

INVITATION TO BID (ITB)

TERMS AND CONDITIONS FOR SUPPLY OF LCV COAL ON FOB BASIS

THE TATA POWER COMPANY LIMITED, invites offer for the supply of Seven (7) firm and Two (2) optional Geared Supramax size shipments of Low CV 4200 GAR Coal (shipment volume of 60,000 MT +/- 10%) from Indonesia on FOB basis for Trombay Thermal Power Station.

BID terms and condition:

Seller: _____

Buyer: The Tata Power Company Limited

Tenure: From November 2023 to January 2024

Quantity: No. of Shipments – Seven (7) Firm + Two (2) Optional
Quantity of Coal 9 X 60,000 MT (+/- 10%) for loading laycan distribution as below.

November 2023: Three (3) firm shipments
December 2023: One (1) firm and One (1) optional
January 2024: Three (3) firm and One (1) optional

Coal Spec: 4200 GAR Low GCV coal

FOB Price: Bidder is requested to quote ICI4 Index linked pricing for the coal only

The Base Price for the quantity of Coal for each shipment shall be linked to Average of ICI4 index for the last 4 weeks prior to 1st day of the agreed laycan. Bidder will quote a discount or premium of USD YYY / MT on FOB (Trimmed) basis 4200 kcal/kg gross calorific value on as received basis at the Load Point (the "Base Price").

Base Price = Average of ICI4 index (for last 4 weeks prior to 1st day of agreed laycan) +/- USD YYY / MT

Where ICI 4 (Indonesian Coal Index 4) is the weekly ICI Index published by Argus Coal Daily International/PT Coalindo Energy weekly Panel System on Friday of each week.

In the event, first day of Laycan falls on Friday, then the ICI index for the same Friday plus indices for 3 weeks prior will be taken for arriving price.

Freight: Shall be arranged by Buyer

Vessel Size: Geared Supramax Size vessel (60,000 MT ± 10% considering the Non-monsoon period). The destination port will be Mumbai. For monsoon season shipments, vessel shall be loaded maximum to 60,000 MT ± 10% as per the draft restrictions applicable for the Mumbai Port.

Payment Terms: 180 days Usance LC only

Loading rate: 12,000 TPD (If Bidder is quoting loading rate other than 12,000 TPD, then FOB price shall be loaded / discounted accordingly for a fair competitive bid evaluation)

EOI Submission Date: 18th October 2023 till 17:00 Hrs. (IST)

Bid Submission Date: 22nd October 2023 till 17.00 Hrs. (IST)

Bid Validity: 31st October 2023 till 17:00 Hrs. (IST)

Pre-Qualification Req: The bidder shall fulfill the following criteria's and submit relevant supporting documents along with the Bid for each of the following:

A. Technical:

1. Quality Parameters: The bidder shall supply coal from a specified mine from Indonesia. The offered coal shall meet all quality parameters mentioned in below Coal Specification Range.

2. Production/Operational Capability:

- I. The bidder shall quote for coal supplies of minimum of one (1) shipment of 60,000 MT +/-10% volume.
- II. If the bidder is a trader, then the Bidder should submit Corporate Guarantee from the Miner from whom they intend to supply coal.

In addition to the above (i.e. Sr. No. A - 1 and 2 of Pre-qualification requirement), the bidder shall satisfy the following criteria:

- a. If the interested bidder is **Miner**, then the bidder should have:
 - i. Coal producing mine meeting the coal specification requirement as per Coal specification range.
 - ii. Country specific relevant mining license should remain valid during the entire contract agreement period.
 - iii. Coal production for the last five years, from the proposed mine, of equal or more than average of 1.0 Million MT of coal
 - b. If the interested bidder is **Trader/ Marketing company/ Equity holding company** in Coal Mining Company, then the bidder should have:
 - i. Valid Off-take Agreements / MoU's with the mining companies, satisfying the above-mentioned conditions in Sr. No. A .2 of Pre-qualification requirement.
- 3. Logistics Capability:** The interested bidder should be capable of supplying at least two (2) Supramax volume of each 50,000 MT +/-10% shipment in a month for such coal.

B. Financial

The bidder shall have adequate financial resources to execute the proposed contract concurrently along with their other commitments and shall meet the following conditions:

1. The bidder shall have during the last three financial years an Average Annual Turn Over of not less than USD 10 Million or its equivalent in any other currency
2. The bidder shall have the positive Net worth i.e. The Net Worth of the bidder as on the last day of the preceding financial year should be at least equal to or more than the paid-up share capital.
3. The bidder should submit audited copies of their profit and loss account (P&L) and Balance sheet for the last three preceding financial years along with the Bid. **In cases**, where audited results for the last preceding financial year are not available, certification of financial statements from a practicing Chartered Accountant or Audit firms shall also be considered acceptable.

Notes for Financial Requirements:

- Net Worth means the sum total of the paid-up share capital and free reserves. Free reserves means all reserves credited out of the profits and share premium account but do not include reserves credited out of the revaluation of assets, write back of depreciation provisions and amalgamation. Further, any debit balance of profit and loss account and miscellaneous expenses to the extent not adjusted or written off, if any, shall be reduced from Reserves & Surplus.
- Other income shall not be considered for arriving at annual turnover.

Coal Specification:

	Unit	Basis	Typical	Rejection Limits
Total Moisture	%	ARB	35	> 38
Air Dried Moisture	%	ADB	15	-
Ash	%	ADB	3	> 5
Total Sulphur	%	ADB	0.25	> 0.5
Volatile Matter	%	ADB		-
Fixed carbon	%	ADB	By diff	-
Calorific Value	Kcal/kg	GAR	4200	<4000
HGI	-	-	55-60	-
Size 0-50mm	%		98	
-2 mm	%		20% Max	

- Size: () minus 50 mm. No foreign Material (stones, Metal and Non- Metal).
- Fines should not be more than 5-7%

- Considering Trombay requirement, coal sizing limitation of 0-50 mm is 98%, Seller shall ensure proper screening of coal at load port prior loading into the vessel to avoid contamination/ foreign material/ large size stones etc. Seller shall be responsible for Demurrage/ interruption at discharge port on account of unloading equipment failure due to contamination/ foreign material/ large size stones etc. with supplied coal. In any such event, the buyer shall have rights to recover the cost for any kind of equipment damages / demurrages etc. from seller.

Tender Timeline: Interested parties meeting the "Pre-Qualification Requirements" specified in this document can request tender document and participate in the bidding process by submitting the Expression of Interest (EOI) to the contact details mentioned below not later than deadline specified below. Request for Bid Document / EOI will not be entertained beyond this deadline.

Expression of Interest are to be e-mailed only to the below email address and not to any other official in Tata Power:

To: skmallick@tatapower.com

With copies to:

schandolkar@tatapower.com and yogendra.butola@tatapower.com

Deadline for submission of EOI: 18th October 2023, COB

Detailed Bid Document (also referred as RFQ) shall be issued through Tata Power e-tender portal (Ariba System) only to the parties submitting a valid EOI as per terms mentioned in this document.

Bid Evaluation: Bids shall be evaluated on lowest Landed Energy Price (INR/Mkcal).

NOTE: All contracted supplies shall be subject to these terms and conditions except where changes are expressly agreed in writing. Also, these terms and conditions shall be read together with the attached 'AGREEMENT FOR SALE AND PURCHASE OF COAL'. Wherever there is a conflict, the provisions herein shall prevail over 'AGREEMENT FOR SALE AND PURCHASE OF COAL' to the extent of the conflict. Rest of the provisions shall remain valid and applicable.

General Instructions to Bidders:

- 1) The bid invitation is issued in the name of Bidder and is non-transferable.
- 2) Bidder shall acknowledge the receipt of the tender within one working day from the Date of issue of this Invitation to Bid.
- 3) Bidders shall review the entire Bidding document and ensure the given objectives expected herein can be achieved or the technical requirements can be met in totality.
- 4) Bidder must carefully go through all commercial conditions of contract before quoting the price. Any exceptions pertaining to clauses affecting prices or costs either way must be clearly stated.
- 5) Tata Power reserves the right to accept or reject any or all bids or cancel/ withdraw the enquiry without assigning any reason whatsoever. In such an event, no claim shall be made arising out of such action.
- 6) Any time prior to the deadline for submission of Bid, Tata Power may for any reasons, whether at their own initiative or in response to clarifications requested by Bidders, modify the enquiry including specification by amendment. The amendment will be notified in writing to all qualified Bidders to whom the enquiry has been issued and will be binding on them. The Bidder shall acknowledge the receipt of the amendment promptly upon the receipt of the same. In order to afford Bidders time in preparing of Bid due to amendment, Tata Power may, at its discretion, extend the deadline set for submission of the Bid.
- 7) Tata Power will not be liable for any expenses whatsoever incurred by the Bidder for the preparation and submission of bids.
- 8) Bidders are advised to send their bid well in time on or before bid submission date and time. Offers received after the due date and time of submission of bids may not be accepted and are liable for rejection.
- 9) The buyer does not bind himself to accept the lowest or any of the offers and has the right to reject any or all offers without assigning any reason. The buyer also reserves the right to award the contract to one or more parties either for full quantity or part thereof. It is deemed to be accepted that you agree to our confidentiality clause (As mentioned below) of the enquiry document by receipt of our enquiry.

Upon issuance of RFQ documents, Bidders are requested to submit their bids on or before **22nd October 2023 by 17:00 hrs. (IST)** ('Due Date') through Tata Power e-Tendering portal "Ariba". The bid must be kept valid for our acceptance till 17:00 Hrs. (Indian time) on **31st October 2023**. In exceptional circumstances Tata Power may solicit the bidders' consent to an extension of the period of validity. Tata Power will not entertain requests for extension of Bid Submission Due Date/time for any reasons whatsoever. Any offers received in any other form / physical late bid submission beyond the Bid Submission Due Date may not be accepted and are liable for rejection. Tata Power shall in no way be responsible for late receipt of bids.

CONFIDENTIALITY CLAUSE:

Each Party shall treat all information received from the other Party relating to the transaction contemplated herein as confidential and proprietary (the "Confidential Information") and shall not disclose any Confidential Information to any third party, other than to any Governmental Instrumentality as required by law or in judicial proceedings or to advisors, lenders or investors (or prospective lenders or investors) and consultants to or affiliates (or their employees) or employees of the Parties, who are in each case bound by the same terms of confidentiality or by a duty not to disclose to unauthorized parties, except for such Confidential Information as may be publicly available other than as a result of a breach of this Article or as may be required to be disclosed by process of law.