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**OPEN TENDER NO. MBL/TC/2022-23/2**  
**Date: 25<sup>th</sup> July 2022**

**PART – I OF BIDDING DOCUMENTS**

Minas de Benga, Lda. (hereinafter “MBL”) is a subsidiary of International Coal Ventures Pvt. Ltd. (ICVL) group of companies. ICVL is a JV with M/s Steel Authority of India Ltd (SAIL), M/s Rashtriya Ispat Nigam Ltd (RINL) and NMDC Ltd. (NMDC) as its promoters.

MBL invites ONLINE bids for the sale of Thermal Coal (size 0–50mm) for a total quantity of 76000 tons +/- 5 % on FOB basis from the Beira Port in Mozambique. (2 Shipment of approx. 38000 tons +/- 5% each).

The salient features of the tender are as follows:

**1. TECHNICAL SPECIFICATIONS FOR BENGA THERMAL COAL**

S.No.	Technical Parameters	Basis	Technical Specifications
(1)	(2)	(3)	(4)
1	Nett Calorific Value kcal/kg	ar	5500
2	Total Sulphur % (ISO 19579)	ad	1
3	Ash % (ISO 1171)	ad	27-28
4	Total Moisture % (ISO 589)	ar	6 %
5	Volatile Matter % (ISO 562)	ad	17 – 20
6	Hardgrove Grindability Index		65-75
7	Size (ISO 1953)	0-50 mm	95%.

**2. Deadline for submission of bids is: 11:00 am on 24.08.2022**

**3. Date and time for opening of bids: immediately after expiry of the deadline for**

submission of bids i.e. 1100 am on 24.08.2022 Mozambique standard time.

4. EMD of USD 100,000/- shall be furnished. Bids without proof of payment of EMD will not be considered.
5. Offers by the bidders to be kept valid for at least 15 days from the date of opening of the tender.
6. Price will be quoted as the Discount over API#4 average price of 2 (two) weeks preceding the ship birthing date.
7. The price quoted shall be firm for the contract duration and will be governed by pricing mechanism as per clause 16.6
8. MBL will issue the lay-can to the successful bidder once the cargo is ready for shipment. The successful bidder shall nominate a suitable vessel and forward the details to MBL for assessing the suitability of the vessel to work at Beira port for taking quantity as per laycan.
9. The contract shall be on CQD basis and no demurrage shall be payable by the seller however loading shall be done as fast as reasonably possible in the circumstances prevailing at the time of loading.
10. Basis of invoicing will be vessel draft survey and the quantity to be certified by an independent inspection agency appointed by MBL. Inspection agency also to test the quality of coal and issue certificate for the same.
11. It will be responsibility and liability of the customer to get all the clearances from the government of Mozambique/other statutory agencies to take the material from port to its destination.
12. The successful bidder shall make advance payment for 105% of the full value of the material of each shipment (approx. quantity 38000 tons) before nomination of the vessel.
13. After final invoicing is done the balance if any out of the advance amount shall be refunded.
14. The bidder shall assign the ship for lifting the entire material (Bid quantity) within 60 days of award of tender failing which the EMD shall be forfeited.

**PART – II OF BIDDING DOCUMENTS**  
**OPEN TENDER NO. MBL/TC/2022-23/2 dated 25<sup>th</sup> July 2022**

**INSTRUCTIONS TO BIDDERS**

**1. Cost of Bidding**

The Bidder shall bear all costs associated with the preparation and submission of its bid, and Minas de Benga Lda. (MBL), hereinafter referred to as "The SELLER," will, in no case, be responsible or liable or accountable for those costs, regardless of the conduct or outcome of the bidding process.

**2. Content of Bidding Documents**

The detailed specifications of the goods, bidding procedures and Agreement terms are prescribed in the Bidding Documents. The Bidding Documents include:

Part – I	Introduction
Part – II	Instructions to Bidders
Part – III	Pro forma for Price Bid
Part – IV	Form of Agreement
Annexure – I	General Conditions of Agreement

The Bidder is expected to examine all instructions, forms, terms and specifications in the Bidding Documents. Failure to furnish all information and documents required by the Bidding Documents in every respect will be at the Bidder's risk and may result in the rejection of its Bid.

**3. Clarification of Bidding Documents**

A prospective Bidder requiring any clarification of the Bidding Documents may notify the SELLER in writing or by email to Cristina.Santana@icvl.co.mz/krishna.chaudhary@icvl.co.mz

**4. Amendment of Bidding Documents**

4.1 At any time prior to the deadline for submission of bids, the SELLER may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, modify the Bidding Documents by issuing an amendment.

4.2 The amendment will be put in the same website, i.e, "[www.icvl.in](http://www.icvl.in)" & "[www.icvl.co.mz](http://www.icvl.co.mz)" and will form part of the tender document. BIDDERS ARE THEREFORE ADVISED TO VISIT THE WEBSITE AT REGULAR INTERVALS.

4.3 Where the SELLER issues an amendment within three (3) days prior to deadline for submission of bids, in order to afford prospective Bidders reasonable time in which to take the amendment into account in preparing their bids, the SELLER may at its own discretion simultaneously extend the deadline for the submission of bids by three (3) or more working days.

**5. Language of Bid**

**5.1 The Bid prepared by the Bidder and all correspondence and documents relating to the bid exchanged by the Bidder and the SELLER, shall be written only in the English language.**

**6. Documents comprising the Bid**

**The Bid prepared by the Bidder shall comprise the following components:**

- a) Envelope 1 - Earnest Money ("EMD") furnished in accordance with Para 11.**
- b) Envelope 2 – Price bid in the prescribed form.**

**7. Pricing Mechanism:**

**7.1 The bidder shall quote Discount per Metric Tonne over API#4 in US \$ at Part III of the Bidding document.**

**7.2 For the purpose of API#4, Argus Coal price Index Report shall be used.**

**7.3 The API#4 price considered for reference shall be average of the price of 14 days preceding from date of birthing of ship. Henceforth this price shall be called "Base Price". Base Price is rounded up to two decimals place.**

**7.4 The discount given by the Bidder at Part- III of the document shall be subtracted from the "Base**

**Price". This price shall be called the "Derived Price".**

**7.5 The FOB price shall be obtained as follows:**

$$\text{FOB Price} = (\text{Derived price} \times \text{NCV of the coal dispatched}) / 5500$$

**FOB Price shall be rounded up to two decimals place.**

**7.6 In addition, the following discounts shall be given based on the test report of third-party inspection agency appointed by MBL:**

<b>S. N.</b>	<b>Technical Parameters</b>	<b>Basis for application of Bonus/ Penalty in price</b>	<b>Penalty in US \$ per Metric Tonne</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>
1.	Ash	Penalty for every increase of 1% (fractions pro-rata) in Ash content in excess of 28% Max.	1.2% of the FOB Price
2.	Sulphur	Penalty for every increase of 0.1% (fractions pro-rata) in Sulphur content in excess of 1%	1 % of the FOB Price
3.	Total Moisture	If the Total Moisture (on "As received" basis) in the MATERIALS as disclosed in the Certificate of Sampling and Analysis at Load port is in excess of 6%, the Load port Draught Survey Weight shall be subject to adjustment for the purpose of invoicing i.e. the invoice weight shall be reduced by the excess percentage of Total Moisture over 6% @ 1.3% for every 1% increase over 6% (fractions pro-	

		rata).
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8. The discount should be quoted using the format enclosed as Part – III of Bidding Documents.
9. Delivery terms shall be governed by Annexure III of the agreement with the buyer.
10. Basis of invoicing will be vessel draft survey and the quantity to be certified by an independent inspection agency appointed by MBL.
11. Currency and unit of Weight:  
The Unit of Measurement (UOM) will be Metric Tonne (“MT”)
12. Earnest Money Deposit

Each bid should be accompanied by proof of transfer (SWIFT, etc.) or deposit of the Earnest Money of USD 100,000/- (hereinafter also referred to as “EMD”) to any of the bank accounts of MBL given below:

I.

Bank Name	Millennium BIM (Banco Internacional De Moçambique)
Branch Name	Head Office
Account Holder Name	Minas de Benga, Limitada
Account Number:	258385109
IBAN Number:	MZ59000100000025838510957
NIB	: 000100000025838510957
BIC(SWIFT)	BIMOMZMXXXX
Currency	USD
Account type	Specific Account or Income Account
Counter address	Rua dos Desportistas
Counter	Corporate
NUIT	400148066

II.

Bank Name	Standard Bank (Mauritius) Limited
A/ holder Name	MINAS DE BENGA LIMITADA
Bank Address	1 Cyber, Level 9, Tower A Mauritius
Account Number:	9090000111939
IBAN Number:	MU61SBIC2201900001119390000USD
BIC(SWIFT)	SBICMUMU
Currency	USD
NUIT	25171220

**12.1 The Earnest Money is required to protect the SELLER against the risk of Bidder’s conduct which would warrant the security’s forfeiture pursuant to Para 11.5 The Earnest Money shall not bear any interest.**

**12.2 A Bid which is not accompanied by Earnest Money of requisite value shall be rejected by the Seller.**

**12.3 An unsuccessful Bidder's Earnest Money will be returned to the Bidder.**

**12.4 The successful Bidder's Earnest Money will be adjusted along with the payment for the last dispatch.**

**12.5 The Earnest Money shall be forfeited:**

- a) If a Bidder withdraws or modifies its Bid during the period of Bid validity specified by the Seller;**
- b) In the case of a successful Bidder, if the Bidder fails:
  - (i) To sign the Agreement in accordance with Para 29; or**
  - (ii) Lift the material in allotted time.****

**12.6 Bidders should provide their bank details along with their bid.**

**13. Validity of the offer**

**13.1 Each Bidder shall keep its offer firm and valid for acceptance by MBL for a minimum period of 15 days from the date of tender opening.**

**13.2 In exceptional circumstances, prior to expiry of the original Bid validity period, the SELLER may solicit the Bidder's consent to an extension of the period of Bid validity. The request and the responses thereto shall be made in writing or by email. In such a case the validity of the EMD provided under Para 12 shall also be suitably extended. A Bidder may refuse the request without forfeiting its EMD. A Bidder granting the request will not be required nor permitted to modify its Bid.**

**14. Format for the Bid**

**14.1 The Bidder shall prepare one (1) copy of the Bid (i.e., Part 1 – EMD and; Part 2 – Price Bid).**

**14.2 Each page will be numbered consecutively, referring to the total number of pages comprising the**

**Entire part, at the top right-hand corner of each page.**

**14.3 Each page of the offer should be signed and stamped by the authorized officer(s) of the Bidder.**

**14 Each Bidder should ensure that the aforesaid conditions for submission of Bids are duly complied with.**

**15. Complaints**

**15.1 The Bidder, if feel aggrieved, may raise complaint / pass on**

**information, if any, to MD & CEO ICVL Mozambique**

**16. Submission of Bids**

**16.1 Bids shall be submitted electronically only**

**16.2 The detailed offer shall be submitted in two (2) parts:**

## **PART 1: EARNEST MONEY**

Should contain the proof of submitting the Earnest Money as per Para 10.

## **PART 2: PRICE BID**

Only duly filled in Price Bid should be submitted as per the prescribed proforma enclosed as Part – III of the Bidding documents. Price Bid proforma should not contain any conditions, otherwise the Bid will be rejected and EMD will be forfeited.

16.3 The Bidder shall submit EMD & Price Bid in separate e-mails with the subject clearly mentioning about “EMD (Part-1)” or “PRICE BID (Part-2)”, so as to avoid opening of Price Bid before commercial scrutiny.

On the e-mail containing EMD, the Bidder will write “EMD (PART-1) “OFFER IN RESPONSE TO OPEN TENDER NO. *MBL/TC/2022-23/2 ‘Bidder’s Short Name’ Dated 25.07. 2022* “and on the e-mail containing price bid the Bidder shall write “PRICE BID (PART-2) “OFFER IN RESPONSE TO OPEN TENDER NO. *MBL/TC/ 2022-23/02 dated 25.07.2022, ‘Bidder’s Short Name’* The Price Bid shall be sent in password protected PDF file. The password shall only be provided when MBL asks for the same from the Bidder at the time of opening of the Price Bid.

16.4 Discount shall be quoted in percentage. The figure shall be rounded off to 2 decimals.

16.5 The quantity for which bid is made is 76000 tons +/- 5% (in two shipments of approx. 38000 mt +/-5% each)

## **17. Deadline for Submission of Bids**

17.1 Bids must be received by the SELLER at the electronic mail address specified above well within 1100 Hrs (Mozambique Standard Time) on 24 August 2022.

## **18. Late Bids**

Any bid received by the SELLER after the deadline for submission of Bids will be rejected.

## **19. Modification and Withdrawal of Bids**

19.1 The Bidder may modify or withdraw its Bid after the Bid's submission, prior to the deadline prescribed for submission of Bids, provided that written notice of the modification or withdrawal is received by the SELLER to ([coalsales.tender@icvl.co.mz](mailto:coalsales.tender@icvl.co.mz) )

19.2 A withdrawal notice may be sent by email and received before the deadline for submission of Bids ([coalsales.tender@icvl.co.mz](mailto:coalsales.tender@icvl.co.mz) )

19.3 No Bid may be modified subsequent to the deadline for submission of Bids.

19.4 No Bid may be withdrawn in the interval between the deadline for submission of Bids and the expiration of the period of Bid validity specified by the Bidder on the Bid Form. Withdrawal of a Bid during this interval shall result in the forfeiture of EMD.

19.5 In case of multiple bids by the same Bidder, the latest one shall only be considered.

## **20. Opening of Bids by SELLER**

**20.1 The SELLER will open (Part 1-EMD) immediately after expiry of the deadline for submission of the Bid, as specified hereinabove.**

**20.2 The part II of the bids will only be opened in case of Bidders who have complied with EMD requirements.**

## **21. Clarification of Bids**

**The SELLER may, at its discretion, ask the Bidder for a clarification of its Bid.**

## **22. Preliminary Examination of Bids**

**22.1 The SELLER will examine the Bids to determine whether they are complete, whether required sureties have been furnished and whether the Bids are generally in order.**

**22.2 The SELLER may waive any minor infirmity or non-conformity or irregularity in a Bid which does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any Bidder.**

## **23. Evaluation and Comparison of Bids:**

**23.1 The Bids shall be compared on the basis of per ton price offered.**

**23.2 If there is a discrepancy between words and figures, the amount in words will prevail.**

## **24. Contacting the SELLER**

**24.1 Any effort by a Bidder to influence the SELLER in the SELLER's Bid evaluation, bid comparison or Agreement award decision may result in the rejection of the Bidder's Bid.**

## **25. Award Criteria**

**The tender shall be awarded to the Bidder who's has quoted the Highest price per tonne.**

## **26. SELLER's right to vary quantities at time of Award**

**The SELLER reserves the right to award a quantity more or less than the offered quantity, for the purpose of completion of shipment, without any change in unit prices or other terms & conditions.**

**27. The SELLER reserves the right to accept any Bid in full or in part, or to reject any Bid or all Bids without assigning any reason thereof.**

## **28. Notification of Award**

**28.1 The notification of award will constitute the formation of the Agreement.**

## **29. Signing of Agreement**

**29.1 Within 5 (Five) business days from the date of receipt of the Notification of Award from MBL, the successful Bidder will send the signed and accepted scanned copy of the Agreement through email, followed by the original through hand delivery or through secured**



**express courier.**

**29.2 In the event of failure by the successful Bidder to send the signed and accepted scanned copy of the Agreement through email, within 5 (five) business days of the date of receipt of the Notification of Award, MBL shall be entitled to forfeit the EMD (Ernest Money Deposit) furnished by the successful Bidder and to immediately terminate the Agreement formed as per the terms of clause 28.1, and consequently to award the Agreement to the next highest bidder.**

**30. Delivery of the material: The bidder shall nominate a suitable vessel so as to arrive at the load port within the within the laycan period failing which the EMD shall be forfeited.**

**31. Action for misrepresentation/ submission of false documents**

**All the information/ documents furnished with the bid are liable for verification and in case of misrepresentation/ fraud noticed at any stage, the SELLER shall take action such as non-consideration of bid/ termination of order along with forfeiture of EMD. SELLER shall also be entitled to proceed for banning/ suspend business dealings as per rule/ norm. Decision of the SELLER in such case shall be final and binding.**

**PART – III OF BIDDING DOCUMENTS**  
**OPEN TENDER NO. MBL/TC/2022-23/02 dated 25.07. 2022**

**PROFORMA FOR PRICE BID**

The file has to be in PDF and password protected and has to be sent to the following Mail ids. (Password to be provided only on request received from MBL):

1. [Krishna.Chaudhary@icvl.co.mz](mailto:Krishna.Chaudhary@icvl.co.mz)
2. [Cristina.Santana@icvl.co.mz](mailto:Cristina.Santana@icvl.co.mz)
3. [Jagadeesh.Rapeti@icvl.co.mz](mailto:Jagadeesh.Rapeti@icvl.co.mz)

1. Name of the Bidder: .....
2. Address: .....
3. Thermal Coal from Benga Mine, Mozambique
4. Discount offered on API 4 price \_\_\_\_\_%  
(in figures as well as in words) ( Percentage)
5. Quantity offered: 76000 MT (+/- 5%)  
(In figures as well as in words) Thirty-Eight thousand Metric Tonnes (+/- 5%)

**NAME & SIGNATURE OF THE AUTHORISED SIGNATORY OF THE BIDDER**

**(NAME OF THE BIDDER)**

**Note: No conditions shall be mentioned in this Format. Any conditional offer is liable for rejection and forfeiture of EMD.**

**PART – IV OF BIDDING DOCUMENTS**

**OPEN TENDER NO. *MBL/TC2/2022-23/02* dated 25 July 2022  
FORM OF AGREEMENT FOR THE SUPPLY OF THERMAL COAL FOB BASIS**

**AGREEMENT NO**

**DATED: \_\_/\_\_/\_\_\_\_**

**AGREEMENT FOR SALE AND PURCHASE OF Thermal Coal**

This Agreement made this \_\_\_\_\_ day of \_\_\_\_\_ two thousand and \_\_\_\_\_ between M/s. \_\_\_\_\_, a Company (and its successors and permitted assigns) of the FIRST PART, and Minas de Benga Limitada, a Company incorporated in Mozambique under the Laws of Mozambique, having its registered office at Av. 24 de Julho, 4º Piso, No. 1123, Maputo, Mozambique, hereinafter called the "SELLER", (which term or expression unless excluded by or repugnant to the context shall include its successors and permitted assigns) of the SECOND PART.

WHEREAS acting on such representation of the PURCHASER and other commercial consideration, the PURCHASER has agreed to buy Thermal Coal from the SELLER and the SELLER has agreed to supply the said Thermal Coal on the price and other terms & conditions contained herein in this Agreement and according to the Tender Documents as per the Open Tender No. *MBL/TC2/2022-23/02* dated 20<sup>th</sup> July 2022

NOW THIS AGREEMENT WITNESSETH as follows:

**CLAUSE 1: MATERIALS, QUANTITY, QUALITY AND DELIVERY PERIOD**

1.1 The SELLER shall sell and the PURCHASER shall buy a total quantity of ..... ( ) Metric Tonne ( ), subject to a tolerance of plus or minus 10 % (ten percent) at PURCHASER's option including shipping tolerance, of Thermal Coal, hereinafter referred to as the MATERIALS.

1.2 For the purpose of this Agreement, the delivery period shall be reckoned as from \_\_\_\_\_ to \_\_\_\_\_. The SELLER reserves the right to postpone the deliveries up to \_\_\_\_\_ without any additional financial liability to the SELLER.

**CLAUSE 2: PRICE**

2.1 The price shall be as per clause 16.4, Part II of the bidding document.

2.2 The price quoted shall be firm and shall not be subject to any variation for any reason, whatsoever, until the completion of delivery of the entire Agreement quantity within the agreed delivery period with such extensions as might be mutually agreed upon between the SELLER and the PURCHASER.

**CLAUSE 3: TERMS OF DELIVERY SHALL BE GOVERNED BY ANNEXURE III TO THIS AGREEMENT.**

**CLAUSE 4: GENERAL CONDITIONS OF AGREEMENT (GCA)**

This Agreement is subject to the terms & conditions contained in the General Conditions of Agreement (hereinafter referred to as "GCA") annexed to this Agreement (Annexure-I) which shall form an integral part of this Agreement. In case of any conflict between GCA and any provision hereinabove, the provision contained hereinabove shall prevail over "GCA".

**CLAUSE 5: SECURITY DEPOSIT**

5.1 The EMD of the successful bidder shall be converted into security deposit.

5.2. After the last shipment, the Security Deposit amount will be refunded to the PURCHASER, after adjustment, if any required.

5.3 The Security deposit shall be forfeited in case of breach of any conditions of the Agreement.

**CLAUSE 6: Legal addresses are as follows:**

**THE PURCHASER**

**THE SELLER**  
Minas de Benga, Limitada Av 24 de Julho,  
4º Piso, No. 1123, Bairro da Polana,  
Cimento B, Maputo, Moçambique.

**ADDRESS FOR CORRESPONDENCE**

1. ....  
**THE PURCHASER**

2. **Minas de Benga, Limitada**  
**General Manager (Procurement & Sales)**

**THE SELLER**

**ICVL Training Centre**  
**Bairro Comunal de**  
**Matundo, Parcela No.**  
**1049 Estrada Nacional**  
**No. 103**  
**Tete, Moçambique**

**ANNEXURE – I**

**GENERAL CONDITIONS OF AGREEMENT (GCA)**  
**AGREEMENT No \_\_\_\_\_ DATED \_\_\_\_\_**

## GENERAL CONDITIONS OF AGREEMENT (GCA)

### PARA 1. PRICE FIXATION

The applicable price of MATERIALS to be supplied against this agreement will be settled in line with the following Pricing Mechanism :-

1.1 The bidder shall quote Discount per Metric Tonne over API#4 in US \$ at Part III of the Bidding document . For the purpose of API#4, Argus Coal price Index Report shall be used.

1.2 The API#4 price considered for reference shall be average of the price of 14 days preceding from date of birthing of ship. Henceforth this price shall be called "Base Price". Base Price is rounded up to two decimals place.

1.3 The discount given by the Bidder at Annexure III of the document shall be subtracted from the "Base

Price". This price shall be called the "Derived Price".

The FOB price shall be obtained as follows:

FOB Price = (Derived price x NCV of the coal dispatched)/5500

FOB Price shall be rounded up to two decimals place.

### PARA 2.0: SAMPLING AND ANALYSIS

2.1 The SELLER shall, at his own expense, arrange to carry out at the loadport, the Sampling and Analysis of the MATERIALS delivered in each consignment, in accordance with the relevant British Standard Specifications (BS Specifications) / Specifications of the American Society for Testing and Materials (ASTM Specifications) / Specifications of the International Organisation for Standardisation (ISO Specifications), through the Independent Inspection Agency at the loadport. The PURCHASER may, at his option and at his own expense, depute his representative(s) to witness the sampling and analysis by the Independent Inspection Agency at loadport and may also obtain a part of the Loadport sample for testing. The SELLER shall provide necessary assistance in this regard to the PURCHASER'S representative(s).

2.2 The SELLER shall furnish to the PURCHASER the Certificate of Sampling and Analysis issued by the Independent Inspection Agency at the loadport indicating:

- (i) Nett Calorific Value (ar)
- (ii) Total Moisture % (ar)
- (iii) Ash %(ad)
- (iv) Total Sulphur % (ad)
- (v) Volatile Matter % (ad)

- (vi) Hardgrove Grindability Index
- (vii) Size (mm)

**Note:** The Certificate should clearly specify that the Coal loaded on the vessel, sample of which was analysed by the Independent Inspection Agency at Loadport is Benga Thermal coal mined from the Benga Coal Mine in Moatize, Tete province, Mozambique.

**2.3** For the purpose of this Agreement, the results of analysis of the MATERIALS carried out by the approved Independent Inspection Agency at loadport, shall be final and shall form the basis of the SELLER'S invoice.

**2.4** For any deviations, in the Certificate of Sampling and Analysis (referred to in Para 2.2 hereinabove) from the quality specifications laid down in **ANNEXURE – II** to this Agreement, the SELLER shall allow rebate(s) / diminution in price in its invoice(s) covering the delivery of the MATERIALS in the consignment where such deviations are noticed, as specified below:

<b>S.No.</b>	<b>Technical Parameters</b>	<b>Basis for application of Rebate / Diminution in Price in respect of each Shipment</b>	<b>Rebate / Diminution in Price allowed by the SELLER to the PURCHASER as a percentage (%) of the FOB Price (Per Metric Tonne) of the MATERIALS.</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>
(i)	Ash	Penalty for every increase of 1% (fractions pro-rata) in Ash content in excess of the specification of 29% Max upto 31% .	1.2% of the FOB Price
(ii)	Sulphur	Penalty for every increase of 0.1% (fractions pro-rata) in Sulphur content in excess of 1% up to 1.2%	1% of the FOB Price
(iii)	Net Calorific Value (NCV)	Penalty for any decrease below 5500 Kcal./Kg,  Bonus for any increase above 5500 Kcal./Kg,	{1 – (NCV at Actuals / 5500)} *100 % of the FOB Price  {(NCV at Actuals (#) / 5500) -1} *100 % of the FOB Price

### **PARA 3.0 : CHARGEABLE WEIGHT**

**3.1** The SELLER shall, at its own cost, determine the weight of the MATERIALS delivered at the Loadport by means of draught survey which shall be conducted by the Independent Inspection Agency at the Loadport, appointed by the SELLER and approved by the PURCHASER (through approved licensed Marine Surveyors) who shall issue the Certificate of Loadport Draught Survey Weight.

**3.1.1** Where the Total Moisture (on “as received” basis) in the MATERIALS as disclosed in the Certificate of Sampling and Analysis at Loadport exceeds 6%, the Invoice Weight shall be reduced by the excess percentage of Total Moisture over 6% @ 1.3% for every 1.0% increase over 6% (fraction prorata) upto the Absolute Maximum Tolerance Limit of 9% Max. In no case, the materials shall be supplied with Total Moisture content exceeding 9%..

**Note:** Name and Address of the Independent Inspection Agency at loadport is:

Bureau Veritas Mocambique, Lda, Rua Kruss Gomes, Bairro da Munhava, Beira, Mocambique. Tel: +258 23355043, email: info@mz.bureauveritas.com.

#### **PARA 5.0: INSURANCE**

**5** The PURCHASER shall, at its own expense, arrange for suitable marine insurance cover for the MATERIALS delivered by the SELLER.

#### **PARA 6.0: TERMS OF PAYMENT**

**. 105% of the value of material based on the quoted rate shall be paid in advance for each shipment of 38000 Tons +/- 5% each. Balance amount after final invoice is prepared shall be collected or refunded as the case may be.**

#### **PARA 7.0: EXPORT LICENCE**

It shall be the responsibility of the SELLER to obtain the requisite Export License and comply with other relevant laws of its country for export of the MATERIALS and it shall keep the PURCHASER indemnified for any losses which may accrue to the PURCHASER because of any defect therein.

#### **PARA 8.0: TAXES AND DUTIES**

The PURCHASER shall be entirely responsible for all taxes, stamp duties, License fees and other such levies imposed in the PURCHASER’s country.

#### **PARA 9.0: FORCE MAJEURE**



If either the SELLER or the PURCHASER be prevented from discharging its or their obligation under this Agreement by reasons of, arrests or restraints by Government or people, war, blockade, revolution, insurrection, mobilisation, strikes, civil commotions, Acts of God, plague or other epidemics, fire or flood or other natural calamity interfering with the production or loading or transportation or discharge (Force Majeure events) at Affected Party's (SELLER / PURCHASER) end, the Affected Party's obligation to perform under this Agreement will be suspended for the duration of Force Majeure.

The Affected Party shall inform the other party, about the occurrence of the Force Majeure event(s), which may affect the ability of the Affected Party to perform the affected obligations, within one week of the occurrence of such event(s) [Event Information].

**PARA 10.0: NO CONSEQUENTIAL LOSS**

Subject to the provisions of this Agreement, a party is not, nor is to be deemed or adjudged liable to the other party in contract (including under any indemnity), for any:

- (a) special, indirect, consequential or economic loss or damage of any nature; or
- (b) loss of profit, business, contracts or anticipated savings, related to or connected with this Agreement.

**FOR AND ON BEHALF OF  
THE PURCHASER**

**FOR AND ON BEHALF OF  
THE SELLER & PRODUCER**

**ANNEXURE- II**  
**TO**  
**AGREEMENT NO. \_\_\_\_\_ Dated**

**TECHNICAL SPECIFICATIONS FOR BENGA THERMAL COAL**

<b>S.No.</b>	<b>Technical Parameters</b>	<b>Basis</b>	<b>Technical Specifications</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>
1	Nett Calorific Value kcal/kg	ar	5500
2	Total Sulphur % (ISO 19579)	ad	1
3	Ash % (ISO 1171)	ad	27-28
4	Total Moisture % (ISO 589)	ar	6
5	Volatile Matter % (ISO 562)	ad	17 – 20.
6	Hardgrove Grindability Index		65-75
7	Size (ISO 1953)	0-50 mm	95% min.

**FOR AND ON BEHALF OF  
THE PURCHASER**

**FOR AND ON BEHALF OF  
THE SELLER & PRODUCER**

**ANNEXURE- III**  
**TO**  
**AGREEMENT NO. \_\_\_\_\_ Dated**

**TERMS & CONDITIONS FOR DELIVERY OF THE MATERIALS ON THE  
BASIS OF FOB (TRIMMED) PORT(S) OF LOADING**

**1.0** The PURCHASER shall charter vessels required for carriage of the MATERIALS under this Agreement as per the terms of the AMERICANISED WELSH COAL CHARTER PARTY with such variations or deletions therein or additions thereto as are necessary to make it conform to the provisions of this Agreement and as further elaborated herein below.

**2.0** The PURCHASER shall charter single-decker Vessel, with DWT over 40,000 MT & with maximum 5 hatches, suitable for bulk loading in parcel size of 38,000MT with a tolerance of plus or minus 5% (Five percent) per voyage (or) the Quantity corresponding to 10Mtrs. Draft whichever is lower, without NAABSA clause, at ship-owner's or Charterer's (i.e., PURCHASER'S) option. In case vessels of other size are available for meeting the requirements, the PURCHASER shall have the option of chartering and nominating such vessels also. While chartering the vessels, the PURCHASER shall take into account the details furnished by the SELLER to the PURCHASER regarding the coal loading facilities, acceptable dimensions of the vessels, clearance dimensions of the Coal loading gantries and sailing draught at the load port(s).

**2.1** The vessel nominated by the PURCHASER shall be classed highest Lloyds or equivalent, be in thoroughly seaworthy condition, comply in every respect with all International and Local regulations, comply with all regulations governing the carriage by sea of coal in bulk and shall be maintained as such for the duration of the voyage.

**2.2** The PURCHASER must inform the SELLER of the P & I Club of the vessel upon nomination.

**3.0** The Charter Party / Parties between the Ship-owner(s) and the PURCHASER in respect of the vessel(s) fixed by the PURCHASER for carriage of the MATERIALS under this Agreement shall, inter-alia, provide for the following.

**3.1** The SELLER shall not be liable to bear any port dues (except port loading charges), tonnage dues, light dues and other taxes, assessments and charges which are customarily payable at the Loadport on or with respect to the vessel(s)

**3.2** The Master of the vessel shall give fax / e-mail advice(s) at the intervals of 7 days, 72 hours and 24 hours to the SELLER regarding the ETA of the vessel and the quantity required to be loaded into the vessel at the loadport.

**3.3** The Master of the vessel shall provide free use of light on board the vessel as may be required for working the vessel at the loadport(s) and in each case free of expense to the SELLER.

3.4 The Master of the vessel shall allow on board the vessel the authorized representative(s) of the Independent Inspection Agency / Marine Surveyors at the loadport(s) to witness / inspect and supervise the loading of the MATERIALS into the hatches of the vessel as well as to carry out draught surveys.

3.5 Bills of Lading shall be prepared on the basis of the Draught Survey Weight determined by the Independent Inspection Agency through approved Marine Surveyors at the load port and such Bill(s) of Lading shall be endorsed by the Master of the vessel or the agents of the Ship Owner at the load port within 24 hours after completion of loading. The Bills of Lading must be issued in 'CONGENBILL FORM' only.

3.6 The Master of the vessel or the agents of the Ship Owner at the load port shall release Bill(s) of Lading marked "Freight payable as per Charter Party" immediately after completion of loading.

4.0 Based on the delivery schedule agreed upon between the PURCHASER and the SELLER, the PURCHASER shall nominate vessel about two weeks prior to effecting of the shipment. The SELLER shall confirm to the PURCHASER E-mail the acceptance of such vessel(s) within 2 (Two) working days of the nomination thereof. The lay days for each vessel shall be narrowed down to 6 (six) days, in advance of the ETA of the vessel at the loadport.

The SELLER may consider to accommodate PURCHASER requests on case-to-case basis for extension of cancelling dates/ modification of the laydays in the event of minor delay of upto 48 hours in vessel arrival at the load port beyond the cancelling date.

5.0 Upon the fixture of any vessel by the PURCHASER for carriage of the MATERIALS under this Agreement, the PURCHASER shall intimate to the SELLER relevant particulars of such vessel. The PURCHASER reserves the right to appoint his own agent(s) at the loadport(s).

6.0 The SELLER shall take necessary steps to ensure that sufficient quantity of the MATERIALS is ready for delivery at the Loadport during the agreed laydays and the SELLER shall arrange to deliver/load the MATERIALS FOB (TRIMMED) into the vessel(s) nominated by the PURCHASER and accepted by the SELLER at the Loadport. For loading the vessel, the SELLER shall arrange for a safe loading berth for the vessel at the notified Load Port.

7.0 Upon arrival of the vessel at the outer anchorage or at the pilot station of the Loadport, whether the vessel is in free pratique or not and in berth or not, Master of the vessel shall serve on the SELLER the Notice of Readiness of the vessel to load cargo (MASTER'S N/R) at any time in or out of office hours.

If the vessel, whether in free pratique or not, is found by the SELLER not to be ready in any other respect to load after its berthing, the specific grounds on which the vessel is found not to be ready to load, shall be recorded by the SELLER in the STATEMENT OF FACTS which is

also to be accepted and signed by the Master/Agent of the vessel at the Loadport. In such an event, the laytime shall not be deemed to have commenced until the vessel is in fact ready to load in all respects. In the Statement of Facts there should be proper notation as to the delays attributable to shoreside or to the Vessel. Statement of Facts should be signed by all concerned.

**8.0 The contract shall be on CQD basis and no demurrage shall be payable by the seller however loading shall be done as fast as reasonably possible in the circumstances prevailing at the time of loading.**

9.0 Immediately on completion of loading, the SELLER shall obtain from the Master of the vessel or the Agents of the vessel at the loadport 'CLEAN ON BOARD' shipped Bill(s) of Lading.

10.0 Immediately after completion of loading, a STATEMENT OF FACTS shall be made out at the loadport duly signed by the Master of the vessel/Agents of the vessel at the load port and the SELLER or their Agents at the loadport. Before the sailing of the vessel from the loadport, copies of the Statement of Facts shall be handed over to the Master of the vessel/Agents of the vessel at the loading port.

**FOR AND ON BEHALF OF  
THE PURCHASER**

**FOR AND ON BEHALF OF  
THE SELLER & PRODUCER**