Head office
Av. 24 de Julho, Nº1123
Bairro da Polana Cimento B
Maputo - Moçambique
T +258 21 343600
F +258 21 320649

Tete works
Bairro Comunal de Matundo
Parcela Nº 103 Cidade de Tete
Moçambique
Tel: +258 252 20059
Fax: +258 252 20110

OPEN TENDER NO. *MBL/TC/*2023-24/06 **Date: 12.01.2024**

PART – I OF BIDDING DOCUMENTS

Minas de Benga, Lda. (Here in after "MBL") is a subsidiary of International Coal Ventures Pvt. Ltd. (ICVL) group of companies.

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 E-Selling shall be conducted online through the Website of Mjunction Services Ltd. (herein after referred as mjunction) and submission of necessary documentation, the intending Buyers may contact Mr. Amit Banerjee, M/s. Mjunction Services Ltd., Godrej Waterside, Tower - I, 3rd Floor, Plot No. 5, Block – DP, Sector-V, Salt Lake City, Kolkata – 700091 (West Bengal) [(Phone Nos. 9163348281 or 033 - 66106259 / 66106100); Fax: 033 – 66106187 / 66011719)]

The salient features of the tender are as follows: -

1. Latest test reports on Benga Thermal Coal (For information only)-

Bureau Veritas Moçambique, Lda
Beira Laboratory
Rua Kruss Gomes, Bairro da Manhawa
Beira, Moçambique
T: +258 843 394 564
E: hemani.araujo@bureauveritas.com

CERTIFICATE OF SAMPLING AND ANALYSIS

Original
Page 1/1

Minas de Benga, Limitada
Av. 24 de Julho, 1123-3
Maputo, Moçambique

Ref No.	:	BE 1090 - 2023
Issued at	:	Beira Mozambique
Date issued	:	16 November 2023
Sampling	:	In accordance with ISO 18283:2022
Loading Commenced	:	11/9/2023 18:28
Loading Finished	:	11/10/2023 23:28
Cargo Description	:	STEAM COAL IN BULK
Cargo Origin	:	Benga Mine, Tete Province, Mozambique
Shipper	:	MINAS DE BENGA, LIMITADA ICVL TRAINING CENTRE, BAIRRO COMUNAL DE MATUNDO, PARCELA NO. 1049 ESTRADA NACIONAL NO. 103 TETE
Consignee	:	
Notify Address	:	
Quantity	:	39,439.400 metric tons loaded
Vessel	:	
Bill of Lading Date	:	
Port of Loading	:	Beira Mozambique
Discharge Port	:	

This is to certify that coal was manually sampled in accordance to ISO 18283:2022, prepared in accordance to ISO 13909-4:2016 and tested by Bureau Veritas Moçambique Lda in accordance to the relevant standard methods.
The following results are the weighted average of the individual samples.

Analysis	Units	Method	As Received Basis	Air Dry Basis	Dry Basis
Total Moisture	%	ISO 589 : 2008	5.1		
Moisture in Analysis Sample	%	ISO 11722 : 2013		1.1	
Volatile Matter	%	ISO 562 : 2010	19.7	20.6	20.8
Ash Content	%	ISO 1171 : 2010	25.7	26.8	27.0
Fixed Carbon	%	ISO 17246 : 2010	49.5	51.6	52.2
**Total Sulphur	%	ISO 19579 : 2006	0.94	0.98	0.99
**Phosphorous	%	ISO 622:2016	0.150	0.156	0.158
**Gross Calorific Value	Mj/kg	ISO 1928 : 2009	24.19	25.22	25.49
**Gross Calorific Value	kcal/Kg	ISO 1928 : 2009	5778	6024	6088
**Net Calorific Value	Mj/Kg	ISO 1928 : 2009	23.37	24.47	24.75
**Net Calorific Value	kcal/Kg	ISO 1928 : 2009	5582	5845	5911
**AFT(ID)	°C	ISO 540:2008		+1550	
*Hardgrove Grindability Index	Index	ISO 5074 : 2015		73	
*Size Distribution (0 - 50 mm)	%	ISO 1953 : 2015		99.9	

Note:
Analysis marked * are not part of scope of accreditation of this laboratory
Analysis marked * have been subcontracted to Bureau Veritas Laboratories

A SADCAS accredited Testing laboratory No. TEST-5 0047

Technical Signatory

RESULTS REPORTED RELATE ONLY TO ITEMS TESTED

The authenticity of this certificate can be verified following the below URL or scanning QR code

https://qrcode.bureauveritas.com/T0YM45JGTVVRNBMWWAELAEX6RCGBWDRSS1FCPCWWUEDSPWZT0RH9XR2PLCKLWA6HO8BMXOI2KD6DS92E1NVZXSS6JUOTGPTNBUZEBJMWVZJFKZMTCKUSLKE72OGTWQ8W

Disclaimer: This document is to be treated as an original within the meaning of UCP 600. The information contained on this certificate are the Company's results at the time of its preparation only and within its client's instructions. Any alteration of this document without the Company's written permission is unlawful and offenders will be identified and pursued. As a condition of use of this document, the user indemnifies the Company and its affiliates from and against any and all actions, claims, losses, damages, liabilities and expenses arising out of user's use of this document, including without limitation any claims alleging facts that if true would constitute a breach by user of the Company's terms and conditions. If the user is dissatisfied with any of the terms and conditions of use of this document, user's sole and exclusive remedy is to discontinue using this document.
The authenticity of the certificate is ensured as long as the digital signature details correspond with the Technical Signatory's details as displayed on the certificate.
This certificate is the result of an independent and impartial analysis conducted by the Company and issued and to be used subject to its General Terms and Conditions of service available upon request

2. Last date of submission of bid & acceptance to Tender terms & condition: **22-01-2024 by 12 hours Mozambique time.**

3. Last date of submission of EMD transfer receipt: 22-01-2024 by 12 hours Mozambique time

4. Tentative time of auction: **Tentatively on 23-01-2024 at 12:00 hrs Mozambique time.**

5. Final declaration of winning price bid shall be on: ***To be intimated post online price discovery in subsequent communication***

6. EMD of USD 30,000/- shall be furnished for registration by bidders to participate in the e-selling event.

7. Offers by the bidders to be kept valid for at least 15 days from the date of declaration of winning price bid.

8. Price shall be quoted in USD per ton of coal

9. MBL will issue the lay-can to the successful bidder once the cargo is ready for shipment within 10 days from receipt of L/C. 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 lay can within 7 days failing which EMD shall be forfeited. **The First Shipment will be given in first fortnight of Feb 2024.**

10. The contract shall be on CQD basis (no demurrage no dispatch money) and loading shall be done as fast as reasonably possible in the circumstances prevailing at the time of loading.

11. 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.

12. The PURCHASER shall establish an irrevocable, without recourse to drawer, revolving Letter of Credit covering fully the approximate value of each shipment (40000 tons * Rate). Such Letter of Credit shall be established within 7 days of issue of letter of award and should remain valid for a period of 75 days from the date of opening, for shipment and negotiation.

13. Lay can shall be issued only after receipt of Letter of Credit.

14. The PURCHASE shall lift the material within the 60 (Sixty) days from date of issue of LOI.

PART – II OF BIDDING DOCUMENTS

OPEN TENDER NO. *MBL/TC/*2022-23/06 Dated 12th Jan 2024

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- **SHALL BE PROVIDED SEPARATELY ALONG WITH E-SELLING NOTICE FROM MJUNCTION SERVICES LIMITED**
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 Shashi.Waman@icvl.co.mz & Ravinder.Chauhan@icvl.co.mz

A Prospective Bidder requiring any clarification on the E-Selling process may notify the SELLER's appointed E-selling against in writing or by email to avijit.pandit@mjunction.in

Amendment of Bidding Documents

3.1 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.

3.2 The amendment will be put in the same website, i.e, www.icvl.in & www.icvl.co.mz and will form part of the tender document. BIDDERS ARE THEREFORE ADVISED TO VISIT THE WEBSITE AT REGULAR INTERVALS.

3.3 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.

4. Language of Bid

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.

5. Documents comprising the Bid

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

a) Part 1 - Earnest Money ("EMD") furnished in accordance with Para 10.

b) Part 2 – Price bid in the prescribed form as shared in e-selling notice of mjunction services limited.

6. Pricing Mechanism: -

6.1 The bidder shall quote price in USD per TON of coal

6.2 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.

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

S. N.	Technical Parameters	Basis for application of Bonus/ Penalty in price	Penalty in US $ per Metric Tonne
(1)	(2)	(3)	(4)
1.	Ash	Penalty for every increase of 1% (fractions pro-rata) in Ash content in excess of 29% Max upto 31%	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% max upto 1.2%	1 % of the FOB Price
3.	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

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).

7. Delivery terms shall be governed by Annexure III of the agreement with the buyer.

8. Basis of invoicing will be vessel draft survey and the quantity to be certified by an independent inspection agency appointed by MBL.

9. Currency and unit of Weight: -

The Unit of Measurement (UOM) will be Metric Tonne ("MT")

10. Earnest Money Deposit (ICVL account)

Each bid should be accompanied by proof of transfer (SWIFT, etc.) or deposit of the Earnest Money of USD 30,000/- (hereinafter also referred to as "EMD") to any of the bank accounts of MBL given below:

I.

Bank Name	Millennium BIM (Banco International 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

10.1 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 10.5. The Earnest Money shall not bear any interest.

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

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

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

10.5 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 as prescribed or

(ii) Lift the material in allotted time.

11. <u>Validity of the offer</u>

11.1 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.

11.2 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 11 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.

12. <u>Format for the Bid</u>

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

12.2 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.

12.3 Each page of the offer should be signed and stamped by the authorized officer(s) of the

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

14 <u>Complaints:</u> The Bidder, if feel aggrieved, may raise complaint / pass on information, if any, to MD & CEO ICVL Mozambique

15. 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. (Shall be sent through e-mail)

PART 2: PRICE BID

(Shall be submitted in website of mjunction services limited)

16. Deadline for Submission of Bids- **22/01/24 by 12 hours Mozambique time**

17. Contacting the SELLER

- 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 and EMD will be forfeited.

18. Award Criteria

The tender shall be awarded to the Bidder who's has quoted the highest rate /ton on FOB basis.

19. 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.

20. 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.

21. Notification of Award:

- The notification of award will constitute the formation of the Agreement.

22. Signing of Agreement:

- 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.
- 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.

23. Delivery of the material: - The bidder shall nominate a suitable vessel so as to arrive at the loadport within the within the laycan period.

24. 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 – II OF BIDDING DOCUMENTS

OPEN TENDER NO. *MBL/TC2/*2023-23/06 Dated 12th January 2024
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 incorporated in_____and having its Registered Office

at_____, hereinafter called the "PURCHASER" (which term or expression unless excluded by or repugnant to the context shall include 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/TC/*2023-24/06* Dated 12th Jan- 2024

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 5 % (five 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 of the materials shall be US $ _____ per metric ton. Free on Board (Trimmed). Port of Loading will be Beira, Mozambique.

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, Maputo,
	Moçambique.

ADDRESS FOR CORRESPONDENCE

1. …… THE PURCHASER

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

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

1.1 The discount given by the Bidder at Annexure III of the document shall be subtracted from the

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.

The price shall be subjected to reward and penalty as prescribed in para 2.4

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).

SELLER shall appoint a recognized, international independent surveyor (Bureau Veritas Moçambique, Lda
Beira Laboratory Rua Kruss Gomes, Bairro da Munhava Beira, Moçambique T: +258 233 550 43
) ("Load Surveyor"), to take representative
samples of all of the Product at the Loading Port during loading of the Vessel according to ISO standards
(unless otherwise specified in the Agreement). All such samples shall be combined and thoroughly mixed
into one representative homogenous sample ("Composite Sample").
Buyer's independent surveyor will witness the seller's independent surveyor's sampling procedure at
loading port.

The Composite Sample shall be split into 3 equal portions, placed in proper containers, sealed and signed
for by the Load Surveyor (each is a "Sub-Sample"). One sealed Sub-Sample shall be couriered to a
recognized, independent laboratory (BVI at loading port) ("Load Laboratory"), which may be the same as
the Load Surveyor, and shall be appointed by SELLER. One sealed Sub-Sample shall be shipped directly (by
courier) to the BUYER. One sealed Sub-Sample shall be kept by the Load Surveyor sealed for at least 60
days, to be used solely in case of any quality dispute (the "Referee Sample").

The Load Laboratory shall test the sealed Sub-Sample it received from Loading Port in accordance with
ISO standards and then issue a Certificate of Sampling and Analysis of this shipment reporting all test results, including all the parameters, which shall be final and binding. Such cost for SELLER's account

In the event of a quality dispute, Buyer shall forward to Seller copies of the Buyer's appointed independent discharge laboratory results within 30 days of completion of discharge. If comparison of the Load Laboratory Certificate of Sampling and Analysis of this shipment and Buyer's laboratory results show one or more material differences then the Referee Sample shall be mutually agreed referee surveyor for testing in accordance with ISO standards of those of those chemical(s) or other properties which had different results ("disputed parameters). The Referee Lab's result(s) of the disputed parameters shall be final for all purposes under this Agreement.
Results shared by an independent surveyor to be final and binding for both Buyer and Sellers.

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

(i) Net 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:

S.No.	**Technical Parameters**	**Basis for application of Rebate / Diminution in Price in respect of each Shipment**	**Rebate / Diminution in Price allowed by the SELLER to the PURCHASER as a percentage (%) of the FOBT Price (Per Metric Tonne) of the MATERIALS.**
(1)	**(2)**	**(3)**	**(4)**
(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

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

. 6.1 The PURCHASER shall establish an irrevocable without recourse to drawer revolving Letter of Credit covering fully the approximate value of each shipment. Such Letter of Credit shall be established within 7 days of issue of letter of award and should remain valid for a period of 75 days from the date of opening, for shipment and negotiation.

6.2 The Letter of Credit established by the Purchaser in favour of the Seller under this Agreement shall provide for the full payment of the value of the shipment on presentation of the following documents to the negotiating bank at sight :-

i. 3 sets of original clean on-Board Bill(s) of Lading made out to order and blank endorsed marked Notify _____. The Bill of Lading must be issued in 'CONGENBILL FORM' only.
   Note: Charter Party Bill(s) of Lading marked "Freight payable as per Charter Party" will be acceptable.
ii. Signed Commercial Invoices – in quadruplicate.
iii. Certificate of Sampling and Analysis issued by the independent inspection agency at loadport clearly specifying that the sampling and analysis pertains to Thermal Coal loaded on the vessel – in duplicate.
iv. Loadport Draught Survey Weight Certificate issued by the independent inspection agency at loadport – in triplicate.

6.3 The negotiating bank of the seller is as follows :-

Bank Name	Millennium BIM (Banco International 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

PARA 7.0: EXPORT LICENCE

It shall be the responsibility of the SELLER to obtain the requisite Export Licence 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, Licence 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

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 lay days 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