

:

INVITATION FOR EXPRESSION OF INTEREST

**{FOR ENTERING INTO LONG TERM AGREEMENT WITH NSL
FOR SUPPLY OF SOFT COKING COAL}**

**Expression of Interest No: NSL/COMML/EOI/SCC/2024-25
Dated: 30TH September 2024**

**NMDC STEEL LIMITED
COMMERCIAL DEPT
5TH FLOOR,
10-3-311/A, KHANIJ BHAVAN
MASAB TANK
HYDERABAD -500028
INDIA
PHONE : +91 -40 – 23538713 TO 21/23536740
E-MAIL : kvvssrkvprasad@nmdc.co.in/jkthakur@nmdc.co.in**

1.0 Introduction

1.1 NMDC Steel Limited (NSL), a Public Sector Undertaking under the Ministry of Steel, Govt. of India located at Nagarnar Post, Bastar District, Chhattisgarh State – 494001, India and having an annual production capacity of 3million tonne of crude steel. The nearest port to this plant is located at Visakhapatnam (AP), India. The Blast furnace operations at NSL started in the month of Oct'23, presently NSL is importing about 1.5 Mn T of Coal , once the plant recaches its rated capacity the requirement of imported Coal will increase substantially.

1.2 A major part of the Coking coal and PCI coal requirement is being imported by NSL under Long Term Agreements with overseas producers/ suppliers. Long Term Agreements can be entered into by NSL for a period of more than one year and would generally be concluded for a period of three years preferably with buyer's option to extend by another two years. The actual quantities to be supplied and pricing mechanism under the long term agreements during each delivery period are settled on yearly basis.

1.3 To broaden the supplier base, Expression of Interest (EOI) are invited from eligible overseas Coking coal producers/ overseas Coking coal suppliers of Coking coal of origin other than India, who are interested in entering into long term agreement with NSL for supply of imported Coking coal. Technical Specifications of the imported Coking coals desired by NSL are enclosed at **Enclosure – I** (Soft Coking Coal).

2.0 Eligibility

2.1 The EOI bidders should be any of the following:

- Overseas Coking coal producers owning, managing and controlling the mines (located outside India) producing the offered coal and furnishing an undertaking for extending guarantee for the coal offered for supply against the EOI in **Format A at Enclosure VIII**.
- Overseas Coking coal suppliers having marketing rights from the owners of mines (located outside India) producing the offered coal. In the event of an expression of interest being considered by NSL for acceptance, both the coal supplier and the coal producer shall be required to jointly sign the Agreement with NSL and both the parties shall be jointly and severally responsible for the performance of all their respective obligations under the Agreement. Coal supplier will be required to produce an undertaking in **Format B at Enclosure VIII** to the effect from the coal producer. In the event, the coal producer does not want to jointly (with coal supplier) sign the agreement with NSL, the coal supplier will be required to submit a Letter of Authority in **Format C at of Enclosure VIII** from the coal producer. However, if the offered coal(straight/ blended) or blend constituents have not been exported directly by the Coal supplier in the last two years, then in the event of acceptance of EOI, both the coal supplier and the coal producer shall be required to jointly sign the Agreement with NSL.

2.2 The EOI bidder should fulfill the following eligibility criteria:

- a) The bidders should express its interest in offering a quantity of at least 75000 Metric Tonne per year of Soft Coking Coal for a minimum period of 3 years as per Technical Specifications given at **Enclosure- I**.

However, NSL reserves the right to place order for lower or higher quantities at its sole discretion or for no quantity at all. In case coal being offered is for a smaller quantity or smaller period, the interested EOI bidder should submit proper reason duly supported by documents as may be necessary or called for, for consideration of COD-NSL Coal Imports. Please note that NSL's decision in this regard will be final and binding.

- b) In case the offered coal is a Straight coal (Soft coking coal), the Coal Producer or Supplier should have exported not less than 3,00,000 Metric tonne of the offered coal in each of the last three financial years. In case the offered coal is a blended coal (Soft coking coal), the Coal Producer or Supplier should have exported not less than 300,000 Metric Tonne of the offered coal or its constituents put together (minimum 50,000 Metric Tonnes for each of the constituent) in each of the last three financial years.

(Note: If the offered coal (Straight / Blended) or blend constituents have not been exported directly by the Coal supplier in the last three years, then in the event of acceptance of EOI, both the Coal supplier and the Coal producer shall be required to jointly sign the Agreement with NSL)

- c) The Average Annual Sales Turnover of the bidder during the last 3 Financial Years should be Minimum USD 100 Million (in case the offered coal is Hard / Soft Coking Coal) and the Net Worth of the bidder should be positive at the end of the preceding financial year.

3.0 Normally, all the parameters should be as per the values of Desired Specifications under Column (4) of **Enclosure-I**. However, if any parameter is at variance with it, but is within the Absolute Maximum/ Absolute Minimum Tolerance Limit under Column (5) of **Enclosure - I**, , the coal may be accepted with stipulated penalty. However, if any parameter falls beyond the Absolute Maximum/ Absolute Minimum Tolerance Limit, the decision of NSL to consider them or not would be final and binding.

If any offered parameter by the prospective EOI bidder falls beyond the Absolute Maximum/ Absolute Minimum Tolerance Limit, the same may be compared to respective parameter of the Coking Coal being procured from the existing long term supplier and accordingly, decision of acceptance of the same with penalty/ rebate may be taken by NSL.

4.0 Other Terms

4.1 The bidder is required to submit separate offers for each of the coals offered against the technical specifications given at **Enclosure-I**. The absolute Maximum/ Minimum tolerance limits of any parameter of Imported Coal shall include the variations permissible between analysis results due to reproducibility limits of applicable testing standard (ISO/ASTM/BS/BIS).The bidder will also be required to submit free representative custom cleared sample(s) of the coal offered by them, at their risk and cost and on a non-returnable basis, for undergoing pilot oven and / or laboratory characterization tests within 30 days of intimation of the same by NSL. The sample(s) has to be delivered to NSL at Research & Development Centre, Hyderabad or NSL, Nagarnar and / or at any other Testing Agency of repute and/or place, as decided by

NSL. The sample(s) of coal submitted by the bidders whose bid is found to be techno commercially acceptable by NSL will undergo Pilot Oven Tests and / or Laboratory Characterization Tests. The detailed procedure for submission of pilot oven/ laboratory characterization sample(s) is given at **Enclosure- VII**.

4.2 Bidder will be intimated regarding acceptability or otherwise of their EOI bid within 5 months of receipt of the EOI bid, subject to:

- a) Receipt of necessary clarifications / documents as per the timelines indicated by NSL.
- b) Submission of the sample(s) of the offered coal for undergoing pilot oven and or laboratory characterizations tests.

4.3 On successful passing of the Pilot Oven Test and / or Laboratory Characterization tests, NSL at its discretion may consider taking a trial shipment preferably in a Panamax/ Handymax shipload, which may be relaxed in case of ports/ geographies lacking in infrastructure etc. or as decided by NSL. Accordingly, the bidder will be invited for discussions for supplies against the EOI, as enumerated in the EOI document, including the industrial trial shipment.

4.4 Bidders will be intimated about the success or otherwise of their industrial trial shipments within 2 months of receipt of the industrial trial cargo at the Indian ports on best endeavour basis.

4.5 The EOI bidder, from whom NSL decides to take Industrial Trial shipment will be required to enter into an Agreement with NSL, the terms & conditions of which will be negotiated by NSL with the bidder. After successful industrial trial, NSL may enter into separate Agreement for supply of balance of the quantity of 75,000 Metric Tonne (or lower or higher quantity as the case may be) of the offered (Soft including blended coal) coal. A standard format of such an Agreement for Soft Coking Coal is provided as sample at **Enclosure – VI** to this document. (It may however be noted that the terms & conditions of this Agreement are currently under review and may undergo changes, in which case the terms & conditions applicable will be as per revised Agreement format.)

4.6 The price of the trial shipment quantity and supply of the balance quantity shall be determined by NSL through negotiations with the supplier concerned, keeping in view the market condition and/or the prices being reported in journals for similar coal and for same geographies. Pricing options, i.e. **Quarterly (QBM) / Monthly Index Based Pricing Mechanism**, for the trial shipment quantity and the balance quantity will be decided by NSL.

4.7 After successful (technically, commercially as well as operationally) completion of the supplies of 75,000 Metric Tonne as applicable (or lower or higher quantity as the case may be) within a period of 12 months or within a period as stipulated by NSL, the supplier may be eligible for entering into long term agreement with NSL for the coal supplied, at NSL's option. Successful completion of supply will not automatically confer any right on the EOI bidder to claim its inclusion as a Long Term Supplier of NSL and NSL's decision in this regard will be final and binding.

4.8 Performance Guarantee Bond

4.8.1 Within 15 (fifteen) days from the date of the Agreement, the successful Bidder will be required to furnish Performance Guarantee (PG) Bond in the form of a Bank Guarantee as per proforma vide **Annexure – IV of Enclosure – VI**, for an amount covering **10% (Ten percent)** of the total value of industrial trial shipment covered by the aforesaid Agreement. No change in the prescribed proforma of the Bank Guarantee for PG Bond is acceptable. The PG Bond should be established in favour of NMDC Steel Limited through State Bank of India, Nagarnar, Khasra No. 1369, Kumharpara, Nagarnar, Distt. Bastar, Chhattisgarh-494341 (Please refer **Annexure – IV of Enclosure – VI**) and should be received in the office of NSL within 15 (fifteen) days of the date of Agreement. For supply of balance of the EOI quantity, the successful bidder will be required to furnish Performance Guarantee (PG) Bond as above for an amount covering 10% (Ten percent) of the total value of each shipment, at least one month prior to the laycan start date of each shipment of Coking coal.

4.8.2 The PG Bond shall be kept valid and in full force and effect from the date of Agreement till a period of 6 (six) months from the date of delivery of the respective consignment under the Agreement. For this purpose, the date of the Bill of Lading shall be the date of delivery in respect of the consignment.

4.9 Bank Guarantee towards Pre-payment of freight

4.9.1 Within 15 (fifteen) days from the date of the Agreement for Industrial trial shipment(s) or within three working days from the date of intimation of estimated per ton freight by NSL, whichever is later, the successful bidder will be required to submit Bank Guarantee as per proforma vide **Annexure-V of Enclosure - VI** for an amount covering total freight (in US\$) for shipment of the quantity of coking coal covered by the aforesaid Agreement. No change in the prescribed proforma of the Bank Guarantee is acceptable. The Bank Guarantee should be established in favour of NMDC Steel Limited through State Bank of India, Nagarnar, Khasra No. 1369, Kumharpara, Nagarnar, Distt. Bastar, Chhattisgarh-494341 (Please refer **Annexure – V of Enclosure – VI**) and should be received in the office of NSL within 15 (fifteen) days of the date of Agreement.

4.9.2 The Bank Guarantee shall be kept valid and in full force and effect from the date of Agreement till a period of 90 days from the date of Bill of Lading of the industrial trial shipment under the Agreement.

4.10 The material may be offered on FOB-Load Port(trimmed)/ C&F(Free out) East Coast of India(ECI) Port/ FOR- Delivered at NSL plant basis.

5.0 Information/ Document Required to be Furnished by the Bidder

5.1 Detailed information of the Coking coal Producer(s)/ Owner(s) of Coking Coal and Coal Supplier including address of registered offices, incorporation of the Company (along with the supporting documents), current business activities, current assets etc.

5.2 Self certified and Audited Annual Accounts and Annual Report to the Shareholders, Financial Statements i.e. Balance Sheet, Profit & Loss Account etc. of the Bidder, for the last three years should be submitted in support of 2.2 (c) above. In case the bidder is a Supplier with Marketing rights from the Mine owner, latest audited Annual Accounts and Annual Report to the Shareholders, Financial Statements i.e. Balance Sheet, Profit & Loss Account of the Mine

Owner(s) is also to be submitted. Additionally the following information may be provided:

	2023	2022	2021
Revenues / Net sales			
Profit after tax			
Total Assets			
Total Liabilities			
Total equity			
Net worth			

- 5.3 The documents at 5.2 above or any other valid document(s) like Mining License/ lease etc. (self-certified) should be submitted to clearly establish the exact nature of ownership
- 5.4 Country of origin of Coking coal.
- 5.5 Brand name/any other specific name of the coal offered
- 5.6 Name(s) and Location of the Coking coal seam(s)/ mine(s).
- 5.7 Nature of the mining operations (open-cast or underground etc.).
- 5.8 Estimated reserves of Coking coal in million metric tonne as at the time of submission of the offer and unexpired period of mining rights for the coal seam(s)/ mine(s) offered.
- 5.9 Production capacity of Coking coal and average annual production of washed/ unwashed Coking coal for the last three years and future production estimates for next two years.

Year	Production Volume in million tons
2021	
2022	
2023	
2024 (plan)	
2025 (plan)	

- 5.10 Quantity of the offered coal / constituent of the offered coal(blended) exported, during the last three years from the mine(s) from which coal(s) is offered with user/ buyer name and country of destination.

Notarized Copy of Purchase Orders/Agreements or Notarized self-affidavit / Certificate from the Company Secretary / Statutory Auditor should be submitted in support of export of at least as per clause no.2(b):

- i) 300,000 Metric Tonne or more of the offered Straight coal in each of the last three financial years
- b) 300,000 Metric Tonne or more of the offered blended coal or blend constituents put together (minimum 50,000 Metric Tons for each of the

constituent and only in case the offered blended coal has not been exported) in each of the last two financial years

- 5.11 Whether the offered coal is being supplied by the supplier to any steel producer(s) under long term contract(s). If yes, following details/ documents for each such long term contract may be provided:
- i. Contract date and duration :
 - ii. Quantity being supplied (Annual and total separately) :
 - iii. Name and address (including contact numbers) of the buyer(s) :
 - iv. Documentary evidence of existence of the contract and of shipments of the coal made under the contract.
- (This however is optional)**

- 5.12 Following Load port related information to be provided:
- (a) Port(s) of shipment
 - (b) Draught available (in MTRS)
 - (c) Maximum vessel size
 - (d) Loading Rate (Metric Tonnes/day)
 - (e) Distance from the mine(s)/ washery to load port and
 - (f) Mode of transportation of coal to the port(s) of shipment.

- 5.13 Details of the coal(s) offered to be submitted in the following formats

a. Enclosure II for Soft Coking coal.

- 5.14 Test certificate(s) from any of the reputed international test houses listed at **Enclosure– III**, furnishing the results of tests conducted by them of a sample of the coal offered for each of the parameters listed at **Enclosure–II** individually (refer 5.13 above) is to be submitted. Name(s) of the coal seam(s)/ mine(s) is/are to be indicated on the test certificate(s). The test certificate should be for tests conducted not more than four months prior to the date of submission of the Expression of Interest under this Invitation. (It may be noted that in case the offered coal is a blended coal, the test certificate(s) for the offered coal as well as constituent coals are to be submitted separately)

Coal brand/ constituent	Name of the Test House	Certificate No. & date of issue

- 5.15 Quantity of Coal offered annually
- 5.16 Period for which the offered coal can be supplied.
- 5.17 Name, address and contact numbers of key persons/ top managers and contact person(s) of the bidder and Mine owner (if applicable)

A power of attorney or other satisfactory proof showing that the person signing the EOITender Document/ Contract/ Agreement on behalf of the company is duly authorized to do so, shall accompany the bid.

Note: The information/document asked for at Para 5.1 to 5.14 above are required by NSL for establishing the suitability of coal and genuineness of supplier; and while some relaxation may be considered by NSL at its sole discretion, it is in the interest of the bidder to provide as much details as possible (and/or provide details asked for by NSL during the course of evaluation) to enable proper evaluation of their bids.

6.0 NSL will deal directly and exclusively with the overseas supplier and no agency arrangements are acceptable to NSL. The interested supplier should give an undertaking to the effect in the proforma enclosed at **Enclosure – IV**.

7.0 Integrity Pact

7.1 The Bidder is required to enter into an “Integrity Pact” as incorporated in **Enclosure – V** of this EOI Document, with the principal i.e. NSL. The Integrity Pact has to be signed by the Proprietor /Owner / Partner / Director or by their duly authorized signatory. **In case of failure to return the Integrity Pact along with the offer / bid, duly signed by the Authority as mentioned above, will disqualify the offer / bid.**

7.2 The Bidder, if feel aggrieved, may raise complaint/ pass on information, if any, to

a) The Competent Authority /Operating Authority of the Tender/ Contract or

b) The Chief Vigilance Officer (CVO), NSL, Khanij Bhavan, Masab Tank, Hyderabad-500 028, Telangana State, India.

c) The Independent External Monitors of Integrity Pact, through Integrity Pact. The Independent External Monitors of Integrity Pact are:

1. Shri. Anup Krishan Mehra,
Director(Commercial), MOIL, (Retd.)
5th floor, Mahima Kamlini Appartment
Palm Road, Civ il Lines
Nagpur-440001
2. Shri. Venugopal K Nair, IPS (Retd.)
P1, Waterford Apartment,
Pt Kurupan Road, Tevara
Kochi-682 013
3. Shri.Vishvapavanpati, IPoS(Retd.)
8KA, Mani Tribhuvan
Nandan Kanan Road, Raghunathpur
P.O.KIIT S.O
Bhubaneswar- 751024 (Odisha)

8.0 All the information / documents furnished with the bid are liable to be verified and in case of misrepresentation/ forgery noticed at any stage, NSL shall take action such as non-consideration of EOI/ bid/ termination of order along with forfeiture of Performance Guarantee Bond, if any. Decision of NSL in such case shall be final and binding.

9.0 The Coking coal Producer/ Supplier to confirm that they do not have any legal proceedings pending in a court of law against NSL.

10.0 The expression of interest must be delivered at the address mentioned below, in a sealed cover super scribing the EOI No. and Date mentioned above:

HOD (Commercial)

NMDC Steel Limited

10-3-311/A, Khanij Bhavan

Masab Tank,

Hyderabad-500028

INDIA.

PHONE : +91 -40 - 23538713 TO 21/23536740

E-MAIL : kvvssrkvprasad@nmdc.co.in/jkthakur@nmdc.co.in

11.0 This is categorically stated that this is not a request for proposals. The EOI will be open throughout the financial year 2024-25.

Submission of EOI by a firm does not automatically guarantee that the firm will be invited for further discussion on the subject or for signing of supply agreement. NSL reserves the right to change or cancel these requirements and/or the EOI process at any time.

□□□□□□

Enclosure-I

**Technical Specifications of Soft Coking Coal
(Size 0-50mm)**

Sl. No.	Technical Parameter	Unit	Desired Specification #	Absolute Maximum/ Absolute Minimum Tolerance Limit
(1)	(2)	(3)	(4)	(5)
1.	Total Moisture (On "As received Basis")	%	8.0 Max	11.0 Max
2.	Proximate Analysis (On "Air Dried Basis")			
	a) Volatile Matter	%	20.0 - 34.0	20.0 Min 34.0 Max
	b) Ash	%	8.0 Max	10.0 Max
3.	Sulphur	%	0.50 Max	1.10 Max
4.	Crucible Swelling Number (CSN)		3 Min	3 Min
5.	Mean Max Reflectance (MMR) of Vitrinite	%	0.90 – 1.35	0.85 Min. 1.35 Max.
6.	Vitrinite %	%	45 Min	45 Min
7.	Max Fluidity		150 Min	150 Min
8.	Micro Fines (Size Fractions < 0.5 mm)	%	25.0 Max	30.0 Max
9	Phosphorus	%	0.06 Max.	0.10 Max
10	Ash Fusibility: Free Flow Temperature	°C	1400 Min.	1400 Min.
11	Total Alkali (K ₂ O+Na ₂ O) in Ash	%	2.2 Max	2.5 Max
Note: Coal(s) offered should be a straight coal from a single identifiable mine / seam.				

Desired Specification: Normally all the parameters should be as per the values indicated under Column (4). However, if any parameter is at variance with it but is within the Absolute Maximum/ Absolute Minimum Tolerance Limit as indicated under Column (5), the coal may be accepted with stipulated penalty.

Enclosure-II

i) For Soft Coking Coal as per Technical Specifications given at Enclosure I

1. Indicate the Technical Specifications (Enclosure -I) against which the coal is being offered:
2. Source Country:
3. Brand Name of the offered coal:
4. Technical Specifications:

Sl. No.	Parameter	Unit	Testing Standard	Guaranteed Specification	Absolute Minimum/Absolute Maximum Tolerance Limit	Variations permissible between analysis results of load port and Purchaser
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Total Moisture (On "As received Basis")	% Max.				
2.	Proximate Analysis (On "Air Dried Basis")					
	a) Volatile Matter	% (Range)		Min. Max.	Min. Max.	
	b) Ash	% Max.				
3.	Sulphur	% Max.				
4.	Crucible Swelling Number (CSN)	Min.				
5.	Mean Max Reflectance (MMR) of Vitrinite	% (Range)		Min. Max.	Min. Max.	
6.	Vitrinite Percentage	% Min.				
7.	Vitrinite Distribution (V9-V14) (only for Hard Coking Coal)	% Min.				
8.	Maximum Fluidity	DDPM Min.				
9.	Micro fines (Size fraction <0.5mm)	% Max.				
10.	Phosphorus	% Max.				
11.	Ash Fusibility: Free Flow Temperature	°C Min.				
12.	Total Alkali (K ₂ O+Na ₂ O) in Ash	% Max.				

Bidder to indicate the latest relevant testing standard (ISO/ASTM/BS/BIS) and variations permissible between analysis results of load port and Purchaser sample against each parameter at column (4) and (7) respectively.

Enclosure-III

LIST OF REPUTED INTERNATIONAL TEST HOUSES

- i) DMT GmbH & Co., KG,
Coke Making Technology,
Am Technologiepark 1,
45307 Essen, Germany.
Tel: + 49 201 172 1789/ 1563
Fax: + 49 201 172 1462/ 1241/ 1593
e-mail: dmt-info@dmtd.de
Website: www.dmt.de
- ii) Australia Coal Industry Research Laboratory (ACIRL),
ACTEST(ACIRL Quality Testing Services Pty. Ltd),
PO Box 242, Booval QLD 4304,
1, ACIRL Street Riverview,
QLD 4303, Australia.
- iii) Research Institute of Industrial Science & Technology (RIST),
Private Box 135, Pohang Post Office,
32 Hyoja dong, Nam Gu,
Pohang, Kyoungbuk,
Zip Code 790-600, Korea.
Tel: +82 54 279 6333
Fax: +82 54 279 6099
Website: www.rist.re.kr
- iv) Centre de Pyrolyse de Marienau,
(Branch of IRSID specially engaged in Coal Research)
Parc d' Activities Forbach Ouest,
F-57600 FORBACH, France.
Tel: + 33 (0) 3 8784 9001/ 9003
Fax : + 33 (0) 3 8784 9000
e-mail : contact@cpmarienau.com
Website: www.cpmarienau.com
- iii) Bureau Veritas International Trade Australia Pty Ltd./
Inspectorate (A Bureau Veritas Group Company),
5/585 Maitland Road,
Mayfield West, NSW, 2304, Australia.
Tel: +61 (0) 2 4949 2723
Fax: +61 (0) 2 4949 2777
e-mail: kim.plumridge@aubureauveritas.com
Website: www.bureauveritas.com.au
- vi) Society Generale de Surveillance (SGS) and its worldwide offices, which provide
Superintending services in coal testing.
- vii) CRL Energy Limited,
68 Gracefield Road,
PO Box 31-244, Lower Hutt, 5040
New Zealand.
Tel: +64 4 570 3700
Fax: +64 4 570 3701
e-mail: crl@crl.co.nz
Website: www.crl.co.nz

- viii) CIQ, Entry-Exit Inspection and Quarantine of the People's Republic of China
(applicable only for supplies from China)
Room 201,
No. 99, East Yellow River Road,
Huangdao District,
Qingdao, Shandong, China.
Tel: +86 532 80885818
e-mail: webmaster@sdciq.gov.cn
Website: www.sdciq.gov.cn/english
- ix) M/s ALS Coal Canada,
11191 Coppersmith Place,
Richmond BC V7A5H1,
British Columbia, Canada.
Tel: +1 604 241 3166
Fax: +1 604 241 3126
e-mail: adrian.reifenstein@alsglobal.com
Website: www.alsglobal.com
- x) M/s Knight Energy Services Ltd.,
(Alfred H. Knight Group),
Unit – 1, Palmermount Industrial Estate,
Bypass Road, Dundonald, Kilmarnock,
Ayrshire, KA2 9BL. UK.
Tel: +44 (0) 1563 850 375
Fax: +44 (0) 1563 850 830
e-mail: lance.szary@ahkgroup.com;
AHK.Scotland@AHKgroup.com.
Website: www.ahkgroup.com
- xi) M/s Pearson Coal Petrography Inc.,
(For Petrography Tests from Victoria, Canada Only)
#1-740 Discovery Street, Victoria,
British Columbia V8T 1H2,
Canada.
Tel: +1 (778) 433 2982
Fax: +1 (778) 433 2983
e-mail: info@coalpetrography.com
Website: www.coalpetrography.com
- xii) RC Inspection,
Gustoweg 66, 3029 AS Rotterdam,
Netherlands.
Tel: +31 (0) 10 425 0247
Fax: +31 (0) 10 501 9980
e-mail: info@rc-inspection.com
Website: www.rc-inspection.com
- xiii) Clark Testing,
1801 Route 51,
Jefferson Hills, PA 15025,
Pittsburgh, PA. USA
Tel: +1 412 387 1001
Fax: +1 412 387 1027
e-mail: info@clarktesting.com
Website: www.clarktesting.com

Enclosure-IV

PROFORMA FOR UNDERTAKING FOR NON-ENGAGEMENT OF AGENT TO DEAL WITH NSL

(Please see Para 6.0 of Invitation for EOI)

No.....

Dated.....

To

**NMDC STEEL LIMITED
COMMERCIAL DEPT
5TH FLOOR,
10-3-311/A, KHANIJ BHAVAN
MASAB TANK
HYDERABAD -500028
INDIA**

Dear Sir,

Subject: Your EOI No: NSL/COMML/EOI/SCC/2024-25 Dated: 30TH September 2024

We(Name of the Bidder), fully understand that NSL would deal directly and exclusively with us for the subject EOI and no agency arrangements are acceptable to NSL.

We, hereby, undertake that we shall deal directly with NSL and have not engaged any Agent to deal with NSL for the subject EOI.

Yours faithfully,

(NAME)

For and on behalf of M/s.....

(Name of the Bidder)

Note: This Undertaking should be on the Letter-Head of the Bidder and should be signed by a person competent and having the power of attorney to bind the Bidder.

Enclosure-V

(NSL Invitation for EOI No: NSL/COMML/EOI/SCC/2024-25 Dated: 30TH September 2024)

(Please see Para 7.0 of Invitation for EOI)

INTEGRITY PACT

Between

NMDC Steel Ltd hereinafter referred to as "The Principal"
And

_____ hereinafter referred to as "The Bidder / Contractor"

Preamble

The principal intends to award, under laid –down organizational procedures, contract/s for (*Description of the Equipment*). The principal values full compliance with all relevant laws and regulations, and the principles of economical use of resources, and of fairness and transparency in its relation with its Bidder/s and /or Contractor/s.

In order to achieve these goals, the Principal Cooperates with the renowned international Non-Governmental Organization "Transparency International" (TI). Following TI's national and international experience, the Principal will appoint an external independent Monitor who will monitor the tender process from the beginning till execution of the contract for compliance with the principles mentioned HEREIN.

Section 1- Commitments of the Principal.

- (1) The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:-
 - I.No employee of the Principal, personally or through family members, will in connection with the tender for, or the execution of a contract demand, take a promise for or accept, for him/herself or third person, any material benefit which he/she is not legally entitled to.
 - II.The Principal will, during the tender process treat all Bidders with equity and reason. The principal will in particular, before and during the tender process, provide to all Bidders the same information and will not provide to any Bidder confidential/additional information through which the Bidder could obtain an advantage in relation to the tender process or the contract execution.
 - III.The Principal will exclude from the process all known prejudiced persons.
- (2) If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the relevant Anti-Corruption Laws of India, or if there be a substantive suspicion in this regard, the Principal will inform its Vigilance Office and in addition can initiate disciplinary action.

SECTION – 2 Commitments of the Bidder/Contractor

- (1) The Bidder / Contractor commit himself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender process and during the contract execution.
 - I. The Bidder / Contractor will not, directly or through any other person or firm, offer, promise or give to the Principal, to any of the Principal's employee involved in the tender process or the execution of the contract or to any third person any material or immaterial benefit which he/she is not legally entitled to, in order to obtain in exchange an advantage during the tender process or the execution of the contract.
 - II. The Bidder / Contractor will not enter with other Bidders into any illegal agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or action to restrict competitiveness.
 - III. The Bidder / Contractor will not commit any criminal offence under the relevant Anti-corruption Laws of India, further the Bidder/Contractor will not use improperly, for purposes of competition or personal gain, or pass on to others, any information provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
 - IV. The Bidder/Contractor will, when presenting his bid, disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
- (2) The Bidder / Contractor will not instigate third persons to commit offences outlined above or be an accessory to such offences.
- (3) *The Bidder / Contractor may indicate the advantage of his offer compared to the tender terms and conditions. The Bidder / Contractor shall not make any commitment whatsoever on the offers / products of other bidder(s) thereby influencing the principal to take decision of the former.*

Section 3 – Disqualification from tender process and exclusion from future contract

1. If the Bidder, before contract award, has committed a serious transgression through a violation of Section 2 or in any other form such as to put his reliability or credibility as Bidder into question, the Principal is entitled to disqualify the Bidder from the tender process or to terminate the contract, if already signed, for such reason.
2. If the Bidder/Contractor has committed a serious transgression through a violation of section – 2 such as to put his reliability or credibility into question, the principal is entitled also to exclude the Bidder / Contractor from future contract award processes. The imposition and duration of the exclusion will be determined by the severity of the transgression. The severity will be determined by the circumstances of the case, in particular the number of transgressions, the position of the transgressors with the

company hierarchy of the Bidder and the amount of the damage. The exclusion will be imposed for a minimum of 6 months and maximum of 3 years.

3. If the Bidder / Contractor can prove that he has restored/recouped the damage caused by him and has installed a suitable corruption prevention system, the Principal may revoke the exclusion prematurely.
4. A transgression is considered to have occurred if in light of available evidence no reasonable doubt is possible.

Section 4 – Forfeiture of Earnest Money Deposit/Security Deposit

- (1) If the Principal has disqualified the Bidder from the tender process prior to the award according to Section 3, the Principal is entitled to forfeit the bidders Earnest Money Deposit.
- (2) If the Principal has terminated the contract according to section – 3, or if the Principal is entitled to terminate the contract according to section – 3, the principal shall be entitled to forfeit *the* Earnest Money Deposit/Security Deposit.

Section 5 – Previous Transgression

- (1) The Bidder declares that no previous transgression occurred in the last three years with any other company in any country confirming to the TI approach or with any other Public Sector Enterprise in India that could justify it's exclusion from the tender process.
- (2) If the bidder makes incorrect statement on this subject, he can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.

Section 6 – Equal treatment of all bidders/contractors/sub-contractors.

- (1) The bidder/contractor undertakes to demand from all sub-contractors the commitment consistent with this integrity pact, and to submit it to the Principal before contract signing.
- (2) The principal will enter into agreement with identical conditions as this one with all bidders, contractors and sub-contractors.
- (3) The principal will disqualify from the tender process all bidders who do not sign *this pact and submit it to the Principal along with the offer.*

Section 7 – Criminal charges violating Bidders/Contractors/Sub-Contractors

If the principal obtains knowledge of conduct of a Bidders/Contractors/Sub-Contractors, or of an employee or a representative or an associate of a Bidders/Contractors/Sub-Contractors which constitutes corruption, or if the principal has substantive suspicion in this regard, the principal will inform the vigilance office.

Section 8 – External Independent Monitor

- (1) The principal appoints competent and credible external independent Monitor for this Pact. The task of the monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
- (2) The monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the Chairman of the Board of the Principal.
- (3) The Monitor has the right of access without restriction to all Projects documentation of the Principal. The Contractor will also grant the monitor, upon his request and demonstration of a valid interest, unlimited access to his project documentation. The same is applicable to Subcontractors. The Monitor is under contractual obligation to treat the information and documents of the Bidder/Contractor/Subcontractor with confidentiality.
- (4) The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.
- (5) As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of the Principal and request the Management to discontinue or heal the violation, or take other relevant action. The monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.
- (6) The Monitor will regularly submit a written report to the Chairman of the Board of the Principal and, should the occasion arise, submit proposals for correcting problematic situations.
- (7) If the Monitor has reported to the Chairman of the Board a substantiated suspicion of an offence under relevant Anti-Corruption Laws of India, and the Chairman has not, with reasonable time, taken visible action to proceed against such offence or reported it to the Vigilance Officer, the Monitor may also transmit this information directly to the Central Vigilance Commissioner, Government of India.

Section 9 – Pact Duration

This Pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the respective contract, and for all other Bidder's 6 months after the contract has been awarded.

Section 10 – Other Provisions

- (1) This agreement is subject to Indian Law. Place of performance and jurisdiction is the Corporate Office of the Principal.
- (2) Changes and supplements as well as termination notices need to be made in writing: Side agreements have not been made.
- (3) Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.
- (4) A person signing Integrity Pact shall not approach the Courts while representing the matters to IEMs and he/she will await their decision in the matter

For the Principal

For the Bidder/Contractor

Place _____

Witness 1 : _____

Date _____

Witness 2: _____

CERTIFICATE

NAME OF THE TENDER:

TENDER ENQUIRY NO:

DATE OF TENDER ENQUIRY :

I/WE hereby undertake that M/s. confirm completeness of “ Integrity Pact” provided in Part-A of the tender document.

Signature of the authorized person

On behalf of M/s. _____

Place:

Date:

Seal and Signature

GUIDELINES FOR INDIAN AGENTS OF FOREIGN SUPPLIERS

- 1.0 There shall be compulsory registration of agents for all Global (Open) Tender and Limited Tender. An agent who is not registered with NSL Plants/Units shall apply for registration in the prescribed Application Form.
 - 1.1 Registered agents will file an authenticated Photostat copy duly attested by a Notary Public/Original certificate of the Principal confirming the agency agreement and giving the status being enjoyed by the agent and the commission/remuneration/salary/ retainer ship being paid by the principal to the agent before the placement of order by NSL Plants/Units.
 - 1.2 Wherever the Indian representatives have communicated on behalf of their principals and the foreign parties have stated that they are not paying any commission to the Indian agents, and the Indian representative is working on the basis of salary or as retainer, a written declaration to this effect should be submitted by the party (i.e. Principal) before finalizing the order
- 2.0 DISCLOSURE OF PARTICULARS OF AGENTS/ REPRESENTATIVES IN INDIA. IF ANY.**
- 2.1 Tenderers of Foreign nationality shall furnish the following details in their offer:
 - 2.1.1 The name and address of the agents/representatives in India, if any and the extent of authorization and authority given to commit the Principals. In case the agent/representative be a foreign Company, it shall be confirmed whether it is real substantial Company and details of the same shall be furnished.
 - 2.1.2 The amount of commission/remuneration included in the quoted price(s) for such agents/representatives in India.
 - 2.1.3 Confirmation of the Tenderer that the commission/ remuneration if any, payable to his agents/representatives in India, may be paid by NSL in Indian Rupees only.
 - 2.2 Tenderers of Indian Nationality shall furnish the following details in their offers:
 - 2.2.1 The name and address of the foreign principals indicating their nationality as well as their status, i.e, whether manufacturer or agents of manufacturer holding the Letter of Authority of the Principal specifically authorizing the agent to make an offer in India in response to tender either directly or through the agents/representatives.
 - 2.2.2 The amount of commission/remuneration included in the price (s) quoted by the Tenderer for himself.
 - 2.2.3 Confirmation of the foreign principals of the Tenderer that the commission/ remuneration, if any, reserved for the Tenderer in the quoted price (s), may be paid by NSL in India in equivalent Indian Rupees on satisfactory completion of the Project or supplies of Stores and Spares in case of operation items .

- 2.3 In either case, in the event of contract materializing, the terms of payment will provide for payment of the commission /remuneration, if any payable to the agents/representatives in India in Indian Rupees on expiry of 90 days after the discharge of the obligations under the contract.
- 2.4 Failure to furnish correct and detailed information as called for in paragraph-2.0 above will render the concerned tender liable to rejection or in the event of a contract materializing, the same liable to termination by NSL. Besides this there would be a penalty of banning business dealings with NSL or damage or payment of a named sum.

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Guidelines of NSL on Banning of Business Dealings

- 1.1 NSL is a Central Public Sector Enterprise under the Ministry of Steel, Government of India. NMDCL, therefore, comes under the definition of 'State' within the meaning of Article 12 of the Constitution of India.
- 1.2 NSL's core activity is steel making at an integrated steel plant Nagarnar in the State of Chhattisgarh.
- 1.3 NSL has adopted the mode of contracting for setting up the infrastructural needs of its projects. The sales of its products are also through contracts, viz., long-term contracts, short-term contracts, e-sales, etc.
- 1.4 NSL considers it essential to adopt as its objective, in the interest of safeguarding its commercial interests, that it deals with Agencies who have a very high degree of integrity, commitments and sincerity, on the one hand; and, on the other, protect itself against fraud and transgressions on the part of the Agencies. This may call for banning of business dealings with Agencies whose transgression may run counter to the objective.
- 1.5 At the same time, banning of Business Dealings has civil consequences upon the Agency involved.
- 1.6 NSL has, in this context, signed a Memorandum of Understanding with the Transparency International, and has introduced the Integrity Pact as part of its major contracts.
- 1.7 Besides, in furtherance of the objective as envisaged at para 1.4 above, and considering that the Agency banned for Business Dealings is likely to suffer civil consequences, NSL regards it as an equitable requirement that a Policy is put in place for suspension and banning business dealings with the Agency that commits fraud and/ or transgressions in the dealings with NSL.

2. SCOPE

- 2.1 **This Policy, known as 'NSL Policy on Banning of Business Dealings with Agencies', covers both suspension and banning of business dealings with the Agency that commits fraud and/or transgression in the dealings with NSL. It also includes:**
 - Banning of an Agency who has been Banned by Government Departments and/ or other CPSUs; and
 - Baruting of an Agency for poor performance in the Business Dealing with NSL.
- 2.2 The Policy provides for the procedure for NSL to Suspend or Ban business dealings with an Agency. The procedure includes, as a measure of affording natural justice to the affected, provisions such as notice to the Agency, opportunity for the Agency to be heard, reasoned decision on Suspension and/ or Ban, communication of the decision to Suspend or Ban Business Dealings or otherwise, and appeal against the Ban.

3. DEFINITIONS

- 3.1 'Agency' means and includes party, bidder, tenderer, contractor, supplier, purchaser, customer, consultant, member concerned of a consortium (not other members of the consortium).

The policy also includes agencies who have issued false certificates / documents thereby connived with the bidders in submitting false documents / certificates with an intention to qualify in the tender / secure the contract.

Explanation: 'Agency' and 'Inter-connected Agency', wherever they are independent legal entities, are to be treated as separate entities; similarly, members of a consortium are to be treated as separate entities. The process and impact of the policy will be primarily on the entity concerned who has committed transgression formally the ground for Banning of Business Dealings under Clause No. 4 of the policy, unless complicity of other entities can be linked to any or all other members of the consortium in the committing of transgression.

- 3.2 'Appeal' means the Appeal to the Appellate Authority that an Agency may file against the decision of the Competent Authority.
- 3.3 'Appellate Authority' means the Board of Directors of NSL (Board, for short) (in case Board delegates, it can be "Empowered Committee of Directors" (ECoD, for short) in place of Board.
- 3.4 'Ban' means prohibition or cessation of Business Dealings with the Agency, in terms of the Policy, for a specified period mentioned therein, including removal of the Agency from the List of Approved Agencies. It is clarified that Ban is in respect of Business Dealings as defined in the Policy, not for concluded contracts. It is also clarified that Ban does not include termination of a concluded contract, but can include disqualification of an agency in the tender before its acceptance, i.e., issue of Letter of Intent, Work Order, Acceptance of Tender, Signing of the Agreement, as the case may be. It is further clarified that a Concluded Contract can be terminated only in accordance with the conditions of the relevant contract, not in terms of the Policy.
- 3.5 'Banning Committee' or 'the Committee' means the Committee constituted by the CMD, NSL, under the provisions of the Policy.
- 3.6 'Business dealings', for the purpose of the Policy, means and include dealings of NSL with the Agency in relation to tender, contract, sale, purchase, work, etc., before the conclusion of a contract, i.e., before issue of work order, letter of acceptance of contract, signing of an agreement or any other instrument that signifies acceptance of a contract by NSL.
- 3.7 'Case' means an instance of Fraud or Transgression or Poor Performance as the case may be, by an Agency that has come to the notice of NSL offirio1(s) and taken note as such in terms of the Policy.
- 3.8 'Competent Authority' means the Chairman-cum-Managing Director of NSL (CMD, for short).
- 3.9 'Fraud' means a willful act committed by an Agency - such as deception, suppression, cheating, and other illegal acts in relation to dealings with NSL - with the intent to obtain wrongful gain(s) to the Agency or any other individual(s) and thereby to cause wrongful loss

to NSL.

- 3.10 'Inter-corrected Agency' means two or more companies having any of the following features:
 - 3.10.1 If one is a subsidiary of the other;
 - 3.10.2 If the Director(s), Partner(s), Manager(s) or Representative(s) are common;
 - 3.10.3 If management is common;
 - 3.10.4 If one owns or controls the other in any manner.
- 3.11 'Investigation' means the inquiry that may be conducted into the alleged Case in order to ascertain the facts of the case and decide whether there is a prima facie Case for formulation of a self-contained Case. The Investigation can be done by an authorized official or committee.
- 3.12 'Jurisdiction' means the areas over which the functional Director has control in relation to the works, duties, etc., assigned to him from time to time.
- 3.13 'List of Approved Agencies' means the list of parties, bidders, tenderers, contractors, suppliers, purchasers, customers, as approved by NSL from time to time and maintained by the Department concerned.
- 3.14 'Poor performance' means the act(s) of the Agency which directly results in abandoning the work, not completing the work even within the extended period of completion, not meeting the agreed conditions in the contract agreement, etc.
- 3.15 'Suspension' means 'Suspension of Business Dealing' or 'Suspension of Contract'.**
- 3.16 'Suspension of Business Dealing' means a temporary stoppage of Business Dealing of NSL with the Agency concerned before a Ban is enforced on the Agency in terms of the Policy for such specific period as the Competent Authority may consider it reasonable but not more than six months while investigation is going on against the Agency or while the process to ban the agency has been initiated.
- 3.17 'Suspension of Contract' means a temporary stoppage of the concluded contract, between NSL and the Agency concerned, before a Ban is enforced on the Agency in terms of the Policy for such specific period as the Competent Authority may consider it reasonable but not more than six months while investigation is going on against the Agency or while the process to ban the agency has been initiated. It is clarified that if a Concluded Contract is to be suspended under the Policy, under extreme circumstances, it has to be done in accordance with the terms of the contract.
- 3.18 'Transgression' means and includes such acts by the Agency/ Inter-connected Agency/ member of a consortium or by someone or an entity on its behalf, as may lead to or form the basis for the grounds for Banning of Business Dealings as per Clause 4.

4 . GROUNDS FOR BANNING BUSINESS DEALINGS

For the sake of clarity, the grounds on which barring of business dealings can be considered are given below:

- 4.1 Security considerations, including questions of loyalty of the Agency to the State.
- 4.2 Conviction of the Director/ owner/ proprietor/ partner of the Agency by a Court of Law for offences involving moral turpitude in relation to its business dealings with the Government or NSL or any other public sector enterprises during the last five years.
- 4.3 Evidence/strong justification for believing that the Director/ owner/ proprietor/ partner of the Agency has/ have been guilty of malpractices such as bribery, corruption, fraud, substitution of tenders, interpolation in tenders, etc.
- 4.4 The Agency's repeated refusal to return/refund the dues to NSL without showing adequate reason and this is not due to any reasonable dispute which would attract proceedings in arbitration or Court of Law.
- 4.5 The Agency employs an employee who was dismissed / removed by NSL for an offence involving corruption or abetment of such an offence.
- 4.6 The banning of business dealings with the Agency by the Government or any other public sector enterprise.
- 4.7 The Agency resorted to corrupt or fraudulent practices that may include misrepresentation of facts and/or fudging/forging/ tampering of documents.
(Note: Cases where mistakes do not have implication on the eligibility of the bidder in terms of PQC, i.e. an ineligible bidder does not become eligible or vice versa, such cases shall not fall within the ambit of the Banning policy}.
- 4.8 The Agency used intimidation/threatening or brings undue outside pressure on NSL/its officials in relation to a Business Dealing.
- 4.9 The Agency resorts to repeated and/or deliberate use of delay tactics in complying with contractual stipulations.
- 4.10 Willful act of the Agency to supply sub-standard material irrespective of whether pre-despatch inspection was carried out by NSL or not.
- 4.11 The findings of CVO/CBI/Police about the Agency's involvement in fraud and/or transgressions in relation to the Business Dealings with NSL.
- 4.12 Established litigant nature of the Agency to derive undue benefit.
- 4.13 Continued poor performance of the Agency in at least three preceding contracts with NSL.
- 4.14 The Agency misuses the premises or facilities of NSL and/or forcefully occupies, tampers or damages NSL's properties including land, water resources, forests/trees, etc.
- 4.15. False allegation on NSL officials by the Agency if found proved by an Investigation or by the Independent External Monitor including any Government agency like CVC / CVO/ CBI/ Police etc.
- 4.16. These are only illustrative, not exhaustive. The Competent Authority may decide to ban Business Dealings with an Agency for any good and sufficient reason.

5 .BANNING PERIOD

- 5.1 The Banning Period may range from six months to three years depending on the gravity of the case as decided by the Competent Authority. While

deciding the Banning Period, the Suspension Period, if any, shall also be taken into account.

6 .BANNING COMMITTEE

- 6.1 CMD may constitute a Banning Committee (the Committee, for short) for consideration of the Case as per the Policy.
- 6.2 The Committee shall consist of one Chairman and two members chosen out of Officers of the rank of Executive Director / Chief General Manager / General Manager.

7. PROCEDURE

- 7.1 Upon noticing an instance of fraud or transgression on the part of the Agency, the official concerned is to report it to the Head of the Department (HoD) concerned.
- 7.2 The HoD will verify the facts and send a report to the Head of the Project/Unit (HoP/U) along with all relevant facts and evidence. In the case of Head Office, the Head of the section concerned (HoS) will verify the facts and send a report to the HoD along with all relevant facts and evidence.
- 7.3 The HoP/U or the HoD, as the case may be, if not satisfied by the report, may order an Investigation into the Case or pass the order to close the Case as deemed fit. If satisfied that a prima facie case has been made out in the report, the HoP/U or the HoD, as the case may be, will have a Show Cause Notice issued to the Agency. The notice shall contain a brief narration of the case, with due references to evidence, and the charge(s) that is/are framed against the Agency as per the Policy, giving one week's time (or such other time as the HoD or the HoP/U may consider it reasonable in the circumstances of the case) for the Agency to submit its reply. If the Agency requests for inspection of any of the relevant document(s) in possession of NSL, the Department concerned may, at its discretion, facilitate it or give copies of such documents. In case the reply from the agency is satisfactory the HoP / HoD may close the case.
- 7.4 Upon receipt of the Agency's response, or if there is no response from the Agency within the given time or any other time reasonably granted, the HoP/ U, or the HoD, as the case may be, will prepare a self- contained Case (along with copies of all relevant documentary evidence and/ or oral evidence) and send it to the Competent Authority for consideration. The Case should also contain a specific recommendation of the HoP/U, or the HoD, as the case may be, whether the case demands immediate suspension of the Agency or not.
- 7.5 The Competent Authority may take appropriate decisions in two stages:
 - 7.5.1. Stage-I: The Competent Authority, if satisfied that the Case demands immediate suspension of the Agency, may pass the order accordingly and intimate the HoP/ U or the HoD, as the case may be for implementation.

7.5.2 Stage-11: The Competent Authority may refer the Case to the Banning Committee for appropriate examination and making its report.

7.6 The Committee will examine the Case as per the guidelines given below:

7.6.1 Preliminary meeting: The Committee will examine the case and record its findings on the following in the form of minutes of the meeting:

- a. Whether the Case has been made out in terms of the Policy;
- b. Whether the charge(s) framed is/are as per the Policy. If any charge(s) is/are framed on grounds other than those given in the Policy, whether the approval therefor has been obtained from CMD as per clause 4.16 of the Policy;
- c. Whether the facts stated in the Case and the evidence attached therefor are relevant;
- d. Whether the Agency's reply, if any, brings out any mismatch or discrepancy in (c) above; and whether the Agency's reply, If any, has brought out any points/evidence that go against the contentions made by the Department in the Case;
- e. Any other relevant points.

If required, the Committee may, considering the nature of the case, co-opt any NSL official to be on the committee. It may also call any NSL official(s) who, in the opinion of the committee, can help the committee examine the Case. The official(s) may include the Head of the Department, or any official (s) of NSL.

7.6.2 Issue of Notice: The Committee will issue notice to the Agency and the HoP or the HoD, as the case may be, to appear before the Committee in person or through authorized representative at such place, date and time as may be mentioned in the Notice, along with (i) relevant original documents they possess; and (ii) authorization from authorities concerned. It is clarified that the authorised representative can be only officials of the agency / NSL, not legal practitioners.

7.6.3 Final Hearing

- a. Copies of documents as received from both the Parties may be verified with the original documents in the presence of both the Parties; and decisions taken on inconsistencies, if any, and intimated to the Parties.
- b. The HoP or the HoD, as the case may be, or their authorized representatives, may be asked to present the case, including explanation/clarification on the Agency's reply. Explanation/clarification may be sought by the committee on the findings that have arisen out of the examination of the case as per para 7.6.1.
- c. The Agency or its authorized representative may be asked to present the case. Explanation/clarification may be sought by the committee on the findings that have arisen out of the examination of the case as per para 7.6.1.
- d. The proceedings of the meeting may be recorded in the form of minutes and shall contain the details of what took place in the meeting, including the explanation/clarification given by the Parties on the findings of the Committee as per para 7.6.1 and any additional points. The minutes shall

be signed by all concerned. Any non-compliance shall be recorded appropriately in the minutes.

7.6.4 Report of the Committee: The Committee shall consider submissions made by both the Parties and arrive at its final findings/conclusions and prepare its Report, containing -

- a. Narration of the Case and the Charge(s);
- b. Submissions/explanations/clarifications given by the HoD/ Head of the Section;
- c. **Submissions/explanations/clarifications given by the Agency;**
- d. Analysis to reach the findings of the Committee as to the veracity of the documents / evidence and acceptability or otherwise of the submissions.
- e. **Conclusion as to whether the Charge(s) is/are proved, beyond doubt or partly; or is/are not proved.**

7.6.5 The Committee shall submit its report to the Competent Authority.

7.6.6 The Competent Authority, after carefully considering the report of the Committee, shall pass an order rejecting or accepting the report.

7.6.7 If the report is rejected, the Competent Authority may, giving reasons therefor, pass the order closing the Case, which may include-

- a. that the Agency is exonerated of the Charge(s),
- b. **that the Case is closed.**
- c. that the Head of Department may communicate the order to the Agency and all concerned.

7.6.8 If the report is accepted, either fully or partly, the Competent Authority, may, giving reasons therefor, pass the order, which may include —

- a. the decision to Ban the Agency;
- b. the period for which the Ban should be effective, including the period of suspension, if any;
- c. the direction for the HoD, or the Section-in-Charge, as the case may be, to convey the order to the Agency and all concerned.

7.6.9 Upon receipt of the orders of the Competent Authority, the HoD or the Section-in-Charge, as the case may be, may take appropriate action as per the orders, including getting the order hosted on the NSL website.

8. ENABLING POWERS OF THE COMPETENT AUTHORITY

8.1 All enabling powers vest with the Competent Authority to decide on any matter that is not specifically provided for in this Policy but is necessary for effective implementation of this Policy.

9. APPEAL

9.1 The Agency, if not satisfied with the order of the Competent Authority, may submit, within two weeks, its Appeal in writing directly to the Appellate Authority against the final orders of the Competent Authority.

9.2 The Appellate Authority may give the Applicant an opportunity of being heard.

9.3 The Appellate Authority may thereafter carefully consider the appeal and pass such Order as he considers it just and reasonable, giving reasons therefor, which may include -

- 9.3.1 confirm the order of the Competent Authority, or
- 9.3.2 modify the order of the Competent Authority, or
- 9.3.3 exonerate the Agency, or
- 9.3.4 the direction for the HoD, or the Section-in-charge as the case may be, to convey the order to the agency and all concerned.
- 9.4 The Head of the Department will convey the final orders of the Appellate Authority to the Agency and all concerned.
- 9.5 Upon receipt of the order of the Appellate Authority, the HoD or the Section-in-charge, as the case may be, may take appropriate action as per the orders, including getting the orders hosted on the NSL website.

10. EFFECTIVE DATE OF THE BAN

- 10.1 The Ban comes into effect from the date of the letter by which the Competent Authority's final order of Ban is communicated to the Agency and will remain in force for the period mentioned therein subject to the order of the Appellate Authority, if any.

11. CONSEQUENTIAL EFFECT ON THE CONTRACT

- 11.1 The Policy is for internal use of NSL. No Agency derives any right whatsoever from the Policy or the actions taken by NSL under the Policy. Any claim by the Agency on NSL in relation to the concluded contract will be governed only by the terms and conditions of the contract.
- 11.2 The Suspension of the Agency and/or Ban of Business Dealings with the Agency, as the case may be, may have impact on the performance of the contract by the Agency. All concerned shall take due care at all stages. Suitable clauses may be incorporated in the contract documents.

12. DELEGATION OF POWERS

- 12.1 The proceedings of the Banning of Business Dealings being quasi-judicial in nature, CMD may delegate necessary powers to the Competent Authority for the effective implementation of the Policy.

CLAUSE 1 : MATERIALS, QUANTITY, QUALITY AND DELIVERY PERIOD

1.1 The SELLER shall sell and the PURCHASER shall buy a total quantity of (in words.....) Metric Tonne (of one thousand kilograms each), subject to a tolerance of plus or minus 10 % (Ten percent) at _____ option including shipping tolerance, of freshly mined prime quality washed / unwashed _____ coking coal, hereinafter referred to as the MATERIALS, in conformity with the Technical Specifications incorporated in Annexure-II to this Agreement and which shall constitute an integral part of this Agreement, for use by blending with indigenous and other coking coals in the coke ovens in its various integrated iron and steel works for production of Metallurgical coke. The quality of the freshly mined prime quality washed/unwashed soft coking coal to be supplied under this Agreement shall under no circumstances be inferior to the Technical Specifications as contained in Annexure – II to this Agreement.

1.2 The first shipment of the MATERIALS will be treated as TRIAL Shipment if order is placed for two or more shipments. The SELLER shall deliver the balance of the Agreement quantity only if the TRIAL SUPPLY meets the Stipulated Specifications and is also found suitable by the PURCHASER for blending with indigenous and other coking coals for the production of metallurgical coke in its various Iron and Steel works.

1.3 In the event of the TRIAL SUPPLY not meeting the stipulated specifications and/or not being found suitable by the PURCHASER, the PURCHASER shall have the right to terminate this Agreement, without any liability whatsoever. The decision of the PURCHASER, whether the TRIAL SUPPLY meets the stipulated specifications or not and is suitable for blending with indigenous and other coking coals or not shall be final.

1.4 For the purpose of this Agreement, the first shipment to be made in -----/----- shall be trial supply and if industrial trial is successful in terms of clause 1.2 and 1.3 above, the balance order quantity shall be supplied upto ----- on pro-rata basis.

The PURCHASER reserves the right to postpone the deliveries upto----- without any additional financial liability to the PURCHASER.

CLAUSE 2 : PRICE- For Quarterly (QBM) / Monthly Index Based Pricing Mechanism, as applicable

A. For Quarterly (QBM) Price

2.1 The price of the MATERIALS shall be US \$ _____(United States Dollar _____ and Cents _____ only) per Metric Tonne (of one thousand kilograms each) Free on Board (Trimmed) / C&F(FO) East coast of India (ECI) Ports/ FOR-Delivery at NSL Plant basis. Port of Loading will be_____.

2.1.1 For two port discharge, an additional US \$ _____ (United States Dollar _____ and Cents _____ only) per Metric Tonne would be payable on the entire Invoice Weight relating to the shipment in respect of which the PURCHASER exercises such option. This amount would be paid against supplementary invoice which the SELLER can raise after the vessel has completed discharge.

2.2 The price shall be firm and shall not be subject to any escalation 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 PURCHASER and the SELLER.

B. For Monthly Index Based Pricing Mechanism

Monthly provisional and final prices of the coal (Brand name) to be delivered under this Agreement will be determined on the basis of the Index Based Pricing Mechanism enumerated below:

2.1 PROVISIONAL PRICING MECHANISM

In the event the final price for a shipment is unknown, the following Published market price plus Differential shall apply to determine the Provisional Price (rounded off to two (2) decimal places) for the month of shipment.

PMP plus Differential where: "PMP" or "Published Market Price" means the average of the latest available Market Index, in US\$ per metric ton, for all published days between the 1st and 25th inclusive in the month prior to the month of agreed laycan start date of shipment. The "Market Index" and "Differentials" for the shipments shall be as under:

"Market Index" means

- the average of the Argus "Premium Hard Coking Coal Low-Vol FOB Australia" index as published by Argus Media, and the Platts "Premium Low Vol Hard Coking Coal FOB Australia" index as published by Platts

"Differential" are as under:

- Coking Coal: (+) or (-) minus xx per cent of PMP

2.2 FINAL PRICING MECHANISM:

SELLER and PURCHASER will use the Published Market Price plus Differential described as follows for the month of shipment to determine the Final Price (rounded off to two (2) decimal places) for that month of shipment.

PMP plus Differential where: "PMP" or "Published Market Price" means the average of the latest available Market Index, in US\$ per metric ton, for all published days in the calendar month of Agreed Laycan Start Date of shipment

The "Market Index" and "Differentials" in respect of the shipments shall be as under:

- For Coking Coal: the average of the Argus "Premium Hard Coking Coal Low-Vol FOB Australia" index as published by Argus Media, and the Platts "Premium Low Vol Hard Coking Coal FOB Australia" index as published by Platts

"Differential" are as under:

- Coking Coal: (+) or (-) minus xx per cent of PMP

"Month of shipment" referred herein above refers to the month of laycan start date.

2.3 The Final Price determined in line with the above shall be intimated by the PURCHASER to the SELLER. In case the PMP for the month of shipment is known at the time of invoicing, the SELLER to raise its invoice basis Final Price.

2.4 If SELLER's final commercial invoice value is more than the sum paid by the PURCHASER under the provisional invoice, PURCHASER shall pay by telegraphic transfer any balance due from PURCHASER to SELLER shown on SELLER's final invoice to an account held in the name of SELLER or its nominee or such other account as is acceptable to PURCHASER within 30 calendar days from the final invoice issue date. However if the 30th Day is a holiday, payment is to be made on the next working day.

If SELLER's final commercial invoice value is less than the sum paid by the PURCHASER under the provisional invoice, PURCHASER shall issue a debit note, and SELLER shall pay the difference within 30 calendar days of the receiving date of debit note. Such payment shall be made to an account of PURCHASER, held with a recognized financial institution which operates internationally, which is nominated by PURCHASER and is acceptable to SELLER. However if the 30th Day is a holiday, payment is to be made on the next working day.

For C&F/ FOR-Delivery at plant basis, the price will be finalized based on the above index pricing plus vessel freight charges and logistic cost including Railway freight & Port handling charges

2.5 Port of loading shall be 1 safe port, 1 safe berth (**"Load port"**).

2.6 The payment of the price of the MATERIALS delivered by the SELLER under this Agreement shall be made by the PURCHASER in US Dollars under an Open Account System. Under the system, the PURCHASER, on receipt by the PURCHASER, of the documents mentioned in Para 5.2 of ANNEXURE – I in original shall make payment within 90 calendar days from date of B/L or by the close of business in USA on the third banking day after such receipt, whichever is later. In the event the payment due day is a non-working day, the payment shall be deemed due on next working day.

To facilitate processing of the documents before receipt of documents in original, the SELLER shall Fax / e-mail the documents mentioned in Para 5.2 of **ANNEXURE – I** to the PURCHASER.

The documents in original and by Fax / email referred to hereinabove should be delivered at the following address:

Executive Director
NMDC Steel Limited
10-3-311/A, Khanij Bhavan
Masab Tank
Hyderabad-500028, India

E-MAIL : kvvssrkvprasad@nmdc.co.in/jkthakur@nmdc.co.in

All bank charges at the SELLER'S end shall be borne and paid for by the SELLER. All bank charges at the PURCHASER'S end shall be borne and paid for by the PURCHASER.

CLAUSE 3: GENERAL CONDITIONS OF AGREEMENT (GCA)

This Agreement is subject to the terms and 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 4 : PERFORMANCE GUARANTEE BOND

4.1 The SELLER shall establish a Performance Guarantee Bond in the prescribed proforma (**Annexure-IV to the Agreement**), to be received in the office of the PURCHASER within 15 (fifteen) days of the date of this Agreement, for an amount covering **10% (Ten percent)** of the value of the quantity of _____ (in words _____) Metric Tonne of freshly

mined prime quality washed/unwashed soft coking coal , covered under this Agreement, in favour of the PURCHASER. The Performance Guarantee Bond (PG Bond) established by the SELLER in favour of the PURCHASER through State Bank of India, Nagarnar, Khasra No. 1369, Kumharpara, Nagarnar, Distt. Bastar, Chhattisgarh-494341, India (**SWIFT CODE: SBIN0013655**) for US\$ _____ (United States Dollar _____ only) valid up to _____ , shall be amended by the SELLER as and when an amendment to this Agreement is issued. Within 15 (fifteen) days from the date of such amendment to this Agreement, the SELLER shall arrange to carry out an amendment to the PG Bond making the same valid for the Agreement as amended.

4.2 The aforesaid PG Bond established by the SELLER in favour of the PURCHASER for the due, timely and satisfactory performance and fulfilment of all the SELLER'S obligations under this Agreement in all respects, shall remain in full force and effect during the entire period required for satisfactory performance and fulfilment of the Agreement by the SELLER in all respects and shall continue to be in full force and effect for a period of six months from the date of delivery of the last consignment under this Agreement.

CLAUSE 5 : BANK GUARANTEE TOWARDS PRE PAYMENT OF FREIGHT

5.1 The SELLER shall within 15 days from the date of this Agreement or within three working days from the date of intimation of estimated per ton freight by NSL, whichever is later, furnish a Bank Guarantee (**Annexure-V** to the Agreement) for an amount covering the estimated total freight (in US\$) for industrial trial shipment of the quantity of coking coal covered by the aforesaid Agreement. In case the actual per ton freight finalised by NSL for the trial shipment is higher than the estimated per ton freight communicated earlier, the SELLER shall enhance the value of Bank Guarantee to that extent within three days from the receipt of such intimation from NSL.

5.2 The aforesaid Bank Guarantee established by the SELLER in favour of the PURCHASER for the due, timely and satisfactory performance and fulfilment of all the SELLER'S obligations under this Agreement in all respects, shall remain valid and in full force and effect for a period of 90 days from the date of Bill of Lading. However, in case of material differences in the analysis results at the loading port from the agreed technical specifications at Annexure II, on advice of PURCHASER the validity of Bank Guarantee shall be extended for a further period of 30 (thirty) days by the SELLER within 7 days of receipt of such advice.”

5.3 Clause 4 (Performance Guarantee Bond) and this clause 5 are mutually exclusive.

CLAUSE 6: COMPLIANCE TO ISPS CODE

The SELLER has agreed to comply with the International Ship and Port Facility Security (ISPS) code stipulated by the International Maritime Organisation, which has come into effect w.e.f 1st July 2004. Failure on the part of the SELLER to comply with the ISPS code's requirements and/or the Load port not conforming with the ISPS code and any delays caused by such failures shall be to SELLER'S account.

CLAUSE 7 : INTEGRITY PACT

7.1 The “Integrity Pact” between the SELLER and the PURCHASER, annexed to this Agreement at **Annexure - VI**, shall form an integral part of this Agreement.

7.2 Name and address of the Independent External Monitor (IEM) under the Integrity Pact under the Agreement are as under:

.....
.....

CLAUSE 8: NOTICES

8.1 Any notice required or permitted to be given under this Agreement shall be in writing and sent by registered mail, postage prepaid, by facsimile or e-mail and shall be addressed to the parties at the addresses set out hereinafter or such other addresses as the parties may from time to time designate by notice in writing to the other parties.

8.2 All notices shall be deemed to have been validly given (subject to furnishing valid proof of despatch by the sender, when requested to by the receiver) on (i) the Business Day immediately after the date of transmission, if transmitted by facsimile transmission, or by e-mail, or (ii) the expiry of 7 Business Days after posting if sent by registered airmail, unless the sender's fax machine or internet server or postal agency indicates an interruption or error in transmission or the recipient notifies the sender of an interruption or non-transmission.

CLAUSE 9: LEGAL ADDRESS OF PARTIES

REGISTERED OFFICE

THE PURCHASER

1. Executive Director
NMDC Steel Limited
10-3-311/A, Khanij Bhavan
Masab Tank
Hyderabad-500028, India
E-MAIL : kvvssrkvprasad@nmdc.co.in/jkthakur@nmdc.co.in

THE SELLER

ADDRESS FOR CORRESPONDENCE

THE PURCHASER

1. Executive Director
NMDC Steel Limited
10-3-311/A, Khanij Bhavan
Masab Tank
Hyderabad-500028, India
E-MAIL : kvvssrkvprasad@nmdc.co.in/jkthakur@nmdc.co.in

THE SELLER

2. Executive Director
NMDC Steel Limited
Nagarnar Post, Bastar District,
Chhattisgarh State – 494001
India
e-mail: hopenisp@nmdc.co.in/ jkthakur@nmdc.co.in

THE PRODUCER

- ANNEXURE – I : GENERAL CONDITIONS OF AGREEMENT (GCA)
- ANNEXURE – II : TECHNICAL SPECIFICATIONS
- ANNEXURE – II A : VARIATIONS PERMISSIBLE BETWEEN ANALYSIS RESULTS OF LOADPORT AND PURCHASER SAMPLES
- ANNEXURE – III : TERMS & CONDITIONS FOR DELIVERY OF THE MATERIALS ON THE BASIS OF FOB (TRIMMED) PORT(S) OF LOADING TERMS & CONDITIONS FOR SHIPMENT OF THE MATERIALS ON THE BASIS OF C&F (FO) EAST COAST OF INDIA (ECI) PORTS
- ANNEXURE – IV : PROFORMA OF BANK GUARANTEE FOR PERFORMANCE GUARANTEE (PG) BOND
- ANNEXURE – V : PROFORMA OF BANK GUARANTEE TOWARDS PRE-PAYMENT OF FREIGHT
- ANNEXURE – VI : INTEGRITY PACT *(AS PER THE FORMAT PROVIDED AT ENCLOSURE-V OF THIS EOI DOCUMENT)*

Annexure I to Annexure VI shall be integral part of this Agreement.

IN WITNESS WHEREOF the parties hereto have executed these presents at New Delhi on the day, month and year first above written:

**FOR AND ON BEHALF OF
THE PURCHASER**

Signature:
Name:
Designation:
Company: NMDC Steel Limited
Place:

IN THE PRESENCE OF:

1. Signature:
Name:
Designation:
Company :
Place:

2. Signature:
Name:
Designation:
Company:
Place:

**FOR AND ON BEHALF OF
THE SELLER**

Signature:
Name:
Designation:
Company:
Place :

IN THE PRESENCE OF:

Signature:
Name:
Designation:
Company:
Place :

Signature:
Name:
Designation:
Company:
Place :

**FOR AND ON BEHALF OF THE
PRODUCER**

Signature:
Name:
Designation:
Company:
Place :

IN THE PRESENCE OF

1. Signature:
Name:
Designation:
Company:
Place :

2. Signature:
Name:
Designation:
Company:
Place :

ANNEXURE – I
To

AGREEMENT No _____ DATED _____

GENERAL CONDITIONS OF AGREEMENT (GCA)

PARA 1: SAMPLING AND ANALYSIS

1.1 The SELLER shall, at his own expense, arrange to carry out at the load port, 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 load port, as approved by the PURCHASER. 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 load port and may also obtain a part of the Load port sample for testing. The SELLER shall provide necessary assistance in this regard to the PURCHASER'S representative(s).

1.1.1 The gross sample of the MATERIALS delivered in each consignment, drawn for the purpose of determination of load port analysis, shall be divided into three parts.

1.1.2 The first part of the composite sample shall be used by the independent inspection agency at load port for determination of the load port analysis.

1.1.3 The second part of the composite sample shall be retained (for a period of six months) by the independent inspection agency at the load port in suitably packed and sealed condition and shall be treated as "PURCHASER SAMPLE".

1.1.4 The third part of the composite sample shall be retained (for a period of six months) by the independent inspection agency at the load port in suitably packed and sealed condition and shall be treated as "LOADPORT REFEREE SAMPLE".

1.1.5 The SELLER shall ensure that the PURCHASER SAMPLE and LOADPORT REFEREE SAMPLE are prepared in such a manner that the quantity of sample is adequate to analyse all the technical parameters specified in Annexure – II to the Agreement.

1.2 The SELLER shall furnish to the PURCHASER the Certificate of Sampling and Analysis issued by the independent inspection agency at the load port indicating :

LOADPORT ANALYSIS: (For Soft Coking Coal)

- (a) Total Moisture
- (b) Proximate Analysis covering Ash and Volatile Matter
- (c) Total Sulphur
- (d) Crucible Swelling Number (CSN)
- (e) Mean Max. Reflectance of Vitrinite
- (f) Vitrinite Percentage
- (g) Vitrinite Distribution (V9 - V14) – For Hard Coking Coal only
- (h) Maximum Fluidity (DDPM)
- (i) Microfines (Size fraction < 0.5 mm)
- (j) Phosphorus
- (k) Ash Fusibility: Free Flow Temperature
- (l) Total Alkali (K₂O+Na₂O) in Ash

Note: i) The Certificate of Sampling and Analysis shall be got prepared in 2 (two) original copies, which shall be airmailed by the SELLER to the PURCHASER as per details given at para 5.3 here under within 7(seven) days from the date of Bill of Lading in respect of the consignment.

ii) The Certificate should clearly specify that the coal loaded on the vessel, sample of which was analysed by the Independent Inspection Agency at Load port is '_____ ' brand of soft coking coal mined from the _____ mine in _____.

1.3 For the purpose of this Agreement, the results of analysis of the MATERIALS carried out by the approved independent inspection agency at load port, shall be final and shall form the basis of the SELLER'S invoice.

1.4 The supplies of the MATERIALS should be as per the guaranteed specifications specified in Annexure II of the Agreement. However, for any deviations in exceptional cases, in the Certificate of Sampling and Analysis at the Load port, referred to in Para 1.2 hereinabove, from the quality specifications laid down in Annexure – II to this Agreement, the SELLER shall allow rebate(s)/diminution in price (to be rounded off to two (2) decimal places) in his invoice covering the delivery of the MATERIALS in the consignment where such deviations are noticed, as specified below:

For Soft Coking Coal :

Sl.No.	Technical Parameter	Basis for application of Rebate/Diminution in Price in respect of each Shipment	Rebate/Diminution allowed by SELLER to the PURCHASER
(i)	Ash	For every increase of 1% (fractions prorata) in Ash content, in excess of the guaranteed maximum of ____% specified by the SELLER under Col.4 of Annexure-II upto Absolute maximum tolerance limit of __% .	1.5% of the FOB price subject to minimum US \$ 1.25 PMT
(ii)	Sulphur	For every increase of 0.1% (fractions prorata) in Sulphur content, in excess of the guaranteed maximum of ____%, specified by the SELLER under Col.4 of Annexure-II up to absolute maximum -----%.	1.45% of the FOB price subject to minimum US \$ 1.00 PMT
(iii)	MMR (only for Soft Coking Coal)	For every decrease of 0.01 in MMR below the guaranteed minimum specification of ____ specified by the SELLER under Col.4 of Annexure-II upto Absolute Maximum of --	0.25% of FOB price subject to minimum US \$ 0.20 PMT
(iv)	Phosphorus	For every increase of 0.01 % (fractions prorata) in Phosphorus content, in excess of the guaranteed maximum of ____%, specified by the SELLER under Col.4 of Annexure-II upto absolute maximum -----%.	0.6% of FOB price
(v)	Total Alkali (K ₂ O+Na ₂ O) in Ash	For every increase of 0.1 % (fractions prorata) in Total Alkali content, in excess of the guaranteed maximum of ____%, specified by the SELLER under Col.4 of Annexure-II upto absolute maximum -----%.	1.25% of FOB price

No bonus/increment will however be applicable for improvement in specifications observed over the values offered and guaranteed by the SELLER under Column No. 4 of Annexure-II to the Agreement.

1.5 Utmost precaution shall be exercised by the SELLER at the time of delivery of each consignment to ensure that the Guaranteed Specifications stipulated under Column No. 4 of Technical Specifications vide Annexure – II to the Agreement are strictly complied with. The PURCHASER reserves the right to terminate the Agreement in case there are frequent deviations from the Guaranteed Specifications.

PARA 2: CHARGEABLE WEIGHT

2.1 THE SELLER shall, at his cost, determine the weight of the MATERIALS delivered at the port of loading by means of draught survey which shall be conducted by the independent inspection agency at the load port (through approved licensed marine surveyors), appointed by the SELLER and approved by the PURCHASER who shall issue the Certificate of Load port Draught Survey Weight. Where the Total Moisture (on "As received" basis) in the MATERIALS as disclosed in the Certificate of Sampling and Analysis at Load port exceeds% (..... percent), the Invoice Weight shall be reduced by the excess percentage of Total Moisture over% (..... percent) @ 1.3% for every 1.00% increase over % (fractions prorata), with an Absolute Maximum of 12 % for shipments on FOB(T) basis and @ 1.0% for every 1.0% increase over % (fractions prorata) with an Absolute maximum of 12% for shipments on C&F (FO) basis. In no case, the materials shall be supplied with Total Moisture content exceeding 12%.

Note: Reduction in weight calculated as per above and chargeable weight to be rounded off up to 3 (three) decimal places.

2.2 The PURCHASER may, at his own cost, determine the weight of the MATERIALS delivered in each consignment at the destination port by means of draught survey which shall be conducted by the independent inspection agency (through approved marine surveyors) appointed by the PURCHASER. The SELLER may, at his option and at his own expense, depute his representative to be present at the time of determination of the Destination Port Draught Survey Weight.

2.3 If the Destination Port Draught Survey Weight is less by more than 2% (Two percent) of the SELLER'S Invoice weight, the matter shall be jointly investigated by representatives of both the PURCHASER and the SELLER and the PURCHASER shall be compensated accordingly.

PARA 3: QUALITY AND WEIGHT VARIATIONS MATERIAL DIFFERENCES

3.1 If during any period during the currency of this Agreement, there are deviations from the quality stipulated in Annexure – II to this Agreement or there are material differences in the analysis results and/ or weight determined at the loading port and at the PURCHASER's end, the PURCHASER and the SELLER shall meet to investigate the reasons for such discrepancies in order to reach a mutually agreeable solution.

3.2 The Purchaser may request the SELLER to send the PURCHASER SAMPLE as mentioned in Para 1.1.3 hereinabove, to a designated Inspection Agency at no additional cost to the PURCHASER. The PURCHASER may carry out analysis on the sample. The cost of analysis would be borne by the PURCHASER.

3.3 In case the PURCHASER on analysing the PURCHASER SAMPLE finds the results to be at adverse variance from the Load port analysis beyond the permissible variance indicated in Annexure – II A to this Agreement, the PURCHASER shall report such discrepancy to the

SELLER and the PURCHASER and the SELLER shall meet to investigate the reasons for such discrepancies in order to reach a mutually agreeable solution.

3.4 In case the SELLER contests the validity of the analysis results of the PURCHASER SAMPLE, the SELLER shall forward the LOADPORT REFEREE SAMPLE for Umpire analysis for properties showing such adverse variance, to an Independent internationally reputed Inspecting Agency viz. M/s Centre de Pyrolyse de Marienau, (Branch of IRSID specially engaged in coal research), Parc d'activities Forbach Ouest, F57600 FORBACH, France. Telephone No +33 (0) 3 8784 9001 or +33(0) 3 8784 9003, FAX No.: +33 3 8784 9000 and e-mail: *contact@cpmarienau.com*.

OR

DMT GmbH & Co., KG, Coke Making Technology, Am Technologiepark 1, 45307 Essen, Germany. Tel No. +49 201 172 1789 / 1563, e-mail: *Dmt-info@dmtd.de*.

The Umpire's finding, which shall be promptly obtained, shall be final and binding on both parties. The cost of Umpire analysis shall be borne by the losing party.

3.5 In case the Umpire analysis of the LOADPORT REFEREE SAMPLE is at adverse variance as mentioned hereinabove, the Purchaser and the Seller shall mutually make an assessment of the loss suffered by the Purchaser and the Purchaser shall be entitled to rebate/diminution in price in respect of the said consignment on the basis of this assessment.

3.6 In case the Umpire analysis is at adverse variance as mentioned hereinabove in any two consignments (i.e. shipments), the PURCHASER shall have the right to terminate this Agreement at the risk and cost of the SELLER.

Note: Name and Address of the Independent Inspection Agency at load port is

_____.

PARA 4: INSURANCE

The PURCHASER shall, at his own expense, arrange for suitable marine insurance cover for the MATERIALS delivered by the SELLER. For this purpose, the SELLER shall, immediately on completion of loading intimate to the PURCHASER by **e-mail** at *kvvssrkvprasad@nmdc.co.in* and *jkthakur@nmdc.co.in* the Agreement number, the port of loading, the name of the vessel, the quantity of the MATERIALS loaded on board the vessel as per Load port Draught Survey Weight and Approximate value thereof, the Bill of Lading number and date, the date of sailing of the vessel, the name of the destination port and the expected date of arrival of the vessel at the destination port.

PARA 5: TERMS OF PAYMENT

5.1 The PURCHASER shall make payment for the MATERIALS under an Open Account System. The payment terms shall be within 90 calendar days from date of Bill of Lading or by the close of business in USA on the third banking day after receipt of Original Shipping Documents, whichever is later. In case the due date falls on a holiday or non-working day, the payment will be made on the next working day.

5.2 Open Account System under this Agreement shall provide for full payment of the value of each shipment on presentation of the following documents by the SELLER:

5.2.1 2/3 sets of original clean on Board Bill(s) of Lading made out to order and blank endorsed marked Notify NMDC Steel Limited, Vishakhapatnam Port / Gangavaram Port."

The Bills of Lading must be issued in 'CONGENBILL FORM' only.

Note : Charter Party Bill(s) of Lading marked "freight Pre-paid " (in case of C&F(FO) basis) or "freight payable as per Charter Party" (in case of FOB(T) basis) will be acceptable.

5.2.2 Signed Commercial Invoices- containing reference to Agreement No. in accordance with clause 5.3

5.2.3 Certificate of Sampling and Analysis issued by the independent inspection agency at load port clearly specifying that the sampling and analysis pertains to the named Soft Coking Coal Brand loaded on the vessel - in accordance with clause 5.3. On no account, the Analysis result of any technical parameter shall exceed the absolute maximum/ absolute minimum tolerance limit stipulated under Column 4 of Technical Specifications vide Annexure-II to this Agreement.

5.2.4 Certificate of Origin issued by Chamber of Commerce or a similar authorised agency - in accordance with clause 5.3.

5.2.5 Loadport Draught Survey Weight Certificate issued by the independent inspection agency at load port- in accordance with clause 5.3.

5.3 Within 7 (seven) days from the date of Bill of Lading in respect of each consignment, the SELLER shall send through Courier Service, direct to the PURCHASER, the following documents in respect of each shipment:

To NSL, Hyderabad/ Nagarnar:

- (a) Two (2) original negotiable Bills of Lading along with one (1) non-Bill of Lading.
- (b) Two (2) original) copies of Commercial Invoice.
- (c) One (1) original copy of the Certificate of Sampling and Analysis at load port.
- (d) One (1) copy of Certificate of Origin.
- (e) One (1) copy of Load port Draught Survey Weight Certificate.

To NSL Nagarnar/ Visakhapatnam

- a) One (1) original negotiable Bill of Lading along with 2 non-negotiable Bills of Lading.
- b) Two (2) original copies of Commercial Invoice.
- c) One (1) original copy of the Certificate of Sampling and Analysis at Load port.
- d) One (1) original copy of Certificate of Origin.
- e) One (1) original copy of Load port Draught Survey Weight Certificate.

5.3.1 Within 4 business days from the date of Bill of Lading in respect of each consignment, the SELLER shall use its best endeavours to send to the PURCHASER the following documents via fax/email:

- a) One copy of Bill of Lading.
- b) One copy of Commercial Invoice.
- c) One copy of the Certificate of Sampling and Analysis at Load port.
- d) One copy of Certificate of Origin.
- e) One copy of Load port Draught Survey Weight Certificate.

PARA 6 : DELIVERY

6.1 The period of delivery is the essence of this Agreement. The date of the Bill of Lading shall be the date of delivery in respect of the shipment. Immediately after signing of this Agreement and submission of the PG Bond as per Clause 4 of the Agreement, the PURCHASER shall arrange for chartering suitable vessels for taking delivery of the MATERIALS on the basis of FOB (Trimmed) port of Loading. The PURCHASER shall endeavour to place the vessel at the load port to start taking delivery of the consignment of the MATERIALS within 30 days from the date of the Agreement in case of FOB(T) Agreements. In case of C&F(FO)/ FOR-Delivery at NSL plants Agreements, the SELLER shall charter suitable vessels and start to ship the materials within 30 days from the date of the Agreement.

6.2 The SELLER shall take necessary steps to ensure that sufficient quantity of the MATERIALS is ready for delivery at the load port as to enable the nomination of vessels on a continuing basis so that the offtake of the Agreement quantity is completed within the delivery period.

6.2.1 To facilitate smooth nomination of vessels, the SELLER may indicate stem availability with proposed lay days and quantity, at least six weeks in advance. The PURCHASER shall endeavour to nominate vessels accordingly. The SELLER may, however, accept vessels with minor changes in lay days and quantities.

6.3 The terms of delivery of the MATERIALS shall be as per Annexure-III which shall constitute an integral part of this Agreement.

6.4 For any delay in clearance at the port of destination on account of non-supply of shipping documents in time and/or due to faulty documents, the SELLER would be held responsible for any demurrage, port rent etc. which the PURCHASER may become liable to pay to the concerned authorities at the discharge port(s) in India.

6.5 For FOR-Delivery at NSL plant basis, the firm should make necessary arrangement for handling of vessel at Port located at Visakhapatnam and transportation of Coking coal to NSL plant by Rail. It is the firm responsibility of the firm to deliver the coking coal at NSL plant. Unloading of rake at NSL tippler will be arranged by NSL. Other terms and conditions like payment, penalty, Sampling & Analysis and chargeable weight basis etc. will be discussed and finalized while finalizing the trial shipment by taking Annexure IIIA & IIIB as reference

PARA 7: LIQUIDATED DAMAGES

7.1 In the event of the SELLER'S failure to deliver the required MATERIALS within the time (s) specified in this Agreement for delivery, the SELLER shall pay as liquidated damages (and not by way of penalty), a sum equivalent to 1% (one percent) of the price of any MATERIALS which the SELLER has failed to deliver, as aforesaid, for each month of delay or part thereof provided, however, such liquidated damages shall not apply to any period of extension granted by the PURCHASER / under Force Majeure conditions as given under Para 17 herein below.

The maximum amount of liquidated damages levied in this regard will not exceed 10% (ten percent) of the value of the MATERIALS, which the SELLER has failed to deliver within the time (s) specified in this Agreement for delivery.

7.2 In the event of delay in delivery of the Material, to be reckoned based on the Bill of lading date, against a vessel nominated in a mutually agreed Laycan beyond 10 (ten) days from the date of tendering of Master's NOR due to any reason whatsoever, the SELLER shall pay as Liquidated Damages (and not by way of penalty) to the PURCHASER from 11th day, a sum equivalent to 1% (one percent) of the value of the MATERIALS as per the quantity mentioned in the Bill of Lading of the vessel concerned which the SELLER has failed to deliver,

as aforesaid, for each week of delay or part thereof (in days) provided, however, such liquidated damages shall not apply to any period of extension granted by the PURCHASER or for the period when the Seller was affected by a Force Majeure condition as given under Para 17 below or for the reasons attributable to the vessel or the PURCHASER. The maximum amount of liquidated damages levied on any shipment will not exceed 10% (ten percent) of the value of the quantity mentioned in the Bill of Lading of the vessel concerned. This levy of Liquidated Damages is in addition to payment of demurrage as per para 11 of Annexure III to the Agreement and such other remedies as mentioned in the Agreement.

If the delay in commencement of loading against a vessel nominated in a mutually agreed Laycan, has already crossed 45 days or expected to be beyond 45 Days as notified by the seller, from tendering of Master's NOR and the delay is not attributable to the PURCHASER/vessel, the Purchaser reserves the right to withdraw the vessel without any liability to its account. The Seller shall pay the Purchaser Demurrage and the dead freight as per the Stowage Plan given by the Vessel Owner, for such vessel, within 7 (seven) days from the date of such communication from the Purchaser.

7.3 Delivery of the MATERIALS after the same has become liable for levy of Liquidated Damages under Para 7.1 and 7.2 above shall not operate as a waiver of PURCHASER's right to levy liquidated damages.

Para 7.1 and 7.2 above are mutually exclusive and independent of each other.

PARA 8: DEFAULT AND RISK PURCHASE

Subject to the terms and conditions of this Agreement, if the SELLER in any manner or otherwise neglects or fails to perform the Agreement for any reason other than Force Majeure, the PURCHASER after having come to know of such negligence or non-performance after giving 60 days' notice shall take such action as it considers fit including taking risk purchase action for supply of similar MATERIALS mitigating any losses at the risk and cost of the SELLER. The SELLER will be responsible to the PURCHASER for the additional direct costs inclusive of "freight differentials", if any, incurred to purchase the replacement material.

PARA 9: TERMINATION

If the SELLER commits breach of any provisions of this Agreement, the PURCHASER shall notify the SELLER to remedy such breach within a reasonable period. If breach continues to occur, the PURCHASER shall have the right to terminate this Agreement.

PARA 10: RESPONSIBILITY

The PURCHASER on the one hand and the SELLER and the PRODUCER jointly and severally on the other hand shall be responsible for the performance of all their respective obligations under this Agreement. The expression SELLER wherever appearing in this Agreement shall also include PRODUCER.

PARA 11: TRANSFER AND SUB-LETTING

11.1 The SELLER shall not sublet, transfer, assign or otherwise part with the Agreement or any part thereof, either directly or indirectly, without the prior written permission of the PURCHASER.

11.2 The SELLER shall be entirely responsible for the execution of the Agreement by the subcontractor, if any, permitted by the PURCHASER. For this purpose, the SELLER shall at

his own cost ensure adequate inspection of the subcontractor's works by an inspection organisation acceptable to the PURCHASER.

PARA 12: EXPORT LICENCE

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

PARA 13: TAXES AND DUTIES

The SELLER shall be entirely responsible for all taxes, stamp duties, Licence fees and other such levies imposed outside the PURCHASER's country.

PARA 14: IMPORT LICENCE

Low Ash (below 12 %) metallurgical coal is presently freely importable.

PARA 15: COMPLETENESS OF THE AGREEMENT AND MODIFICATION

This Agreement cancels all previous negotiations between the parties hereto. There are no understandings or agreement between the PURCHASER and the SELLER which are not fully expressed herein and no statement or agreement, oral or written, made prior to or at the signing hereof shall affect or modify the terms hereof or otherwise be binding on the parties hereto. No change in respect of the terms covered by this Agreement shall be valid unless the same is agreed to in writing by the parties hereto specifically stating the same as an amendment to this Agreement.

PARA 16: WAIVER

Failure to enforce any condition herein contained shall not operate as a waiver of the condition itself or any subsequent breach thereof.

PARA 17: FORCE MAJEURE

17.1 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, breakdown of railroad or port equipment, 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].

In case the Affected Party decides to invoke Force Majeure, they shall submit a written Notice along with a supporting Certificate within 15 days of occurrence of Force Majeure event(s) [Force Majeure Notice]. However, the Force Majeure shall be effective from the earlier of the date on which the Force Majeure Notice is issued or the Event Information is provided. If the event of Force Majeure affects transportation of MATERIALS from the mines to the port through Railroads, the notice must be supported by a certificate from the relevant Railroad Authority. Similarly, if the event of Force Majeure affects loading of MATERIALS at the Port, the notice must be supported by a certificate from the relevant Port Authority. With regard to all other events of Force Majeure, the Affected Party must provide a certificate signed by the Company

Secretary and one of the Directors on the Board of the Affected Party. The Affected Party shall likewise intimate the cessation of such Force Majeure.

In case the duration of the Force Majeure exceeds 15 days, the Affected Party shall submit a reconfirmation every 15th day thereafter (i.e. on 30th day, 45th day, 60th day, ,after the Force Majeure Event), from the same authority who originally provided the supporting certificate for the Force Majeure, i.e., the relevant Railway /Port Authority / Company Secretary and one Director on the Board of the Company of the Affected Party, certifying that the Force Majeure is still continuing. Nonetheless the Affected Party shall continue to update the other party on weekly basis on the prospects of cessation of Force Majeure conditions.

The delivery / offtake of MATERIALS, as the case may be, shall be resumed by the Affected Party within 15 (fifteen) days from the cessation of the Force Majeure.

17.2 The non-affected Party (i.e. the SELLER in case Force Majeure is declared by the PURCHASER and vice versa) shall have the following Options w.r.t. the quantity of MATERIALS, delivery/offtake of which has been affected due to Force Majeure:

- i. Cancel delivery / off take of the affected quantity, as the case may be.
- ii. Deliver / take delivery of the affected quantity, as the case may be, in whole or in part, as per a mutually agreed shipping schedule. In such a case, irrespective of the revised shipping schedule, the tons would be priced in accordance with the 'Originally Agreed Laycan start date' and "Original agreed pricing basis" or in accordance with the 'Revised Agreed Laycan start date' and "Revised agreed pricing basis", whichever is lower, without imposition of LD as specified at Para 7 herein above. If required, the duration of the Agreement may be extended equal to the duration of the Force Majeure to complete such supplies.

17.3 Notwithstanding the suspension of obligations of the Affected Party under the Agreement for the duration of Force Majeure, if the Affected Party is still in a position to commence delivery of / commence taking delivery of the affected quantity, in whole or in part, during the Force Majeure Period, then both the Parties shall mutually discuss and agree a shipping schedule and other modalities for effecting such supplies.

PARA 18.: ARBITRATION

All disputes arising in connection with the present Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce, Paris by the Sole Arbitrator appointed in accordance with the said Rules and the Award made in pursuance thereof shall be binding on the parties. The Arbitrator shall give a reasoned award. The venue of arbitration shall be New Delhi, India.

PARA 19. : LEGAL INTERPRETATIONS

19.1 This Agreement shall be governed by and construed according to the laws of India for the time being in force.

19.2 To interpret all the commercial terms and abbreviations used herein which have not been otherwise defined, the rules of "INCOTERMS 2010" shall be applied.

PARA 20: LIABILITY OF GOVT. OF INDIA

It is expressly understood and agreed by and between the SELLER and the PURCHASER that the PURCHASER is entering into this Agreement solely on its own behalf and not on behalf of any other person or entity. In particular, it is expressly understood and agreed that the Govt. of India is not a party to this Agreement and has no liabilities, obligations or rights hereunder. It is expressly understood and agreed that the PURCHASER is an independent legal entity with

power and authority to enter into contracts solely in its own behalf under the applicable laws of India and general principles of Contract Law. The SELLER expressly agrees, acknowledges and understands that the PURCHASER is not an agent, representative or delegate of the Govt. of India. It is further understood and agreed that the Govt. of India is not and shall not be liable for any acts, omissions, commissions, breaches or other wrongs arising out of the contract. Accordingly, the SELLER hereby, expressly waives, releases and foregoes any and all actions or claims, including cross claims, impleader claims or counter claims against the Govt. of India arising out of this Agreement and covenants not to sue the Govt. of India in any manner, claim, cause of action or thing whatsoever arising out of or under this Agreement.

**FOR AND ON BEHALF OF
THE PURCHASER**

**FOR AND ON BEHALF OF
THE SELLER**

**FOR AND ON BEHALF OF
THE PRODUCER**

**ANNEXURE- II
TO**

AGREEMENT NO. _____ DATED _____

**TECHNICAL SPECIFICATIONS FOR FRESHLY MINED PRIME QUALITY
WASHED/ UNWASHED _____ SOFT COKING COAL
(SIZE 0-50MM)**

SI. No.	TECHNICAL PARAMETERS	TESTING STANDARD*	TECHNICAL SPECIFICATIONS AS OFFERED AND GUARANTEED BY THE SELLER AND ACCEPTED BY THE PURCHASER (I.E. AGREEMENT SPECIFICATIONS)	ABSOLUTE MAXIMUM / ABSOLUTE MINIMUM TOLERANCE LIMITS
(1)	(2)	(3)	(4)	(5)
1	Total Moisture (on "as received" basis)		___% Maximum	___% Maximum
2	Proximate Analysis (on "air dried" basis)			
	a) Volatile Matter		___% to ___%	___% Minimum ___% Maximum
	b) Ash		___% Maximum	___% Maximum
3	Sulphur		___% Maximum	___% Maximum
4	Crucible Swelling Number (CSN)		___% Minimum	___% Minimum
5	a) Mean Max Reflectance of Vitrinite		___% to ___%	___% Minimum ___% Maximum
	b) Vitrinite Percentage		___% Minimum	___% Minimum
	c) Vitrinite Distribution (V9-V14)		___% Minimum	___% Minimum
6	Gieseler Plastometer Test Maximum Fluidity (ddpm)		___% Minimum	___% Minimum
7	Microfines (Size fraction <0.5 mm)		___% Maximum	___% Maximum
8	Phosphorous		___% Maximum	___% Maximum
9	Ash Fusibility: Free Flow Temperature (°C)		___% Minimum	___% Minimum
10	Total Alkali (K ₂ O+Na ₂ O) in Ash		___% Maximum	___% Maximum

N.B.- EXCEPT AS OTHERWISE PROVIDED FOR IN THIS AGREEMENT, ON NO ACCOUNT, SOFT COKING COAL WITH TECHNICAL CHARACTERISTICS FALLING ABOVE/ BELOW THE ABSOLUTE MAXIMUM/ ABSOLUTE MINIMUM TOLERANCE LIMITS SHOWN UNDER COLUMN NO.5 ABOVE SHALL BE DELIVERED/ACCEPTED.

*Relevant testing standard indicated by the bidder against each parameter and accepted by the PURCHASER.

**FOR AND ON BEHALF OF
THE PURCHASER**

**FOR AND ON BEHALF OF
THE SELLER**

**FOR AND ON BEHALF OF
THE PRODUCER**

**ANNEXURE-II A
TO**

AGREEMENT NO. _____ DATED _____

**VARIATIONS PERMISSIBLE BETWEEN ANALYSIS RESULTS OF LOADPORT AND
PURCHASER SAMPLE**

(For Soft Coking Coal)

SI.NO.	TECHNICAL PARAMETERS	VARIATIONS PERMISSIBLE DUE TO REPRODUCIBILITY
1.	Total Moisture	
2.	Volatile Matter	
3.	Ash	
4.	Sulphur	
5.	CSN	
6.	MMR	
7.	Vitrinite Percentage	
8.	Vitrinite Distribution (V9-V14)	
9.	Gieseler Plastometer Test	
10.	Microfines	
11.	Phosphorous	
12.	Ash Fluidity: Free Flow Temperature	
13.	Total Alkali	

The applicable variations permissible to be indicated by the bidder, in line with the relevant testing standard

**FOR AND ON BEHALF OF
THE PURCHASER**

**FOR AND ON BEHALF OF
THE SELLER**

**FOR AND ON BEHALF OF
THE PRODUCER**

**ANNEXURE- III
TO**

AGREEMENT NO. _____ DATED _____

**TERMS & CONDITIONS FOR DELIVERY OF THE MATERIALS
ON THE BASIS OF FOB (TRIMMED) PORT(S) OF LOADING
AND ON THE BASIS OF C&F (FREE OUT) EAST COAST OF INDIA (ECI) PORTS**

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

1. The PURCHASER shall as far as possible, charter vessels required for carriage of the MATERIALS under this Agreement upon 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. The PURCHASER shall charter single-decker vessels suitable for bulk loading in the capacity range of 45,000 Metric Tonne to 80,000 Metric Tonne (Handymax/ Panamax Vessel) with a tolerance of plus or minus 10% (ten percent) per voyage, 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.
3. 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 Ship-owner shall bear and pay all port dues (except port loading charges), tonnage dues, light dues and all other taxes, assessments and charges which are customarily payable at the load port(s) 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 load port.
 - 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 load port(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 authorised representative(s) of the Independent Inspection Agency/ Marine Surveyors at the load port(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 Shipowner 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 Shipowner at the load port shall release Bill(s) of Lading marked "Freight payable as per Charter Party" immediately after completion of loading.

4. 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 and the PURCHASER shall intimate to the SELLER relevant particulars of such vessel. The SELLER shall confirm to the PURCHASER by **e-mail** at kvvssrkvpasad@nmdc.co.in and jkthakur@nmdc.co.in 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 10 days, in advance of the ETA of the vessel at the load port.

5. The PURCHASER reserves the right to appoint his own agent(s) at the load port(s).

6. 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 port(s) of loading.

7. The SELLER shall arrange for a safe loading berth for the vessel at the notified safe loading port.

8. The SELLER shall guarantee to deliver/load the MATERIALS into the vessel(s) (FOB Trimmed), at the following rate :

Guaranteed rate of loading per Weather Working Day (WWD) of twenty four consecutive hours, Sundays Holidays included, (SHINC)

40,000 Metric Tonne

If any overtime work is performed by the crew of the vessel at the port of loading at the instance of the SELLER, crew's overtime shall be borne and paid for by the SELLER.

9. Upon arrival of the vessel at the outer anchorage or at the pilot station of the load port, 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 load port. 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.

Laytime (i.e. loading time) shall commence 12 hours after the time at which MASTER'S N/R is served, whether the vessel is in berth or not and in free pratique or not, unless the loading of the MATERIALS sooner commenced, in which event laytime shall count from the actual time of commencement of loading. Any time lost by the vessel in waiting for berth shall also count as

loading time. If the vessel arrives and commences loading before the agreed laycan, then the laytime shall commence from the time of commencement of loading.

10. The SELLER shall arrange to deliver/load the MATERIALS into the vessel and to trim the MATERIALS inside the hatches of the vessel by mechanical or manual means at the option of the SELLER in accordance with the instructions of and to the satisfaction of the Master or the Chief Officer of the vessel free of risk and all expenses either to the vessel or to the PURCHASER. Claims for damage caused to the vessel by stevedores, if any, are to be settled between the SELLER and the Ship-owners.

The Master/ Agent of the vessel at the load port should notify in writing of any alleged damage to the vessel by the stevedores and failure to so notify shall bar any claim therefor. In any event, any such claim shall be barred if not made prior to the departure of the vessel from the load port where damage is alleged to have occurred.

11. Should the SELLER fail to deliver/ load the MATERIALS into the vessel(s) in full or in part for reasons other than Force Majeure the SELLER shall be liable to the PURCHASER for all payment or expenses which the PURCHASER may incur by reason of such non-delivery including dead freight or extra freight, demurrage to the vessel and/or any other charges and expenses of whatsoever nature which may be incurred by the PURCHASER.

12. Immediately on completion of loading of the MATERIALS into the vessel, the SELLER shall furnish the following details by *e-mail* at kvvssrkyprasad@nmdc.co.in and jkthakur@nmdc.co.in to the PURCHASER to enable the PURCHASER to take necessary marine insurance cover,(i) Name of the vessel (ii) Quantity loaded as per Load port Draught Survey Weight and approximate value thereof (iii) Name of the load port, (iv) Date and time of commencement and of completion of loading and (v) Date and time of sailing of the vessel from the load port (vi) No and date of Bill of Lading.

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

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

15. In the TIME SHEET based on the aforesaid STATEMENT OF FACTS, the computation of laytime allowed and laytime used shall be based on the terms and conditions contained in Paragraphs 8, 8.1 and 9 hereinabove. Despatch, if any, shall be calculated on the basis of "working time saved". The rate of demurrage/ despatch shall be as stipulated in Charter Party relating to the vessel. In the case of demurrage, the SELLER shall remit the agreed amount of demurrage to the PURCHASER. In the case of despatch, the PURCHASER shall remit the agreed amount of despatch to the SELLER. The final settlement of the account of demurrage/despatch in respect of each vessel shall be affected directly between the SELLER and the PURCHASER on the above basis, within 90 days from the date of receipt of claim with supporting documents. Such claims should be lodged within 60 days from the date of sailing of the vessel from the Load port on vessel to vessel basis.

16. The SELLER has agreed to comply with the International Ship and Port Facility Security (ISPS) Code stipulated by the International Maritime Organisation, which has come into effect w.e.f. 1st July 2004. Failure on the part of the SELLER to comply with the ISPS code's requirements and / or the Load port not conforming with the ISPS code and any delays caused by such failures shall be to the SELLER's account who shall be fully responsible for all the consequences arising out of it.

Note :

1. Name, Address, *e-mail* and telephones numbers for serving Notice regarding ETA of the vessel and Notice of Readiness of the vessel to the SELLER at the Load port as per Para 3.2 and 9 hereinabove : M/s _____
2. (i) *Parcel size has been indicated in Clause 2 as per NSL's requirement. However, alternate parcel size, due to load port restrictions, if any, can be considered by NSL.*

(ii) *Clause 8 indicates Guaranteed Rate of Loading as per NSL's requirement. However, alternate Guaranteed Rate of Loading to suit load port requirements/ restrictions can be considered by NSL.*

**FOR AND ON BEHALF OF
THE PURCHASER**

**FOR AND ON BEHALF OF
THE SELLER**

**FOR AND ON BEHALF OF
THE PRODUCER**

TERMS & CONDITIONS FOR DELIVERY OF THE MATERIALS ON THE ON THE BASIS OF C&F ECI (FREE OUT)

The Terms & Conditions for shipment of the MATERIALS under the Agreement shall be as follows:

1. TYPE OF VESSELS

1.1 The SELLER shall effect shipments in single-decker, self-trimming type of Panamax (gearless) vessels suitable for bulk discharge. Vessels to be preferably less than 15 years of age but not exceeding 20 years. Any overage premium that may be payable to PURCHASER's insurer shall be borne by SELLER. SELLERS to confirm that the vessel possesses valid statutory certificates and complies with all directives of Government of India/DG (Shipping) regarding suitability and/or acceptability of vessel in respect of class/age/other technical parameters in Indian waters/ports. SELLER to confirm that the vessel is able to meet all discharge port limitations/requirements/conditions. The holds of each vessel shall be cleaned before loading, to avoid contamination. The vessel nominated to the Purchaser should not carry cargo for any other party than the Purchaser.

2. General provisions to be incorporated in the Charter parties governing shipment of the MATERIALS

2.1 The SELLER shall ensure that the charter parties governing shipments of the MATERIALS under this Agreement contain, inter-alia, the following provisions:

2.1.1 On sailing and fourteen days prior to vessel's ETA East Coast India, the Master of the vessel shall give advice to the PURCHASER by **e-mail** at kvvssrkvprasad@nmdc.co.in and jkthakur@nmdc.co.in. Thereafter, the Master of the Vessel shall **e-mail** at intervals of 10 days/ 7 days/ 72 hours/ 24 hours regarding ETA of vessel, to the PURCHASER as well as to the undermentioned port offices of the PURCHASER.

2.1.1.1 VIZAG

NMDC Steel Limited
Regional Office,
Khanij Bhavan,
Port Area,
Visakhapatnam-530035, Andhra Pradesh
Tel. No. +91 891 2562945

FAX No. +91 891 2562657

e-mail: rovizag@nmdc.co.in

In case any other port is opted for, the address of the respective Port Offices shall be intimated subsequently.

2.1.2 The SELLER shall arrange for the vessel to bear and to pay all port dues/charges (except port unloading charges), tonnage dues, light dues, and other taxes, assessments and charges which are customarily payable at the Indian Port(s) of discharge on or with respect to the vessel (s).

2.1.3 Vessel's gears (crane/grab) are not required as discharging shall be with shore cranes / facility.

2.1.4 The SELLER to ensure that the vessels nominated and accepted comply with ISPS code/ requirements. Failure on the part of the vessel to comply with the codes requirements and any delay caused by such failures shall be to vessel / SELLER's account.

2.1.5 The Master of the vessel shall allow on board the vessel the representatives of the independent cargo inspection agency/ marine surveyors appointed by the PURCHASER and provide such information/ assistance as may be required by them in connection with the performance of their assigned duties.

2.1.6 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 port(s) of discharge at all times and in each case free of expense to the PURCHASER.

2.1.7 The opening and the closing of the hatches of the vessel shall always be done by the vessel's crew and the cost involved therein and the time used therefor shall be to the account of the vessel even if the vessel is on demurrage.

2.1.8 In the event of the Master of vessel exercising lien on the cargo (i.e. the MATERIALS) for non-payment of freight, extra freight, dead freight, demurrage and damages for detention of the vessel at the Indian port(s) of the discharge, the SELLER shall, on receipt of FAX/ *e-mail* intimation from the PURCHASER, take immediate remedial measures and shall cause appropriate instructions being issued to the Master of the vessel to proceed with the discharge of cargo (i.e. the MATERIALS). Any time lost between the receipt of notice of lien by the PURCHASER from the Master of the vessel and the withdrawal of such notice shall be to the account of the vessel/ SELLER even if the vessel is on demurrage.

2.1.9 The overtime of the crew shall be to the account of the vessel unless ordered by the PURCHASER.

2.1.10 As regards damages, if any, caused to the vessel by the PURCHASER'S stevedores/ terminal operator, the PURCHASER will be responsible only for the damages caused to the vessel during discharge. In principle, claims for such damage are to be settled directly between the ship-owners and the stevedores/ terminal operator and in case such damage is caused during discharge at Haldia Port, the claims for damage, if any, are to be settled directly with the Haldia Port authorities/ Berth/ Terminal Operator. Such claims shall be lodged by the Master of the vessel on the Stevedores/ terminal operator/ Haldia Port Authority/ terminal operator promptly after the damage has been sustained and then confirmed in writing duly supported by Third Party Damage Report prior to vessel's departure from the port of discharge, failing which the claim shall stand barred and NSL / stevedores shall stand absolved and relieved of all responsibility. The master of the vessel shall get a joint survey conducted with the stevedores/ port/ terminal operator to determine the extent of damages sustained to the vessel. The joint survey must be conducted before the departure of the vessel from the port in which the damage took place. The owners must submit their final claim within 60 days of completion of discharge at the port in which the damage took place. Failure to submit final claim within 60 days will debar the claim and relieve NSL/ stevedores/ port/ terminal operator of all responsibility. In the absence of a joint survey the claim shall stand barred and NSL/ stevedores/ port/ terminal operator shall stand absolved and relieved of all responsibility.

2.1.11 The time used for gangway placement, vessel warping and draft survey will be on vessels account and time used not to count as laytime even if the vessel is already on demurrage.

2.1.12 Laytime shall not count during rain periods, as mentioned in SOF and on Non Weather Working Days (NWWD), declared by the port authorities, even if discharge operation is continued for some part of time unless the vessels is already on demurrage.

2.1.13 In the event of declaration of Force Majeure by the PURCHASER, time lost at discharge port shall not count as laytime unless the vessel is on demurrage.

2.1.14 Discharge ports :

Panamax:

1/ 2 SB each 1/ 2 SP out of Vizag / Gangavaram. Freight rate to be basis Vishakhapatnam port with discharge rate of 20000 MT, with following freight differentials to be applicable:

Base Discharge port :

(a) 1st disport freight differential :

1. USD 0.20 PMT extra freight on entire quantity if 2nd disport Vizag (with 1st disport Gangavaram).
2. USD 0.75 PMT extra freight on entire quantity if 2nd disport Gangavaram (with 1st disport Vizag port).

Handymax / Supramax :

1/ 2 SB each 1/ 2 SP out of Vizag Port / Gangavaram Port.

1/ 2 SB each 1/ 2 SP out of Vizag / Gangavaram. Freight rate to be basis Vishakhapatnam port with discharge rate of 10000 MT, with following freight differentials to be applicable:

(b) 1st disport freight differential :

1. USD 0.20 PMT extra freight on entire quantity if 2nd disport Vizag (with 1st disport Gangavaram).
2. USD 0.75 PMT extra freight on entire quantity if 2nd disport Gangavaram (with 1st disport Vizag port).

3. Intimations to be sent by the SELLER to the PURCHASER on nomination of vessels for shipment and on completion of loading of vessels at Load port

3.1 SELLER shall so arrange for each shipment of MATERIALS hereunder to conform with provisions in Clause 1 of this Agreement and shall nominate each vessel 30 days in advance to the PURCHASER by **e-mail** at kvvssrkvprasad@nmdc.co.in and jkthakur@nmdc.co.in including the following details of the vessel(s) viz. (i) Name of the vessel (ii) Flag (iii) Year Built (iv) Name and nationality of the shipowners (v) Class (vi) Type (vii) Length overall (viii) Beam Length (ix) Number of hatches/ holds (x) Dimensions of hatch openings (xi) Number of cranes and their capacities (xii) Number of grabs and their sizes and lifting capacity per cycle (xiii) Quantity of the MATERIALS proposed to be loaded (xiv) Lay days and ETA of the vessel at loading port (xv) Demurrage / Despatch rate. The PURCHASER shall **e-mail** to the SELLER within 72 (seventy two) working hours his acceptance or otherwise of the above nomination.

3.2 The SELLER shall consign the Vessel(s) to NSL/ their Agent(s) at the Indian Port(s) of Discharge at customary agency fees (as fixed by local Chamber of Commerce nor Association) payable by the Vessel/Owners to such agent(s). The charterers agency fees must be paid to the agent nominated by NSL within 30 days of completion of discharge at the respective port (s).

3.3 Immediately on completion of loading of the materials into the vessel, the SELLER shall give the following details by **e-mail** at kvvssrkvprasad@nmdc.co.in and jkthakur@nmdc.co.in to the PURCHASER: (i) Name of the Vessel, (ii) B/L weight and value of the cargo, (iii) Name of the port of shipment, (iv) Date and time of commencement and of

completion of loading (v) Date and time of sailing of the vessel from the port of shipment and (vi) ETA East Coast India.

4. Declaration of discharge port by the PURCHASER and option for two-port discharge

4.1 On receipt of Master's 7 days' notice of the ETA of the vessel at East Coast India, as provided in Para 2.1.1 hereinabove, the PURCHASER shall indicate to the Master of the vessel's or Shipowner's agent the intended port of discharge. On receipt of Master's 72 hours notice, the PURCHASER shall declare (a) the discharge port to which the vessel should proceed in the first instance (b) the second port of discharge if the PURCHASER exercises the option for two port discharge. Second discharge port may be declared by the PURCHASER even when the vessel is working at first discharge port.

4.2 The PURCHASER shall have the option to discharge cargo from the vessel at a second safe berth at the same port of discharge. In the event of the PURCHASER exercising the option as aforesaid, the expenses involved in shifting the vessel to the second safe berth shall be to the account of vessel and the time used in shifting shall not count as laytime even if vessel is on demurrage. If the port authorities order the shifting of the vessel to another safe berth at the same port of discharge, the time involved in shifting and the cost thereof shall be to the account of the vessel even if the vessel is on demurrage. Shifting time to be excepted from pilot boarding time in case of pilot boarding before movement of vessel/anchor up.

5. Service of Notice of Readiness for discharge of cargo (i.e. the MATERIALS) by the Master of the Vessel (Master's N/R)

5.1 Upon arrival of the vessel within the port limits at each port of discharge and in free pratique and after being ready in all respects to discharge the cargo, the Master of the vessel shall serve on the concerned port office(s) of the PURCHASER (referred to in Para 2.1.1 hereinabove) the Notice of Readiness of the vessel to discharge cargo (MASTER'S N/R) in writing in Business hours between 09.30 hours and 16.30 hours on working days (Monday to Friday and between 09.30 to 12.00 Hours on Saturday)

5.2 If second port of discharge is nominated by the PURCHASER, Master of the vessel shall serve 'Notice of Readiness' in writing and during working hours (as in Para 5.1 hereinabove) on the Port Offices of the PURCHASER upon arrival of vessel within port limits and in 'Free Pratique' and after being ready in all respects to discharge cargo.

6. Laytime and excepted periods

6.1 The laytime at each discharge port shall commence 24 hours after Master's N/R is served as per clause 5.1 even if used.

6.2 If the turn time at each discharge port expires on Saturday afternoons, Sundays, Holidays, the laytime shall commence at 8 A.M. on the next working day, even if used, for all category of vessels. The same turn time shall be available at the second discharge port even if the vessel is on demurrage.

6.3 The time taken by the vessel for proceeding from anchorage to the berth shall be treated as transit time and shall be to the account of the vessel, even if the vessel is on demurrage. The time taken by vessel to proceed from the first port of discharge to the second port of discharge shall be treated as voyage time and shall be to the account of the vessel, even if the vessel is on demurrage. Shifting time to be excepted from pilot boarding time in case of pilot boarding before movement of vessel/anchor up.

6.4 If, after berthing, the vessel is found by the Port Authorities/PURCHASER not ready in all respects to discharge, laytime will not commence until the vessel is in fact ready in all respects to discharge.

6.5 Time shall not count between noon on Saturdays and 0800 hours on Mondays and between 1700 Hours on the last working day preceding a Charter Party Holiday and 0800 hours on the first working day thereafter, unless used and if used actual time to count as laytime unless the vessel is already on demurrage.

6.6 Time lost by reason of any or all of the following causes preventing discharge of the cargo shall not be computed as Laytime unless the vessel is already on demurrage:

- i) War, rebellion, Tumult, Political disturbances, Insurrection.
- ii) Lockouts, Strikes, Riots, Civil Commotion.
- iii) Epidemics, Quarantine, Landslips, Floods, Frost or Snow, bore tides, bad weather.
- iv) Stoppage of work, whether partial or general, by Workmen, Longshoremen, Tug-boat men or other hands essential to the working of the vessel or discharge of cargo from the vessel.
- v) Accidents at the wharf.
- vi) Intervention of Sanitary, Customs and/or other constituted authorities.
- vii) Stoppage, whether partial or total, on rivers and canals.
- viii) Any other cause beyond the control of the PURCHASER.

7. Guaranteed Discharge Rates

7.1 The SELLER shall deliver the MATERIALS free in vessel's holds in one or two safe berths, one or two safe port(s), safe anchorage, reachable on arrival always afloat at the nominated port(s) of discharge.

7.2 The SELLER shall provide such Handymax/ Supramax vessels having maximum 5 hatches/ holds and Panamax vessels having maximum 7 hatches/ holds. Vessel's gears (crane/grab) are not required as discharging to be with shore cranes / facility.

7.3 Subject to the provisions of Para 6 and 7.2, hereinabove, the PURCHASER shall guarantee discharge rate of

For HANDYMAX vessels:

10,000 MT basis five or more available workable hatches, WEATHER WORKING DAY (WWD) of 24 consecutive hours and prorata for part of WWD, SATURDAY AFTERNOON, SUNDAYS, CHARTER PARTY HOLIDAYS EXCLUDED UNLESS USED (SASHEX UU)

SASHEXUU PROVISIONS TO BE APPLICABLE ONLY AFTER COMMENCEMENT OF LAY TIME.

For Panamax vessels:

VIZAG: 20,000 MT, basis seven or more available workable hatches, WEATHER WORKING DAY (WWD) of 24 consecutive hours and prorata for part of WWD, SATURDAY AFTERNOON, SUNDAYS, CHARTER PARTY HOLIDAYS EXCLUDED UNLESS USED (SASHEX UU) and if used actual time to count as laytime unless the vessel is already on demurrage.

GANGAVARAM: 40,000 MT, basis seven or more available workable hatches, WEATHER WORKING DAY (WWD) of 24 consecutive hours and prorata for part of WWD, SATURDAY AFTERNOON, SUNDAYS, CHARTER PARTY HOLIDAYS INCLUDED (SHINC).

For all ports, UU/ SHINC PROVISION TO BE APPLICABLE AFTER COMMENCEMENT OF LAYTIME.

7.4 Laytime allowed at discharge ports to be reversible.

8. Discharge Of Cargo

8.1 In addition to the existing relevant clause(s) for cargo discharge applicable for both Hanydmax/ Supramax and Panamax vessels and depending on facilities available at the discharge ports, PURCHASER to have option of engaging alternative modes of discharge such as either using or not using vessels gears or combination of both ,engaging barges/shore handling facilities,at any available safe berth /point/anchorage etc.

8.2 Vessel may be discharged both at outer harbour berths(General Cargo Berths,NOM Ore Berth etc. and inner Harbour berths of Vizag Port including berths under control of B.O.T Operator(s) at Purchaser's option. Sellers shall be required to obtain permission from Port Authorities for berthing of the vessel at all the locations, if necessary, under Port rules/regulations and also shall furnish indemnity/ any other documentary requirements to port authorities for berthing and discharging operation at the berths.

9. Statement of Facts

Immediately after completion of discharge, and before the sailing of the vessel from the port of discharge, a Statement of Facts shall be made out at the port of discharge duly signed by and distributed amongst (a) Master of the vessel/agents of the vessel at the port of discharge; (b) Agents/ Representative, if any, of the SELLER at the port of discharge and (c) Representative of the PURCHASER at the port of discharge.

10. Settlement of Demurrage/ Despatch Money Account in respect of each shipment

In the time sheet based on the aforesaid STATEMENT OF FACTS, the computation of Laytime allowed and Laytime used shall be based on the provisions contained in Para 6 and 7 hereinabove. Despatch, if any, shall be calculated on the basis of 'Working time saved'. The rate of Demurrage/Despatch Money shall be as per Charter Party and the same shall be declared at the time of nomination of the vessel . In the case of demurrage, the PURCHASER shall endeavour to remit to the SELLER the agreed amount of Demurrage within about 90 (ninety) days from the date of receipt of the claim of the SELLER together with all supporting documents. In the case of Despatch Money, the SELLER shall endeavour to remit to the PURCHASER the agreed amount of Despatch Money within about 90 (ninety) days from the date of the claim of the PURCHASER together with the supporting documents. Such claim together with the supporting documents shall be submitted by either party within 60 days from the date of completion of discharge and should be settled on vessel to vessel basis.

**FOR AND ON BEHALF OF
THE PURCHASER**

**FOR AND ON BEHALF
OF
THE SELLER**

**FOR AND ON BEHALF OF
THE PRODUCER**

hereinabove, as the case may be. Payments under this LETTER OF GUARANTEE shall be made promptly upon our receiving the notice to that effect from the PURCHASER on demand and without protest or demur.

4. It is fully understood that this Guarantee shall become effective from the date of the said AGREEMENT and that WE, STATE BANK OF INDIA, NAGARNAR BRANCH, undertake not to revoke this Guarantee during its currency without the prior written consent of the PURCHASER.

5. WE, STATE BANK OF INDIA, NAGARNAR BRANCH, hereby further agree that the PURCHASER shall have the fullest liberty, without affecting in any manner our obligations hereunder, to vary any of the terms and conditions of the said AGREEMENT or to extend the time of performance of the said AGREEMENT by the SELLER from time to time or to postpone for any time or from time to time any of the powers exercisable by the PURCHASER against the SELLER and to forbear or to enforce any of the terms and conditions relating to the said AGREEMENT and WE, STATE BANK OF INDIA, NAGARNAR BRANCH, shall not be released from our liability under this Guarantee by reason of any such variation or extension being granted to the SELLER or any forbearance and/or omission on the part of the PURCHASER or any indulgence by the PURCHASER or by any other matter or thing whatsoever which under the law relating to sureties would, but for this provision, have the effect of so releasing us from our liability under this Guarantee.

6. WE, STATE BANK OF INDIA, CAG, BRANCH, NAGARNAR, hereby further agree that the Guarantee herein contained is initially valid up to _____ and that the same shall be extended further according to the provisions contained hereinabove.

7. WE, STATE BANK OF INDIA, NAGARNAR BRANCH, hereby further agree that the Guarantee herein contained shall not be affected by any change in the constitution of the SELLER and/or the PURCHASER.

Note: The expression `SELLER' wherever appearing in this Performance Guarantee Bond shall also include the `PRODUCER'.

FOR AND ON BEHALF OF
STATE BANK OF INDIA
NAGARNAR BRANCH,
Signature: _____

Name: _____

DULY CONSTITUTED ATTORNEY
& AUTHORISED SIGNATORY

Designation: _____

State Bank of India
NAGARNAR BRANCH
Khasra No. 1369, Kumharpara,
Nagarnar, Distt. Bastar, Chhattisgarh
dated: _____

(SIGNATURE OF TENDERER)

EOI NO. NSL/COMML/EOI/SCC/2024-25 Dated: 30TH September 2024

ANNEXURE - V

TO
AGREEMENT NO. _____ DATED _____

BANK GUARANTEE

TO
NMDC STEEL LIMITED
COMMERCIAL DEPT
5TH FLOOR,
10-3-311/A, KHANIJ BHAVAN
MASAB TANK
HYDERABAD -500028
INDIA

Bank Guarantee No. _____ Dated _____

LETTER OF GUARANTEE

WHEREAS MESSRS _____
(hereinafter referred to as the SELLER) and MESSRS _____
(hereinafter referred to as the PRODUCER) and MESSRS. NMDC STEEL LIMITED (hereinafter
referred to as the PURCHASER) have entered into an agreement vide Agreement
No. _____ Dated _____ (hereinafter called
the said AGREEMENT) for the supply of _____ (_____)
Metric Tonne of freshly mined prime quality washed/unwashed _____
_____ coking coal (hereinafter referred to as the MATERIALS) on the terms
and conditions mentioned therein.

2. WE, STATE BANK OF INDIA, NAGARNAR BRANCH at the request of the SELLER, do hereby undertake and indemnify and keep indemnified the PURCHASER to the extent of US\$ _____ (United States Dollar _____ only) against any loss or damage that may be caused to or suffered by the PURCHASER, by reason of any breach by the SELLER of any of the terms and conditions of the said AGREEMENT and/or in the performance of the said AGREEMENT by the SELLER. We agree that the decision of the PURCHASER as to whether any breach of any of the terms and conditions of the said AGREEMENT or in the performance thereof has been committed by the SELLER and the amount of loss or damage that has been caused to or suffered by the PURCHASER shall be final and binding on us and the amount of the said loss or damage shall be paid by us forthwith to the PURCHASER on demand and without protest or demur.

3. WE, STATE BANK OF INDIA, NAGARNAR BRANCH, hereby further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for satisfactory performance and fulfilment in all respects of the said AGREEMENT and that it shall continue to be enforceable for (a) 90 days after the date of Bill of Lading of the industrial trial shipment of the MATERIALS under the said AGREEMENT or (b) in the event of any dispute(s) between the PURCHASER and the SELLER, until such period(s) the dispute is settled fully, whichever date is later, and that if any claim accrues or arises against us, STATE BANK OF INDIA, NAGARNAR BRANCH, by virtue of this Guarantee before the dates referred to at (a) and (b) herein above, the same shall be enforceable against us, STATE BANK OF INDIA, NAGARNAR BRANCH, notwithstanding the fact that the same is enforced after the dates referred to at (a) or (b) hereinabove, whichever date is later, provided that notice of any such claim has been given by the PURCHASER before the dates referred to at (a), or (b)

hereinabove, as the case may be. Payments under this LETTER OF GUARANTEE shall be made promptly upon our receiving the notice to that effect from the PURCHASER on demand and without protest or demur.

4. It is fully understood that this Guarantee shall become effective from the date of the said AGREEMENT and that WE, STATE BANK OF INDIA, NAGARNAR BRANCH, undertake not to revoke this Guarantee during its currency without the prior written consent of the PURCHASER.

5. WE, STATE BANK OF INDIA, NAGARNAR BRANCH, hereby further agree that the PURCHASER shall have the fullest liberty, without affecting in any manner our obligations hereunder, to vary any of the terms and conditions of the said AGREEMENT or to extend the time of performance of the said AGREEMENT by the SELLER from time to time or to postpone for any time or from time to time any of the powers exercisable by the PURCHASER against the SELLER and to forbear or to enforce any of the terms and conditions relating to the said AGREEMENT and WE, STATE BANK OF INDIA, NAGARNAR BRANCH, shall not be released from our liability under this Guarantee by reason of any such variation or extension being granted to the SELLER or any forbearance and/or omission on the part of the PURCHASER or any indulgence by the PURCHASER or by any other matter or thing whatsoever which under the law relating to sureties would, but for this provision, have the effect of so releasing us from our liability under this Guarantee.

6. WE, STATE BANK OF INDIA, CAG, BRANCH, NAGARNAR, hereby further agree that the Guarantee herein contained is initially valid up to _____ and that the same shall be extended further according to the provisions contained hereinabove.

7. WE, STATE BANK OF INDIA, NAGARNAR BRANCH, hereby further agree that the Guarantee herein contained shall not be affected by any change in the constitution of the SELLER and/or the PURCHASER.

Note: The expression `SELLER' wherever appearing in this Performance Guarantee Bond shall also include the `PRODUCER'.

FOR AND ON BEHALF OF
STATE BANK OF INDIA
NAGARNAR BRANCH,
Signature:

Name: _____

DULY CONSTITUTED ATTORNEY
& AUTHORISED SIGNATORY

Designation: _____

State Bank of India
NAGARNAR BRANCH
Khasra No. 1369, Kumharpara,
Nagarnar, Distt. Bastar, Chhattisgarh
dated:

(SIGNATURE OF TENDERER)

EOI NO. NSL/COMML/EOI/SCC/2024-25 Dated: 30TH September 2024

Enclosure – VII

INSTRUCTIONS FOR SUBMISSION OF COAL SAMPLE (S) FOR UNDERGOING PILOT OVEN AND/ OR LABORATORY CHARACTERISATION TESTS

The bidders are required to submit free representative samples of the offered coal (s) to NSL after due custom/ port clearances as per the following details:

1.0 Quantity of sample to be despatched

1.1 Soft Coking Coal – 0.50 Metric Tonne

2.0 Packaging of coal sample (s)

The coal sample is to be supplied in sealed drums/ containers which are to be packed as under:

2.1 The coal sample should be moist and packed in polythene bags in air tight condition to minimize weathering.

2.2 The polythene bags should be packed in plastic/ metal containers, which are to be made air tight before transportation.

3.0 The following set of documents will be required for each sample

3.1 Bill of Lading/ AWB –

Consignee - NMDC Steel Limited, Nagarnar-494001, Chhattisgarh India; **(However, Bidder to confirm the same from NSL before despatching the sample)**

Notify party – NMDC Steel Limited, Nagarnar-494001, Chhattisgarh, India.

3.2 Invoice – Indicating “Nil value” and that the sample is of no commercial value. (Value for customs purpose to be indicated).

3.3 Certificate of Origin

3.4 Test certificate

3.5 MSDS certificate (16 point format required)

4.0 Bidder to arrange all clearances like customs /port clearances including payment of airport charges and customs duty before handover of consignment to Research & Development Centre for Iron and Steel (RDCIS), Ranchi in sealed condition. Transport & Shipping Dept., NSL, Nagarnar must be kept informed.

5.0 All documents relating to coal sample to be handed over to NSL, BISO, Nagarnar including original importer copy of Bill of Entry

6.0 . Additional Information:

1) IEC --> Import export Code -- number and certificate allocated to genuine importer by Indian government.

IEC Number: AAFCN3661C

GSTIN: 22AAFCN3661C1ZX

2) AD Code - Authorized dealer code. Bank number allocated to genuine importer by the Indian government.

Authorised Dealer Code Number : 0013039

Enclosure VIII

(Format A)

**PROFORMA FOR UNDERTAKING FROM COAL PRODUCER OWNING
METALLURGICAL COAL MINE**

No.....

Dated.....

To

**NMDC STEEL LIMITED
COMMERCIAL DEPT
5TH FLOOR,
10-3-311/A, KHANIJ BHAVAN
MASAB TANK
HYDERABAD -500028
INDIA**

Dear Sir,

**Sub: Your Expression of Interest No. NSL/COMML/EOI/SCC/2024-25 Dated: 30TH
September 2024**

We(Name & address) the Coal producer, owning
.....(Name of mine) coal mine producing(Brand/Name of the Offered
coal) Soft coking coal are submitting our offer in response to the subject Expression of Interest
(EOI).

We stand guarantee for the coal supplied against the Agreement concluded through this
Expression of Interest.

Yours faithfully,

(NAME)

For & on behalf of M/s.....

(Name of Coal Producer)

**Note: This letter of authority should be on the Letter-Head of the coal producer and
should be signed by a person competent and having the power of attorney to bind the
Coal Producer.**

(Format B)

PROFORMA FOR UNDERTAKING FROM COAL PRODUCER OWNING
METALLURGICAL COAL MINE

No.....

Dated.....

To
NMDC STEEL LIMITED
COMMERCIAL DEPT
5TH FLOOR,
10-3-311/A, KHANIJ BHAVAN
MASAB TANK
HYDERABAD -500028
INDIA

Dear Sir,

Sub: Your Expression of Interest No. NSL/COMML/EOI/SCC/2024-25 Dated: 30TH September 2024

We(Name & address) the Coal producer, owning(Name of mine) coal mine producing(Brand/Name of the Offered coal)Soft coking coal do hereby authorise M/s (Name and address of Coal supplier) to make an offer in response to the subject Expression of Interest (EOI).

No company/firm or individual other than M/s(Name of Coal supplier) has been authorised to represent us in respect of this specific EOI.

In the event of the offer made by M/s (Name of Coal supplier) being considered by NSL for acceptance, both M/s (Name of Coal supplier) and ourselves shall jointly sign an Agreement with NSL and both of us shall be jointly and severally responsible for the respective obligations of the Agreement.

We stand guarantee for the coal supplied against the Agreement concluded through this Expression of Interest.

Yours faithfully,

(NAME)
For & on behalf of M/s.....
(Name of Coal Producer)

Note: This letter of authority should be on the Letter-Head of the coal producer and should be signed by a person competent and having the power of attorney to bind the Coal Producer.

(Format C)

PROFORMA FOR LETTER OF AUTHORITY FROM METALLURGICAL COAL PRODUCER
OWNING COAL MINE

No.....

Dated.....

To

**NMDC STEEL LIMITED
COMMERCIAL DEPT
5TH FLOOR,
10-3-311/A, KHANIJ BHAVAN
MASAB TANK
HYDERABAD -500028
INDIA**

Dear Sir,

Sub: Your Expression of Interest No. NSL/COMML/EOI/SCC/2024-25 Dated: 30TH September 2024

We (Name & address) the Coal producer, owning(Name of the Mine) coal mine do hereby exclusively authorise M/s (Name and address of coal supplier) to make an offer in response to the subject Expression of Interest (EOI) and in the event of placement of order on them, to complete the supplies of the following soft Coking Coal:

- (1) Details of mine (Name & Address)
- (2) Coal brand
- (3) Offered quantity
- (4) Specification of "....." coal offered against this EOI
- (5) Delivery period .

No company/firm or individual other than M/s (Name of the Coal supplier) is/will be authorised to represent us in regard to this EOI and till completion of such supplies on acceptance of the Bid.

We hereby guarantee for the coal offered for supply against this Expression of Interest by the above firm.

Yours faithfully,

(NAME)
For & on behalf of M/s.....
(Name of Coal Producer)

Note: This letter of authority should be on the Letter-Head of the coal producer and should be signed by a person competent and having the power of attorney to bind the Coal Producer.