



HINDUSTAN ZINC

Zinc & Silver of India

Tender Specification No: HZL/AMM/ RAIL/23-24/03

**Bidding Document and Technical Specifications for AMM service partner for
Rail Mode Coal movement from CIL subsidiaries SECL, NCL & WCL To Hindustan
Zinc Limited, Rajasthan**

04th Mar 2024

Hindustan Zinc is a Vedanta Group company in Zinc, Lead and Silver business. We are one of the world's largest integrated producers of Zinc and are among leading global Lead and Silver producer with a production capacity in excess of 1mn MT pa of metal. HZL is having thermal power plant of 474 MW located at various location in Rajasthan Named as: Chanderiya, Dariba and Zawar.

To meet coal requirement of thermal power plant, HZL is having FSA with different subsidiaries. The details of FSAs are as under:

FSA	Subsidiary	Mine	FSA Grade	Annual QTY (in MT)
TRANCHE II	WCL	Umrer	G9	312500
	WCL	Umrer	G9	127000
TRANCHE IV	NCL	Block - B	G9	229600
TRANCHE V	NCL	Dudhichua	G10	208300
	SECL	Kusmunda Silo	G11	122300
	SECL	Gevra Silo	G11	92600
	SECL	Gevra Silo	G11	62200
	SECL	Junadih -I&II	G11	112000
	SECL	New Kusmunda	G11	57800
TRANCHE VI	NCL	Jayant SILO	G10	206200
	SECL	Kusmunda Silo (KMKA)	G11	89800
	SECL	Gevra Road (OKSR)	G11	19400
	SECL	Govinda (GICK)	G6	100000
	SECL	Junadih-I&II (GPCK)	G11	100000
	SECL	Junadih-I&II (GPCK)	G11	52000
	SECL	Dipka Siding#1	G10	24000
	SECL	New Kusmunda-I&II (NKCR)	G11	152000
TRANCHE VII	NCL	Jayant SILO	G10	260000
	NCL	Block - B	G9	256000

HZL invites quotation from reputed parties to bring the material from above mentioned subsidiaries under Rail mode.

Eligibility criteria for Participation

Technical Criteria:

- Bidder must have handled at least 10 Lakh MT of coal under Rail/Road/Rail cum Road mode from various coal subsidiaries of Coal India cumulatively in last 3 years.
- Experience in co-ordination with railway: coordination with Railways for loading of coal in rakes & dispatch of coal. The bidder must have handled Minimum volume of 3 Lakh MT by rail mode in last 3 years cumulatively.

Financial Criteria: Bidder must have minimum Turnover of Rs 25 Cr/annum for last 3 fiscals.

1. SCOPE OF WORK

Quantity and Grade: The Scope of Work under this Tender specification covers the job from lifting & transportation of coal from colliery to Hindustan Zinc Limited Chanderiya plant on Rail mode Transportation of coal.

FSA	Subsidiary	Mine	FSA Grade	Annual QTY (in MT)	Size of Coal
TRANCHE II	WCL	Umrer	G9	312500	(-) 100 mm
	WCL	Umrer	G9	127000	(-) 100 mm
TRANCHE IV	NCL	Block - B	G9	229600	(-) 100 mm
TRANCHE V	NCL	Dudhichua	G10	208300	(-) 100 / (-) 250 mm
	SECL	Kusmunda Silo	G11	122300	Sized ROM -100 mm or -250 mm
	SECL	Gevra Silo	G11	92600	
	SECL	Gevra Silo	G11	62200	
	SECL	Junadih -I&II	G11	112000	
	SECL	New Kusmunda	G11	57800	
TRANCHE VI	NCL	Jayant SILO	G10	206200	(-) 100 mm
	SECL	Kusmunda Silo (KMKA)	G11	89800	ROM -100 or -250 mm
	SECL	Gevra Road (OKSR)	G11	19400	
	SECL	Govinda (GICK)	G6	100000	
	SECL	Junadih-I&II (GPCK)	G11	100000	
	SECL	Junadih-I&II (GPCK)	G11	52000	
	SECL	Dipka Siding#1	G10	24000	
	SECL	New Kusmunda-I&II (NKCR)	G11	152000	
TRANCHE VII	NCL	Jayant SILO	G10	260000	(-) 100 / (-) 250 mm
	NCL	Block - B	G9	256000	

The scope of work under this specification covers the job of arranging coal supplies to HZL plant by Rail mode from M/s South Eastern Coalfield Limited, M/s Western Coalfield Limited & M/s Northern Coalfield Limited Colliery. Coal being vital input, ensuring uninterrupted Supplies as per the quantity and quality requirements set out in contract is the essence of services to be rendered by contractor. The detailed scope of work for coal Lifting & Transportation Management agency is as follow:

1. Service provider will carry out all required Quality Assurance and Logistic Management Activities with SECL/NCL/WCL to convert 100% of the allocation quantity of coal, from SECL, WCL & NCL mines by rail mode in favor of HZL equivalent to the quantity for maximum possible rake formation.
2. Service provider will ensure timely consent for allotment and loading/dispatch of rakes and supervise by deploying sufficient manpower at the loading point and ensuring proper quantity and quality coal loaded and the coal is free from shale/stone, Big size boulders, heavy Coal Dust and other foreign ingredients and also to ensure for providing as per FSA with coal india subsidiaries.
3. Service provider will ensure timely allocation from desired fields required grade of coal as per this contract.
4. Service Provider will coordinate, follow up and inform us for the linkage rakes status which are in transit from the point of dispatch from loaded siding to till receipt at HZL.
5. Service Provider will ensure boulders, stones, heavy Coal dust & shale are not loaded into rakes and they will also ensure that no bulged/sick wagons are dispatched to HZL, in case a bulged/sick wagon is dispatched then any kind of delay penalty and demurrage incurred to HZL shall be payable by Service Provider.

6. Service provider shall facilitate timely payment of coal bills to SECL, WCL & NCL by getting correct invoices and coordinating with HZL and respective subsidiary team for payment.
7. Service Provider will collect the coal bill and provide other original documents from the NCL/SECL/WCL/Railways for obtaining refund against amounts due to us for various reasons.
8. Service Provider will ensure submission of necessary letters to railway/SECL/NCL/WCL on our behalf and arranging acknowledgement of the same
9. Reconciliation with SECL, NCL & WCL for coal bills & other related documentation.
10. Support in documentation for performance Incentive/penalty.
11. Handling of disputes with respect to FSA.
12. Detailed plan of rake supplies to be given in writing or in mail for the given month before commencement of rake supplies.
13. Service provider shall carry out supervision work to load surface miner ROM coal of correct quantity, quality and size as specified in this service order into wagon from SECL, NCL & WCL mine and dispatch to HZL's plant at Chanderiya.
14. Service provider shall arrange to get Delivery order (DO) for the balance quantity by road if desired by HZL, after allocating maximum possible quantity through rakes (basis full rake capacity as per SECL/NCL/WCL). Service provider shall handover the DO of balance quantity by road mode to HZL's nominated beneficiation Service Provider from time to time to ensure the raw coal is lifted from subsidiary within the time limit specified by CIL. HZL shall have an option to engage Service provider to arrange trucks & transport the quantity by road to HZL's nominated plant. In this case, the road transportation rate shall be mutually discussed and agreed.
15. Service provider will ensure timely indentation and annexure filing for railway program for HZL.
16. Service provider shall co-ordinate with Railway Authorities concerned for sanction of program for loading of ROM Coal.
17. Service provider shall ensure that HZL is receiving the refund timely for excess amount paid to SECL/ NCL/ WCL / Railway on monthly basis. Service provider shall provide a reconciliation statement to HZL on monthly basis showing the total amount paid, actual refund received by HZL & balance yet to be refunded.
18. Service provider shall supply the coal to HZL on delivered basis and the quantity & quality as received at HZL plant(s) would be final and binding for payments and all contractual purpose.
19. Service provider shall maintain all the necessary documentation of coal receipt form SECL, WCL and NCL coal dispatched to HZL
20. Service provider will support HZL for carrying out reconciliation of linkage coal on quarterly basis with SECL, WCL, NCL & railway, if any.
21. Service provider will support to prepare the costing related data for Spot / Exclusive auction and also arrange to provide the ground report for all auctioned mining area for quality.

Based on agreed GCV are based on present declared grades/condition of mines and if any changes will be in declared grades and situation of mines/sidings, same will also attract AMM commitments/review. In case there is a major difference/variation in quality in the Mines/Colliery Siding, then it will be mutually discussed and finalized as early as possible for modus operandi to avoid loss at both ends.

There will not be any concurrence of third-party Analysis, HZL CRDL/ authorized Lab report shall be final and binding for all payment purpose and all contractual purpose.

2. Specifications:

Service provider shall ensure to load surface miner ROM coal as per following specifications.

- The ROM coal to be supplied shall be of the size 0 - 100 mm Crushed Coal or as per FSA
- The quality of coal shall be determined as follows:
The samples of the coal shall be collected from the wagons at HZL's plant located at Chanderiya.
The analysis shall be carried out at HZL- CRDL standards, the analysis declared shall be final and binding for payments and calculation of Bonus & penalties.

3. Bonus and Penalty:

Penalty:

For every reduction of GCV ARB below contracted grade 100% penalty shall be levied on prorated basis with respect to landed cost of coal at HZL's plant

Ex: GCV Guarantee for a mine is 3600+/-100 Kcal/Kg GAR then penalty will be calculated from 3500 GAR as below

$$\text{Penalty amount} = (((\text{Actual GCV} - 3500) / (3600)) * \text{landed cost})$$

Bonus:

Slab wise bonus shall be paid as defined below for improvement in GCV (ARB) on contracted grade GCV (ARB)

For 101 to 200 GCV improvement: 50% prorated bonus on landed cost

For 201 to 300 GCV improvement: additional 30% prorated bonus on landed cost

For 301 and above GCV improvement: additional 20% prorated bonus on landed cost

Ex: GCV Guarantee for a particular mine is 3600+/-100 Kcal/Kg GAR then bonus will be calculated from 3600 GAR as described above with below formula

$$\begin{aligned} \text{Bonus amount} = & \text{IF}((\text{Actual GCV}-3600)<100,0,\text{IF}(\text{Actual GCV}>(3600+300),((\text{Actual GCV}-(3600+300)) \\ & /3600*20\% +((3600+300)-(3600+200))/3600*30\%+((3600+200)-(3600+100))/3600*50\%),\text{IF}(\text{Actual} \\ & \text{GCV}>(3600+200),((\text{Actual GCV}-(3600+200))/3600*30\%+((3600+200)-(3600+100))/3600*50\%), (\text{Actual} \\ & \text{GCV}-(3600+100))/3600*50\%))*\text{landed cost}) \end{aligned}$$

Penalty / bonus calculation on quarterly average basis, GCV to be taken as per clause 1 of Major Commercial terms

** Landed cost shall be calculated as (Coal price + Railway freight + Handling charges), excluding debit/credit note raised at latter stage due to quality change.

4. Incentive for rake materialization:

Calculated separately for SECL, WCL & NCL mines (Quarterly average basis)

1-4 rake per Month	Rs.20/- PMT
5-10 Rakes per Month	Rs.30/- PMT
11 and above Rakes in a Month	Rs.40/- PMT

ABOVE RAKE MATERIALISATION INCENTIVE WILL REVIEW QUARTERLY BASIS AND HZL RESERVE ALL RIGHTS TO MODIFYING OR CANCELING OF INCENTIVE AT ANY POINT OF TIME

5. Penalty on Overloading Charges:

AMM must ensure no overloading. Any punitive charges due to overloading above Rs. 2,00,000/rake a penalty as below will be imposed on service provider.

Overloading Charges per rake	Penalty
0 - 2 Lakhs	No penalty
2 - 5 Lakhs	Rs.15,000/ per rake
Above 5 Lakhs	Rs. 25,000/ per rake

6. Weighment:

The weighment as per the in-motion weigh bridge installed at HZL'S Chanderiya plant shall be considered as final and binding for both the parties.

7. Demurrage /Wharfage / Penal Freight/ Idle Freight:

- All overloading, Punitive Charges/ Pushback Charges/ Shunting Charges/ ENHC/ PCLA / Demurrage at loading end as well as at unloading end shall be in HZL account. Service Provider to ensure no overloading shall be done.
- The minimum loading guarantee for N BOX / NHL Box wagon for the rake will be derived based on CC weight and maximum relaxation will be 2% of CC weight.
- Any underloading below specified limit will be in service provider account and will be calculated post adjustment of credit received from CIL subsidiaries. Underloading penalty shall be calculated on quarterly average basis.
- In case where the number of wagons per rake is less than the full rake because some of the wagons have been declared sick then the weight allowed in the sick wagons (as per the wagon type) will be excluded while calculating the allowable weight.

8. Shortage:

Shortage of 1.5% shall be allowed from RR weight to received weight at HZL. In case of shortage more than 1.5% the coal value shall be recovered on landed cost basis from service provider. **All shortages found at the destination will be calculated on Quarterly average basis.**

Charge Weight	Dispatch Weight	HZL receipt Weight	Landed cost	Shortage = Disp. Weight – HZL Recv. Weight	% of Shortage /Excess	Penalty applicable on excess of 1.5%	Shortage 1.5% Tolerance allowed	Penalty Weight	Penalty Amt
4009	3865.8	3872.22	3571.45	6.42	0.17	No			

9. Payment Procedure:

The contract fee payable to service provider shall be paid by HZL on the quantity received by HZL as per HZL's weighbridge. Payment of these bills shall be made to service provider by HZL within 30 days of submission of bills.

10. Bank Guarantee:

Service provider to submit BG of 50 Lac to HZL as security.

11. Tenure:

The duration of contract will be one year from the date of issuance.

The Scope of Work has been detailed as above but in case any items are omitted from the Scope of Work but otherwise required to complete the work then such items shall be deemed as included in the Scope of Work without any additional financial liability to HZL.

12. Detailed offer:

Please submit your detailed offer along with information required as mentioned below:

1. Service charge for AMM service INR /MT

Guaranteed GCV for each mine:

Subsidiary - WCL	Mine - Umrer	FSA Grade – G9
Mine Supplied Grade	Guaranteed GCV (ARB) (Kcal/Kg)	
	Non-Monsoon Period (1 st Oct to 30 th June)	Monsoon Period (1 st July to 30 th Sep)
G5		
G6		
G7		
G8		
G9		
G10		
G11		
G12		
G13		

Subsidiary - NCL	Mine – Block - B	FSA Grade – G9
Mine Supplied Grade	Guaranteed GCV (ARB) (Kcal/Kg)	
	Non-Monsoon Period (1 st Oct to 30 th June)	Monsoon Period (1 st July to 30 th Sep)
G5		
G6		
G7		
G8		
G9		
G10		
G11		
G12		
G13		

Subsidiary - NCL	Mine - Dudhichua	FSA Grade – G10
Mine Supplied Grade	Guaranteed GCV (ARB) (Kcal/Kg)	
	Non-Monsoon Period (1 st Oct to 30 th June)	Monsoon Period (1 st July to 30 th Sep)
G5		
G6		
G7		
G8		
G9		
G10		
G11		
G12		
G13		

Subsidiary - NCL	Mine - Jayant Silo	FSA Grade – G10
Mine Supplied Grade	Guaranteed GCV (ARB) (Kcal/Kg)	
	Non-Monsoon Period (1 st Oct to 30 th June)	Monsoon Period (1 st July to 30 th Sep)
G5		
G6		
G7		
G8		
G9		
G10		
G11		
G12		
G13		

Subsidiary - SECL	Mine - Kusmunda Silo	FSA Grade – G11
Mine Supplied Grade	Guaranteed GCV (ARB) (Kcal/Kg)	
	Non-Monsoon Period (1 st Oct to 30 th June)	Monsoon Period (1 st July to 30 th Sep)
G5		
G6		
G7		
G8		
G9		
G10		
G11		
G12		
G13		

Subsidiary - SECL	Mine - Gevra Silo	FSA Grade – G11
Mine Supplied Grade	Guaranteed GCV (ARB) (Kcal/Kg)	
	Non-Monsoon Period (1 st Oct to 30 th June)	Monsoon Period (1 st July to 30 th Sep)
G5		
G6		
G7		
G8		
G9		
G10		
G11		
G12		
G13		

Subsidiary - SECL	Mine – Junadih I & II	FSA Grade – G11
Mine Supplied Grade	Guaranteed GCV (ARB) (Kcal/Kg)	
	Non-Monsoon Period (1 st Oct to 30 th June)	Monsoon Period (1 st July to 30 th Sep)
G5		
G6		
G7		
G8		
G9		
G10		
G11		
G12		
G13		

Subsidiary - SECL	Mine – New Kusmunda	FSA Grade – G11
Mine Supplied Grade	Guaranteed GCV (ARB) (Kcal/Kg)	
	Non-Monsoon Period (1 st Oct to 30 th June)	Monsoon Period (1 st July to 30 th Sep)
G5		
G6		
G7		
G8		
G9		
G10		
G11		
G12		
G13		

Subsidiary - SECL	Mine – Gevra Road	FSA Grade – G11
Mine Supplied Grade	Guaranteed GCV (ARB) (Kcal/Kg)	
	Non-Monsoon Period (1 st Oct to 30 th June)	Monsoon Period (1 st July to 30 th Sep)
G5		
G6		
G7		
G8		
G9		
G10		
G11		
G12		
G13		

Subsidiary - SECL	Mine – Govinda	FSA Grade – G6
Mine Supplied Grade	Guaranteed GCV (ARB) (Kcal/Kg)	
	Non-Monsoon Period (1 st Oct to 30 th June)	Monsoon Period (1 st July to 30 th Sep)
G5		
G6		
G7		
G8		
G9		
G10		
G11		
G12		
G13		

Subsidiary - SECL	Mine – Dipka Siding	FSA Grade – G10
Mine Supplied Grade	Guaranteed GCV (ARB) (Kcal/Kg)	
	Non-Monsoon Period (1 st Oct to 30 th June)	Monsoon Period (1 st July to 30 th Sep)
G5		
G6		
G7		
G8		
G9		
G10		
G11		
G12		
G13		

Please share GCV guarantee for all grades, considering CIL subsidiaries may change loading grade.

2. All punitive charges related to railway like POL1, POL2, PCLA, POLA, ENHC, etc. will be in service provider scope.

Service charge for Railway punitive charges: Rs/MT

3. To improve coal quality from Coal Subsidiary, Service provider will put additional manpower for coal quality supervision to reduce the quality slippage. The manpower will ensure the correct and better quality of coal loading.

Service charge for Additional Manpower Deployment: Rs/MT

13. Selection of AMM service Partner:

Selection of Transporter will be done through Ariba Auction only. In case vendor not yet completed their profile, please complete vendor registration on Ariba portal.

Please note that final offer shall be accepted only through Ariba portal. Please confirm once profile is completed.

Last date for submission of offer is 17/03/2024.

In case of any queries, please contact:

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