

## Enquiry for Supply of High GCV Domestic Coal

M/s **MB Power (Madhya Pradesh) Limited** is having 2x600 MW Thermal Power Plant at Anuppur, Madhya Pradesh (hereinafter referred as "MBPMPL") invites bids from interested bidders for supply of domestic coal having GCV-ARB of around 5000 kcal/kg on FOR basis preferably through Rail mode to MBPMPL plant.

### 1. Scope of Supply:

Supply of 2,50,000 MT domestic coal having GCV-ARB of around 5000 kcal/kg by Rail to our 2x600 MW Anuppur Thermal Power Plant at Anuppur district, Madhya Pradesh. Coal supplied shall have the following specifications: -

Parameters	Guaranteed Value
Gross Calorific Value (ARB)	~ 5000 Kcal/kg
Total Moisture (TM)	~ 11%

In case if bidders do not have coal as per above specifications and quantum, they may bid as per coal available with them. MBPMPL shall take decision as per the suitability of the offered coal.

### 2. Contract price:

The payment shall be made on per GCV basis. The contract price shall be worked out on the basis of agreed GCV. The bidder shall quote price inclusive of freight and all applicable taxes & duties.

### 3. Terms of payment:

Payment will be made through RTGS as per following details: -

- 75% shall be paid within 7 days from the date of receipt of coal at plant and submission of corrected invoice along with all supporting documents.
- Balance shall be released after necessary adjustment of applicable penalty/ incentive within 10 working days from the date of receipt of quality results as per MBPMPL Plant Lab and after submission of all supporting documents including any applicable debit/credit note.

Payment shall be done on the basis of actual coal quality received at plant.

### 4. Time Schedule:

Complete order shall be executed within 2 months of issuance of Purchase Order.

### 5. Special terms and Conditions:

#### i) Total Moisture:

The Total Moisture (TM) in coal should not be more than 11%. In case TM is more than 11% on any day in a rake, the proportionate weight loss due to higher moisture will be

reduced from the day-wise receipt quantity (for payment purpose), which shall be calculated as per the following formula:

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

ii) Quality:

Supplier shall ensure to supply coal having Guaranteed GCV-ARB preferably around 5000 Kcal/kg or as decided during negotiations. The GCV declared at plant end shall be final.

In case of variation of GCV (ARB) for the rake supplied at plant end than guaranteed value, rake wise proportionate Penalty/incentive shall be recovered/paid as per following slab:

GCV Slab (kcal/kg)	Incentive/Penalty	Rate (Rs/MT)
Less than Guaranteed GCV	Penalty	Pro-rata*
More than Guaranteed GCV	Incentive**	Pro-rata*

\*Pro-rata rate arrived vide clause No. (iii) below.

\*\* Incentive will be limited to Guaranteed GCV plus 100 Kcal/kg.

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

$$\frac{\text{Rate* (Rs. PMT)} \times \text{Difference in GCV (Received GCV - Guaranteed GCV)}}{\text{Guaranteed GCV kcal/kg}}$$

(\* Rate shall be inclusive of all applicable taxes & duties)

iv) Quantity variation:

Weight as per MBPMPL Plant In-motion Weighbridge will be final.

In case of no weighment at MBPMPL Plant In-motion Weighbridge, RR Actual Weight will be final.

v) Oversize:

Coal size should not be more than -100 mm.

vi) Under-loading and overloading will be to Supplier's account.

vii) Delay:

If the bidder fails to complete the supplies as per contract, except for force majeure reasons, the bidder shall be liable to pay penalty @ 2% of contract price per week of delay or part thereof subject to a maximum of 20% of the contract price on delayed portion of coal quantity.

## 6. Sampling and Testing at unloading end:

Sampling of coal will be in accordance with the IS 436-1-1: Methods for Sampling of Coal and Coke, Part 1: Sampling of Coal, Section 1: Manual Sampling. The sampling process will be broadly as under:

The Samples would be collected by TPI at unloading end through Auger Sampler. However, in case of break-down of Auger Sampler, samples shall be collected manually.

The Gross Sample so collected will be reduced in accordance with the IS 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. Sample A1 will be handed over to Supplier for their own analysis and Sample A2 to be analysed by Third Party as appointed by MBPMPL.

Analysis of samples by MBPMPL in its Plant lab will be done in accordance with the IS 1350-1: Methods of Test for Coal and Coke, Part I: Proximate Analysis. The Supplier is not expected to participate in analysis of samples and results declared by MBPMPL will be binding on the Supplier.

Sample A3 will be kept as referee sample in case MBPMPL or Supplier 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.

The Supplier must familiarize itself with the IS standard specified above before quoting their rate. It will be presumed by MBPMPL that the Supplier having quoted its rate is familiar with the sampling and analysis procedure and results declared by MBPMPL for a quantity will be final and binding on the Supplier.

## 7. General Terms & Conditions:

- (i) Force Majeure: Neither Party shall be in breach of Contract if it is unable to fulfil 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) Indemnity : The Supplier shall, without prejudice to any other rights or remedies available to the MBPMPL, in law or under equity, agree to indemnify, defend and hold harmless the MBPMPL from and against any and all losses, liabilities, damages, deficiencies, demands, claims, actions, judgments or causes of action, assessments, interest, penalties and other costs or expenses (including, reasonable attorneys' fees and expenses) that are solely and exclusively attributable to the proven negligence of the Supplier.
- (iii) Right to Assist: In case of delay or failure in making timely arrangement of equipment/material or manpower from Supplier's end, MBPMPL reserve its right to provide the required equipment/material or manpower to improve the work. All the cost as incurred by MBPMPL for such assistance shall be debited to Supplier with 10% (ten percent) overheads.
- (iv) Termination: MBPMPL has the right to terminate the PO by issuing a termination letter by giving 15 days' notice on the occurrence of any of the following conditions:
  - a) If Supplier breaches/violates any of the terms and conditions of the PO. In such cases, Supplier shall not be entertained for any claim of his work.
  - b) On non-satisfactory performance/delay of work by the Supplier. In such cases, Supplier shall not be entertained for any claim of his work.
  - c) In case the services of the Supplier are not required. In such a case Supplier shall be liable for payment against the work carried out till the date of termination as per the terms of the PO.

## 8. Arbitration:

In the event of any dispute or difference at any time arising between the parties relating to the 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 the PO or thereafter, such disputes or differences shall be endeavoured to 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.

## 9. Jurisdiction:

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

Please send your offers by **Monday, the 16<sup>th</sup> December'** by noon at following email addresses:

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