

INTRODUCTION:-

LANCO AMARKANTAK POWER LIMITED ("hereinafter referred to as "LAPL" or "Company"), located near Pathadi Village on Korba-Champa State Highway in Chhattisgarh, is a coal fired Thermal Power Plant with operational capacity of 600 MW (2 x 300 MW).

"The Company is undergoing Corporate Insolvency Resolution Process (CIRP) as per Hon'ble NCLT (Hyderabad Bench) order dated 05th September 2019".

Lanco Amarkantak Power Ltd., (LAPL) is looking for strategic association on long terms basis for Supply of **Coal**. Tender/Bids are invited for Supplies as specified below.

INVITATION TO TENDER AND INSTRUCTIONS TO BIDDERS

1. All Pages of the Tender should be signed and seal should be affixed.
2. The Bid should be unconditional acceptance to the terms as contained in the general Terms and Conditions and Special Terms and Conditions.
3. No over-writings or correction shall be accepted unless authenticated with signature.
4. **The Tender/Bid is to be submitted only through sealed cover on or before of 27th December 2022. Bids received through email/fax shall not be entertained.** All Communication, correspondence in relation to Tender should be addressed to:

Fuel Head

Lanco Amarkantak Power Limited
Lanco House,
Plot No. 397,
Phase-3, Udyog Vihar
Gurgaon – 122 016
Haryana.

Corporate Office:

Plot No. 397, Udyog Vihar
Phase-3, Gurgaon – 122016
Phone: 0124-4741000
Fax: 0124-4741024

Project Office:

Village: Pathadi P.O. Tilkeja
Dist Korba, Chhattisgarh-495674
Phone: 07759 279938
Fax: 07759 279970

Registered Office:

LANCO HOUSE: Plot No.4, Software Units Layout
Hitech City, Madhapur,
Hyderabad - 500081
Fax: 040- 23116127

Subject: Enquiry for supply of 1,00,000 MT of Coal on FOR basis for LAPL IPP (2*300 MW)

Dear Sir,

With reference to above subject matter, we invite bids/firm competitive offers for the supply of approx. 1,00,000 MT of Coal over a period of three (03) months on FOR basis to our power plant LAPL (2*300 MW) at Pathadi Village, Korba. The detail terms & conditions for supply of Coal are as given below:

1. QUANTITY:-

(a) Vendor/Supplier shall supply coal as per the schedule below-

Month	Quantity* (MT)
January 2023	35,000
February 2023	35,000
March 2023	30,000

*1 Lot size = 5,000 MT

The quantities mentioned above month wise are tentative and can vary (+/-) to any extent based on the actual requirement of LAPL plant. Prior Intimation of 5 days shall be given to the vendor for the actual required supplies/quantities and for the changes in respective lot/month.

(b) The delivery should be started immediately after placement of order and with a minimum quantity of 250 tonnes per day and shall complete the total quantity as per/within the above schedule. Per day receipt at LAPL plant as required shall be executed/supplied by the vendor without fail.

(c) Based on the LAPL plant requirement, LAPL may change the above mentioned per day receipt quantity requirement (+/-) and vendor shall need to strictly comply with the same .

(d) If there is no supply or if there is any shortfall in the per day receipt quantity (as per the required per day quantity confirmed by LAPL) for any four consecutive days, then a fix penalty of Rs. 500 per tonne shall be recovered for the shortfall quantity.

2. RATE:

(a) Rate on landed cost basis at our plant shall be as per the rates given below including Cost of Coal, Commercial & other Taxes, duties & royalties as applicable, GST as applicable, Entry Tax, Govt Levies, Royalty, Cess, Statutory Charges, Transportation Charges (as mentioned in sub-clause "b"), Clearing & Forwarding Charge, Incidental Expenses etc.

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No Price escalation whatsoever shall be allowed on any ground.
Necessary documents/proofs related to the taxes, royalties, Cess and statutory charges shall be submitted by the supplier/vendor/Bidder.

GCV Range (ARB)	Rate per GCV (Re.)
≤3500	Nil (Rejected, No payment)
3501-3700	60% of rate for (4001-4300) GCV slab
3701-4000	70% of rate for (4001-4300) GCV slab
4001-4300	
>4300	Refer clause 3(c)

- (b) The above prices are inclusive of Transportation Charges (incl. GST) for supply through Road mode.
- (c) For calculation of price of each lot as mentioned in Clause (1), Coal having GCV less than 3500 K.cal/kg shall not be considered.

3. PRICE ADJUSTMENT:

- (a) The Total Moisture in Coal should not be more than 12%. In case Total Moisture is more than the said %age on any day, the proportionate weight loss due to higher moisture will be reduced from the day-wise receipt quantity and the same shall be calculated with the following formula:-

$$\text{Receipt Weight} (1 - (100 - \text{Actual TM (ARB) \%}) \div (100 - 12\%))$$

The above recovery shall be computed with the rate arrived based upon GCV (ARB) declared for the same day.

- (b) If Coal having GCV less than or equal to 3500 K.cal/kg is received in any day, it shall be treated as rejected Coal and shall be forfeited. No payment shall be made for such quantity and it shall not be qualified for inclusion in arriving at the weighted average price of the lot.
- (c) If weighted average GCV of the lot excluding the rejected coal arrives at greater than 4300 K.cal/kg, then payment shall be made considering the GCV equal to 4300 K.cal/kg.
- (d) Quality analysis at LAPL unloading point shall be carried out by a Third Party Sampling (TPS) agency (CIMFR or QCI).

4. WEIGHMENT:

The weighment shall be carried out at LAPL Weighbridge. Quantity in Gate pass/challan of supplier or at LAPL weighbridge i.e whichever is less shall be considered as Receipt Weight.

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5. SAMPLING:

- (a) Samples shall be drawn in accordance with the procedure laid down in IS:436 (Part I/Sec 1)- 1964 and any amendment thereof from time to time, Indian Standard for METHOD FOR SAMPLING OF COAL AND COKE). Similarly, analysis will be as per IS:1350 (Part-I) – 1984 proximate analysis. Quality analysis at LAPL unloading point shall be carried out by a Third Party Sampling (TPS) agency (CIMFR or QCI). In the event, Third Party Agency does not provide GCV (ARB) report, then LAPL shall compute GCV (ARB). The equilibrated GCV will have to be corrected for moisture loss to arrive at GCV (ARB) at unloading point as per the formula given below:

$$\text{GCV (ARB)} = \text{GCV (Equilibrated basis)} \times (100 - \text{TM}) / (100 - \text{Meq.})$$

Where: GCV (ARB) = Gross Calorific value of coal after moisture correction,

GCV (Equilibrated basis) = Gross Calorific Value at Equilibrated Condition (60% RH and 40° C),

TM=Total moisture,

Meq. =Equilibrated Moisture at 60% RH and 40° C

Such analysis of results by the Third Party Agency for Total moisture, Moisture on equilibrated basis, for computation of GCV (ARB) shall be final and binding for all the computations of price adjustment/penalty.

- (b) Sampling shall be carried out in presence of your representative if available at the time of sampling.

6. BILLING

- (a) You shall raise lot-wise bills for Cost of Coal including transportation charges i.e. Landed cost of coal as and when quantity and GCV (ARB) details are given to you by LAPL.

- (a) The total rate shall not be more than as per clause No. 2(a) of respective GCV range.

Bills shall be submitted along with MRC to Fuel Management department, LANCO Amarkantak Power Ltd, Plot No. 397, Udyog Vihar, Phase III, Gurgaon.

7. PAYMENT TERMS, EARNEST MONEY DEPOSIT & SECURITY DEPOSIT:

- a) Payment shall be done by LAPL after the completion of one lot with all the adjustments as per clause 3 and after 15 days of bill submission by the supplier along with the Material Receipt Certificate (as signed by the Purchaser).
- b) You are required to submit an EMD of Rs 50,00,000 (Rs Fifty Lakhs Only) in the form of Demand Draft favoring Lanco Amarkantak Power Limited, Payable at par along with your offer. Offer without accompanying DD will not be considered.

The selected party will be required to submit a Security Deposit of Rs. 1,00,00,000 (Rs One Crore) in the form of Demand Draft/ other means as agreed by LAPL favoring Lanco

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Amarkantak Power Limited, Payable at par before issuance of the Purchase Order. The EMD amount paid by the party may be adjusted against the Security Deposit.

8. Supporting Documents:

Bidders are requested to provide the following information with all relevant details & supporting documents along with the bid:

- Brief synopsis on Company operations with address / telephone numbers etc. of the persons to be contacted for validation, if required.
- The Bidder should submit all financial documents of last three (3) Financial Years i.e. FY 2019-20, FY 2020-21 and FY 2021-22.
- The Bidder should submit details of Indigenous coal supply contracts executed along with the details of quantity, Grade, customer details on annual basis for the last 3 years.
- **(Enclose copy of contracts/agreement as documentary proof along with the tender).**
- **The Bidder should have accepted all the terms and conditions of the tender document. Bidders are required to submit a copy of this enquiry document signed on each page as token of acceptance of all terms & conditions.**
- Scale of operations in India with year-wise coal supply for the last 3 years
- Name of major customers during the last 3 years with order details along with address / telephone numbers etc. of the contact persons of the customers to be contacted for validation, if required
- Brief Information on the organizational structure, financial strength supported with annual reports for the last 3 years
- Details of any dispute with suppliers / customers, if any, for the last 3 years
- The Management reserves the right to add/amend these qualifying criteria at its sole discretion.
- Any other information

9. OTHER TERMS & CONDITIONS:

- (a) You shall be responsible to coordinate with various Govt. Agencies or Pvt. Agencies or persons enroute and ensure safe transportation to our site. LAPL will not get involved in resolving the issues enroute.
- (b) Every truck must contain Chhattisgarh Mining pit-pass. No truck shall be allowed without it.
- (c) You shall comply with all the environmental norms and ensure Coal loaded on Vehicle should be properly covered by Tarpaulin.
- (d) A helper in each truck is mandatory along with the driver.
- (e) This Agreement is not transferable. You shall not assign or sublet the Agreement or any part thereof or allow any person interested therein in any manner, whatsoever, without prior written permission from LAPL. Change of constitution without prior written approval of LAPL will also count to assigning of Agreement and shall entitle LAPL to

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terminate the Agreement without prejudice to its other rights under the tender/Bid, Agreement and/or Law.

- (f) LAPL reserves the right to alter, modify, extend or terminate this contract at any time. No correspondence shall be accepted in this respect.
- (g) Unloading of vehicle at our Coal yard is your responsibility as per instruction of Coal Handling In charge in case of supply by Road.
- (h) In case of Coal supply by Rail, unloading shall be done by LAPL.
- (i) Standard Force Majeure Clause as mentioned in Clause 5 of General Terms & Conditions shall apply.

LAPL reserve the right to alter, modify, extend or terminate this contract at any time. No correspondence shall be accepted in this respect.

LAPL reserve the right to examine the supporting documents submitted by the vendors, evaluate and negotiate the offers/bids received in the sealed bids only and shall finalize the vendor as per the requirement of LAPL at its discretion.

GENERAL TERMS & CONDITIONS

1. STATUTORY COMPLIANCE

The SUPPLIER shall be solely liable for Statutory Compliance in respect of all applicable laws of land which interalia includes Central/State Labour laws and Regulations/Rules made thereunder including but not limited to Compliance of provisions of Contract Labour (Regulation and Abolition) Act, 1970, Employees Provident Funds and Miscellaneous Provisions Act, 1952, Minimum Wages Act, 1948, Payment of Bonus Act, 1965, Payment of Gratuity Act, 1972, Payment of Wages Act, 1936, Workmen's Compensation Act, 1923, Interstate Migrant Workmen (regulation of Employment and Conditions of Purchase) Act, 1979. The SUPPLIER shall also be solely responsible for maintenance of records and filing of various forms/ returns prescribed under all applicable Central/State Labour laws and Regulations/Rules made thereunder in respect of Workmen employed by it.

2. SUPPLIER'S WARRANTIES & REPRESENTATIONS

The SUPPLIER hereby, warrants and represents that:

- (a) The Supply under this Purchase Order shall be strictly in accordance with the agreed terms.
- (b) The SUPPLIER to be provided under this Purchase Order shall not infringe any third party intellectual property rights.

3. SUPPLIER'S OBLIGATIONS/LIABILITIES

- (a) Neither this Purchase Order, nor any right or obligation hereunder may be assigned, in whole, or in part, by the SUPPLIER without the prior permission of Purchaser.
- (b) All the Confidential information or data supplied by Purchaser to the SUPPLIER in connection with the Purchase being provided by the SUPPLIER shall remain the property of Purchaser or its licensors. If the Confidential Information is disclosed by the SUPPLIER to an unauthorized third party, the SUPPLIER agrees to indemnify Purchaser from and against the same.

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- (c) The sole responsibility of the performance of the sub-contractor (as if approved by the purchaser) rests with the SUPPLIER and the SUPPLIER shall be liable for any work done by its sub-contractor, agents, employees or officials. However, Purchaser reserves the right to claim damages and enforce rights on the sub- contractor solely or jointly with the SUPPLIER but such enforcement will not absolve the SUPPLIER from any liability.
- (d) Indemnify the LAPL from and against all actions, suits and proceedings by the third party for the acts/omissions of the SUPPLIER and all costs, charges, expenses, losses, damages, duties, taxes, penalties, levies, and all other liabilities which the Purchaser may be liable to pay, incur or sustain as a result of performance or non-performance, observance or non-observance by the SUPPLIER of any of the terms and conditions of this Purchase Order.
- (e) If the SUPPLIER fails to supply within agreed time, the SUPPLIER shall indemnify the LAPL for all losses/ damages suffered by the Purchaser. The Purchaser shall be at liberty to avail the Purchases from any other supplier at risk and cost of Purchase.
- (f) Compliance with all the applicable laws and regulations and advise the Purchaser regarding, compliances, if any to be made by the Purchaser.
- (g) Purchaser shall, without prejudice to its other rights be entitled to deduct/ adjust from any dues payable to the SUPPLIER or any security, all amount(s) which the Purchaser may be liable to pay, incur or sustain as a result of the performance or non-performance, observance or non-observance of any of the terms of this Purchase Order by the SUPPLIER.

4. ENTIRE AGREEMENT

- (a) This Purchase Order and General Terms and Conditions constitute the entire Agreement between the Parties with respect to the subject matter hereof. It sets forth all intended rights and obligations and supersedes any and all previous Agreements and understandings between them with respect to the subject matter hereof.
- (b) To be effective, any modification of the terms and conditions of this Purchase Order shall be in writing and signed by authorised representatives of both Parties.
- (c) Notwithstanding the date of execution of this Purchase Order, the Supplier shall be liable for fulfilling its obligations under this Purchase Order within the time stated in this Purchase Order.

5. FORCE MAJEURE

- (a) If any time during the continuance of this Purchase Order the performance in whole or in part by either Party or any obligation under this Agreement shall be prevented or delayed by reason of governmental decision, war, hostilities, act of the public enemy, civil commotion, sabotage, fire, lightening, flood, explosion, epidemics, or any other event beyond the reasonable control of the Party concerned (hereinafter referred to as "the eventuality"), then notice of such eventuality shall be given by the affected Party to the other within Three (3) days from the date of occurrence thereof.
- (b) If the performance in whole or part of any obligation under this Purchase Order is delayed by reason of any such eventuality for a period exceeding fifteen days (15), the

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parties shall meet and review in good faith the desirability and conditions of terminating this Purchase Order.

6. TERMINATION

- (a) This Purchase Order shall be terminated by Purchaser without any prior notice and without any compensation under the following Circumstances:
- (i) SUPPLIER has becomes insolvent; or
 - (ii) SUPPLIER has been convicted of any crime which in Purchaser's reasonable judgment is likely to adversely affect the goodwill of Purchaser; or
 - (iii) Any failure by the SUPPLIER to comply with any of the provisions of the Purchase Order; or
 - (iv) Failure of SUPPLIER to supply as per agreed time schedule;
 - (v) SUPPLIER assigns the Purchase Order to any third party without the consent in writing of Purchaser; or
 - (vi) If any of the representations of the statements etc. made by the SUPPLIER in connection with this Purchase Order are incorrect or are found to be incorrect.

If the Termination happens under the above mentioned circumstances, purchaser (LAPL) shall also levy penalties, adjust all the payables, encash security deposit as mentioned above in the tender.

Notwithstanding to any other terms and conditions of the Purchase Order LAPL reserves the right to terminate the order at any time.

7. WAIVER OF RIGHTS

No forbearance, delay or influence by Purchaser in enforcing any of the provisions of this Purchase Order shall prejudice or restrict the rights of Purchaser nor shall any waiver of its rights operate as a waiver of any subsequent breach and no rights, powers, remedies herein conferred upon or reserved for Purchaser is exclusive of any other right, power or remedy available to Purchaser and each right, power or remedy shall be cumulative. Any time concession or indulgence granted or shown by Purchaser to the SUPPLIER as regards any of the terms of the Purchase Order will not prejudice Purchaser's rights under this Purchase Order.

8. SEVERABILITY

If any of the terms and conditions of this Purchase Order shall become unenforceable for any cause or reason whatsoever, the ensuing lack of enforceability shall not affect the other provisions hereof, and in such event the parties hereto shall endeavour to substitute forthwith such other enforceable provision as will most closely correspond to the legal and economic contents of the said terms and conditions.

9. NOTICE**Corporate Office:**

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All notices under this Purchase Order shall be in writing and in English Language. All notices be served, either by hand delivery or by send by the same by registered post addressed to either party at the last known place of business or by facsimile and in providing the Purchases of such notice, it shall be sufficient to show that the same has been received in person or property addressed by registered post.

10. ARBITRATION & JURISDICTION

- (a) In the event of any dispute arising out of the performance or the interpretation of this Purchase Order, the Parties hereby agree to make every effort to reach an amicable settlement.
- (b) Any dispute, controversy or claim arising out of or relating to this Purchase Order, or the breach, termination or invalidity thereof shall be settled by reference of dispute to Sole Arbitrator to be appointed by the Chief Executive Officer or the Managing Director or the President of the Purchaser. The Arbitration shall be conducted in accordance with the Arbitration and Conciliation Act, 1996. The place of arbitration shall be Gurgaon, Haryana. The language used in arbitral proceedings shall be English.
- (c) This Purchase Order shall be construed in accordance with and governed by the laws of India. The parties hereby expressly submit themselves to exclusive jurisdiction of the courts in Gurgaon, Haryana, India.

Thanking You

Yours faithfully,

Authorised Signatory

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