu Newsprint and Papers Limited
Kagithapuram – 639 136. Karur Dist.
Tamil Nadu, India

Dt:

Dear Sir,

Sub: Tender for supply of Steaming (Non Coking) Coal in Bulk (Imported) - reg

Ref: Tender No.171813003531

We, _____(Name of Mine Owner) established and reputable producers of Steam Coal having factories/mines at _____ (Name of the place) hereby authorise _____(Name of the Bidder) to bid, negotiate and conclude the contract with TNPL for the quantity and quality against your Tender No.171813003531 for the Steam Coal produced by us.

No company or firm or individual other than M/s _____(Name of the Bidder) can conclude the contract in regard to this supply of Steam Coal offered for supply against this invitation for bid by TNPL. The specifications of the Coal offered by us are as follows:

Specifications of Imported Coal Offered:

Description	TNPL	Specifications
	Specifications	Offered
Gross Calorific Value (GCV) (Kcal/Kg) (ADB)	6000	
Inherent Moisture (ADB)	Around 10%	
Total Moisture (ARB)	18%	
Ash (ADB)	Max 8%	
Sulphur (ADB)	Max 0.8%	
Volatile Matter (ADB)	25 to 45%	
Initial Deformation Temperature (IDT) (In Reducing Atmosphere)	Above 1200° C	
Ash Fusion Temperature (AFT) (In Reducing Atmosphere)	Above 1350° C	
Hard Groove Index (No.)	<50	
Fines content in the coal (minus 3mm)	Max 20%	

Yours faithfully

For and on behalf of M/s _____(Name of mine owner)

(Signature)

(Name)

Sample workings

Method of calculation for weight correction based on Total Moisture (Pl refer Clause No: 2 b of Annexure II (B) & II (C) “specifications of High & Low GCV Coal)

Rake Sl.No	Qty (MT)	TM as per analysis	Penalised TM as per terms for rake exceeding 25% TM	Value	GCV	value
1	2	3	4	5	6	7 (2 x 6)
1	3750	18.19	18.19	68213 (3750X18.19)	6199	23246250
2	3725	19.80	19.80	73755 (3725X19.80)	6245	23262625
3	3600	21.77	21.77	78372 (3600X21.77)	6270	22572000
4	3750	24.28	24.28	91050 (3750X24.28)	6281	23553750
5	3800	25.37	30.44	115672 (3800X30.44)	6164	23423200
6	3900	27.02	32.42	126438 (3900X32.42)	5806	22643400
	22525			553500		138701225
Weighted Average				24.57		6158

The quantity and rate would be adjusted as per the following formula for payment purpose

Adj	$\frac{\text{Qty recd} \times 118 - (1.1 \times \text{Actual Moisture})}{100}$
Qty=	$22525 \times 118 - (1.1 \times 24.57) / 100 = 20,491.668 \text{ MT}$

Adj Rate = Actual GCV on ADB / 6000 x C&F Rate as per order

Method of calculation for Penalty application for Fines content (Pl. refer Clause no.2 f of Annexure II (B) & II (C)“ specification of High GCV & Low GCV Coal”)

Consignment Qty (MT)	Fines content (%)	Basis of Penalty	Penalty (USD /MT)	Total Penalty amount (USD)
70000	20.1		0.1	7000
70000	22	<u>For above 20% of Fines</u>	0.2	14000
70000	23	<u>content, Penalty @ USD 0.10/MT for every 1% increase or part thereof</u>	0.3	21000
70000	24		0.4	28000
70000	25		0.5	35000
70000	26	<u>For above 25% of Fines</u>	0.63	44100
70000	27	<u>content, Penalty@ USD 0.10/MT for every 1% increase or part thereof upto</u>	0.76	53200
70000	28	<u>25% and Penalty@ USD 0.13/MT for every 1% increase or part thereof for above 25%</u>	0.89	62300
70000	29		1.02	71400
70000	30		1.15	80500

Sl.No	Description	UOM	
1	C&F Karaikal Rate	USD/MT	73.75
2	GCV as per PO		6000.00
3	GCV as per 3rd party report		6119.00
4	Adjusted C&F rate for GCV (6119/6000) x \$73.75		75.21
5	Exchange Rate 1 USD = Rs.64.01/-		64.01
6	Ash % as per 3rd party report	%	8.50
7	Less - penalty for higher Ash content If the Ash content exceeds 8.0% on ADB, for every 1% of Ash or part thereof, penalty 0.20/MT on C&F price (arrived after GCV adjustment as above) will be levied	USD/MT	0.20
7A	Fines Content in % as per 3rd party report	%	21.00
7B	Less: Penalty for higher fines content If fines content above 20% and upto 25%, a penalty @ USD 0.10/MT on C&F price for every 1% increase of Fines Content or parts thereof will be levied.	USD/MT	0.10
8	Net Adjusted price (Sl.No 4 - 7 - 7B)	USD/MT	74.91
9	Total Adjusted C&F rate Rs/MT (8X5)	RS/MT	4794.99
10	Actual Quantity Received (P:38)	MT	14746.17
11	Total Moisture as per 3rd party report	%	18.86
12	Adjusted Qty (118-(1.0*Sl.No 11)/100)X Sl. No. 10	MT	14619.35
13	Material Value (9X12)		70099637.06
14	Add: Insurance @0.0115% (13X0.0115%)		8061.46
16	Assessable Value (A.V)		70107698.52
17	Add: Basic Customs Duty		Nil
18	Add:Cus.Edu.Cess @ 2%		Nil
19	Add: Cus.S.H.E.Cess @ 1%		Nil
20	Add: IGST @ 5%		3505384.93
21	Add: Compensation Cess @ Rs.400/MT (14746.17MT X Rs.400/MT)		5898468.00
22	(Sl.No 16+17+19+20+21)	Rs	79511551.45
23	Less: Compensation Cess @ Rs.400/MT (14746.17 MT X RS.400)		5898468.00

24	Less: IGST @5%	3505384.93
25	Total (22-23-24)	70107698.52
26	Add: Stevedoring & Handling (Excluding GST) (Rs.275 XSl.No 10)	4055196.75
27	Total Value (Sl.No 25+ Sl.No 26)	74162895.27
28	Rate/MT (Sl.No.27/ Sl.No.10)	5029.30
29	IGST @5% (Sl.No.31 X 5%)	251.47
30	Compensatoin Cess @ 400/MT	400.00
31	Total (Sl.No.28+29+30)	5680.77
32	Total Procurement Value (Sl.No.31XSl.No.10)	83769600.15

Illustration of Rate Working of Stock & Sale to TNPL Unit II - Refer Clause 3 of Annexure II (E) "terms & Conditions for Unit II)