

**THE STATE TRADING CORPORATION OF INDIA LIMITED
(A GOVERNMENT OF INDIA ENTERPRISE)
JAWAHAR VYAPAR BHAVAN, TOLSTOY MARG, NEW DELHI – 110001**

**NOTICE INVITING
Expression of Interest (EOI) for empanelment of
Associate Suppliers for supply of Imported Non-coking Steam
Coal to SEBs/Power Utilities for 2010-11.**

No. STC/HC/2010-11/EOI/STEAM COAL

ABOUT US

THE STATE TRADING CORPORATION OF INDIA LIMITED (STC), incorporated under the Companies Act, 1956 and having its registered office at Jawahar Vyapar Bhawan, Tolstoy Marg, New Delhi – 110 001 is a premier international trading organisation of India with experience of handling international and domestic business for over five decades and has been handling import and export of various kinds of products and commodities including raw materials for actual users and consumers of various industries.

STC has a strong nation-wide presence with offices covering all the major port towns in India with deployment of highly skilled and experienced manpower across the country to provide quick and quality services to its clientele.

For supply of coal to SEB's/ Power Utilities or any other private companies (hereinafter called as customer) (excluding cases where STC is required to invite tender i.e. cases like NTPC etc.), STC of India Ltd hereby invites Expression of Interest (EOI) from prospective Associate Suppliers as per following:

1. Scope of work:

a) The Scope of Work, on case to case basis may include import of Coal to Indian Ports, arranging vessels, stevedoring, handling, storage, port clearances, arranging Railway rakes, loading, transportation and delivery at customer's power station(s). All other activities for clearing and forwarding of the consignments like customs clearance, coordination with Port, Railways and any statutory authorities shall also be part of Scope of Work of prospective associate supplier. Unless specifically mentioned in the relevant tender / inquiry of the customer, unloading of Coal at Power Station(s) end from Railway Wagons shall be arranged by customer.

b) The Prospective Associate Supplier has to procure the coal, arrange for its supply and bear all the costs including all taxes, duties, levies etc as applicable. STC in no way be responsible for incurring any cost on any account.

2 Pre-qualification criteria for selection of Suppliers for supply of Imported Steam Coal to various Utilities

(i) The prospective associate supplier shall have experience of supply of minimum 1.0 million MT of imported coal in one financial year during the last three financial years

directly or through PSUs/SEBS to any power /cement /steel /fertilizer /industrial utilities. However, in case of single order being less than 1.0 million MT, the supplier must have executed at least two contracts of minimum 0.30 Million Tonnes each in a year out of the total order. The supplier shall furnish purchase orders and performance certificates in original from end-users.

- (ii) The prospective associate supplier should also have, either individually or in joint venture/consortium, stevedored & handled at least 1.0 Million Tons of coal of the above supplies to any power /cement /steel / fertilizer / industrial utilities during any one of the last three financial years either directly or through any PSU's. The handling should be composite in case of FOR destination, that is, it should not only include port operations, viz ship /rake / unloading, intra port storage – stacking, but should also include responsibility for shortage, quality difference / deviations, prepayment of freights out of his own resources, allotment / placement of rakes i.e. liasoning with Railway authorities, Custom / Port clearance. In support of the aforesaid experience, the suppliers shall furnish handling experience certificates in original from the end-user. In case of joint venture/consortium for handling, any one of the partners of the joint venture/consortium should fulfill the qualifying criteria under this clause. All the documents related to joint venture/consortium for handling shall be signed by one of the joint venture/consortium partner authorized by all the other partners through a Power of Attorney to execute the documents on behalf of joint venture/consortium.
- (iii) The prospective associate supplier shall have to submit a Solvency certificate from the scheduled bank for an amount of minimum Rs.75 crores or equivalent US \$.
- (iv) The Prospective associate supplier shall accept all the terms and conditions of the Tender floated by the Power Utility/PSU and in case of order shall, on a back to back basis, deliver the coal to the power utility/PSU in the manner required without any financial involvement on the part of STC. The Prospective associate supplier shall furnish Interest free EMD/Bank Guarantees, as required, to STC and shall also bear the expenses/bank charges incurred by STC in this regard. STC shall release payment of prospective associate supplier up to the extent received from the Power Utility within three working days upon receipt and after deduction of all expenses and trade margin.
- (v) The validity of this Panel would be for one year from the date of confirmation.
- (vi) Wherever Power Utility/PSU approaches STC for supply of coal on nomination basis, a Tender shall be floated by STC from amongst the pre-qualified suppliers irrespective of quantity desired and in case any single order quantity is over 2.0 MMT, the supply quantity shall be distributed in the ratio of 50:30:20 amongst the three back-up L-1, L-2 & L-3 suppliers. Quantity up to 2.0 Million MT shall be ordered to a single supplier on L-1 basis.
- (vii) The distribution of quantity proposed as per Para (vi) above amongst L-1, L-2 and L-3 suppliers, shall be subject to acceptance of L-1 price by L-2 and L-3 suppliers.
- (viii) Wherever Power Utilities/PSU floats an open/limited Tender and STC participates with the support of backup Supplier, the Supplier shall be selected by STC from amongst the pre-qualified panel of suppliers and no quantity split shall be made.

- (ix) The supplier (in case of joint venture/consortium for handling, each individual partner) should not have been blacklisted / banned for participation in Tender by any Government Undertaking /Power Utility for supply of coal in India on date of empanelment. The supplier shall have to submit an UNDERTAKING to this effect at the time of application for pre-qualification as well as each time while participating in a Tender. In case of submission of false declaration (found at any stage), such supplier shall be disqualified.
- (x) In case the supplier intends to supply coal through an overseas supplier on C&F basis for Dollar remittance and the power utility concerned is agreeable to make payment in US dollars, the details of such supplier should be furnished along with the Expression of Interest. In this regard the letter of Authority / No objection Certificate and unconditional acceptance of all terms and conditions of the Expression of Interest shall have to be furnished from such overseas supplier. However, such involvement of an overseas supplier will not absolve the supplier from his responsibilities as a primary supplier.
- (xi) The Suppliers can also be asked to furnish additional information /confirmation in connection with verification of the documents submitted by the supplier, if deemed necessary.
- (xii) The above terms and conditions shall have to be considered by the SUPPLIER in totality and the expression of interest containing incomplete documents & not complying with the above conditions shall be summarily rejected.
- (xiii) The selected supplier shall ensure compliance of all the Government regulations / conventions / policies /guidelines /orders etc. in force related to any or all of the activities covered in the imports including shipping of the consignments, insurance, clearing, handling , forwarding and inland transportation etc.
- (xiv) Initially the suppliers shall be empanelled provisionally. However, for final empanelment, each supplier has to give a declaration that the supplier and/or any of its Members of Board of Directors and/or its promoters do not have any cross-holding/shareholding directly and/or indirectly in any manner whatsoever in the other suppliers being empanelled

3. Submission of Expression of interest:

3(a) Prospective associate supplier may download Expression of Interest document from our website www.stc.gov.in and can also obtain copy of same from Shri Ashok Chawla, Dy. General Manager, Tel No. (D) 23701005, 23462456, Smt. Abha Jain, Dy. Manager, Tel No. 23462168 and Shri R.K. Batra, Assistant Manager, Tel No. 23462206, STC's Office, Hydrocarbon Division, 6th Floor, Jawahar Vyapar Bhavan, New Delhi – 110001 during office hours on any working day till one day prior to the opening of Expression of Interest and shall submit Expression of Interest documents in original down loaded form, duly signed and stamped at each page as token of acceptance of all terms and conditions. Expression of Interest received over Fax/E.Mail or copy of the Expression of Interest shall be summarily rejected.

3(b) The Expression of interest must contain the name, designation and place of Business of the person with Phone and Fax Nos. of persons making the expression of interest and must be signed and sealed by the Prospective associate supplier with his usual signature.

3(c) The President, Secretary or any other person or persons authorized to bind the corporation/company in the matter must sign expression of interests by corporations/companies with the legal name of the Corporations/ Companies.

3(d) Each page has to be numbered consecutively and signed.

4. Date for submission of Expression of Interest

The date for submission of the Expression of Interest is 1430 hours on 9th July, 2010.

5. Place for submission of Expression of Interest:

The Expression of Interest should be addressed to **Shri Ashok Chawla, Dy. General Manager, STC of India Ltd., Hydrocarbon Division, 6th floor, Jawahar Vyapar Bhavan, 1, Tolstoy Marg, Janpath, New Delhi – 110001 and should be put in the Box placed on the reception of STC before the due date and time.**

6. General Terms & Conditions:

6.1 STC reserves the right to accept or reject any offer of Expression of Interest without assigning any reasons what so ever

6.2 Whenever there will be any invitation for Expression of Interest / enquiry from any PSU/ SEBs for supply of coal, STC will seek offer from the Associate Suppliers from amongst the panel at STC's sole discretion.

6.3 In case the First Associate Supplier chosen by STC does not submit any offer or a valid offer within the time stipulated, the Second Supplier chosen by STC from the panel will be asked to submit an offer which shall be quoted by STC.

6.4 The Associate Supplier while quoting through STC shall not submit any other offer directly / indirectly or through any other PSU in the same Tender to be floated by PSU or any other private company.

6.5 The successful prospective associate shall have to furnish the Corporate Guarantee as per STC's format, hypothecation/pledge deed, letter of undertaking, indemnity bond, trust deed, personal guarantee of promoter/ CMD / Managing Director of their Company, on dated good for payment cheques equivalent to value of one month C&F quantity scheduled to be supplied in a month to secure STC depending upon the nature of the transaction to be determined on the basis of tender/ EOI invited by SEB's/Power Utility.

6.6 The Prospective associate supplier shall note that if the Purchaser is a Public Sector Organization/Govt. Body, Prospective associate supplier has to obtain the necessary approval from Ministry of Surface Transport for supply of coal as regards Ocean/Sea Transportation in Vessels owned by Govt. of India (Ministry of Transport) in terms of Office Memorandum No. SC.11011/1/94-AS0.II/VOL., New Delhi, dated 27/02/1996. However, the Prospective associate supplier, without violating govt. rules / instructions, will also have liberty to arrange

Vessels of their own for importation of coal into India in terms of prevailing stipulated norms, rules and conditions as will be applicable in each case.

6.7 The Prospective associate supplier should also obtain all necessary clearances and other related statutory requirements etc. as applicable for supply of coal from the concerned authorities, without any additional cost to the Purchaser. The Prospective associate supplier to also note that unless specifically agreed and specified by STC in writing the payment will be made in Indian Rupees only and the offer needs to be given on FOR Destination Delivery Basis accordingly.

6.8 Final selection of associate supplier from amongst the panel for participating in any tender will be done at the discretion of STC and the decision of STC shall be final and binding on all the empanelled parties.

6.9 Selection in the panel at no point of time guarantees any award of work by STC through this empanelment and the suppliers who fail to get the opportunity shall not have any right to claim any damages whatsoever against STC.

6.10. The prospective associate suppliers may clearly note that terms and conditions enumerated in this EOI are only illustrative and not exhaustive. The chosen associate supplier from the panel will have to enter into contracts as devised by STC to fully protect STC's overall interests and also the interests of the prospective buyers.

7. Late receipt of Expression of Interest.

Any EOI received after the due date and time would be summarily rejected.

8. Ownership of EOI Documents and information therein

All Expression of Interest documents will become the property of STC upon submission.

Where the prospective associate suppliers believes that information provided in response to this EOI is, or should be kept confidential; or disclosure of this information would unreasonably affect associate's business affairs, notice is to be given at the time of delivery of the information or documents by clearly marking such information 'confidential'. In so far as is practicable STC will give effect to the prospective associate suppliers stated wishes, and requests for access to such information will be determined under the RTI Act.

9. No Contractual Obligation.

STC is not bound contractually or in any other way to any prospective associate suppliers to this Expression of Interest. STC is not liable for any costs of compensation in relation to the consideration of this Expression of Interest or any Expression of Interest, incurred by the prospective associate suppliers to this Expression of Interest whether or not STC terminates, varies, or suspends the Expression of Interest process or takes any other action permitted under this Expression of Interest, including consideration of concepts proposed in future developments.

10. Short listing of associate suppliers

Prospective associate suppliers who qualify as empanelled suppliers to STC would be individually notified after the evaluation process of empanelment is complete.

11. Disclaimer

The issue of this document does not in any way commit or otherwise obliges STC to proceed with all or any part of an EOI process.

The EOI Request is not the subject of any process contract or any contractual obligations between STC and prospective associate suppliers.

STC may, at its absolute discretion, elect to abandon any part or whole of the process without giving prior notice to the prospective associate suppliers.

ANNEXURE-I**PROSPECTIVE ASSOCIATE SUPPLIER'S EMPANELMENT FORMAT****PARTICULAR DETAILS**

1 (a) Name and address of Supplier Year of Establishment		
(b) Please specify whether you are: Mine Owner or Trade		
(c) Name of contact person		
(d) Telephone No.		
(e) Fax No		
(f) E-mail id		
(h) Company Profile:		
1.1 Attach supporting documents such as company brochure etc		
(i) Solvency Certificate from the bank	Attached	Not attached
(ii) Copies of Purchase orders in support of 1 MMT supplies	Attached	Not attached
(iii) Copies of Performance Certificates	Attached	Not attached
(iv) Document in support of handling experience	Attached	Not attached
(v) All terms and conditions specified in EOI	Accepted	Not accepted
2. In case EOI submitted as Joint Venture/Consortium Details of Joint Venture/Consortium partner		
a) Copy of Agreement	Attached	Not attached
b) Copy of Handling Experience	Attached	Not attached
c) Name of CEO		
d) Address of company		
e) Telephone & Fax No. of CEO		

3. Has the company been black listed / banned by any Government Undertaking / Power Utility from participating in any tenders for supply of coal	Yes	No
4 Whether blacklisted / banned on the date of application	Yes	No
5. Details of clients (SEBs/PSUs/Power Utilities) to whom supplies during the last five years both in terms of volume and value have been completed Certificates in respect of above SEBs/PSUs/Power Utilities may be attached.		

##Please use extra sheet, if more space is required.

Certified that the above information is true and we confirm that all information given in the Expression of Interest are correct and if at any point of time the information is found to be incorrect our EOI will be liable for rejection by STC.

Dated:

Signatures:

Name & Designation

Place Company Seal