

**Response to the clarifications received against**  
**GLOBAL TENDER NO. MBL/TC/2017 – 18/2**

1. *Please explain what is Techno Commercial Bid and Price Bid? What sort of formation/documents should be included in each part?*

Answer : As per clause 16, the detailed offer shall be submitted in two(2) parts .

**Part 1 : Techno Commercial Bid along with Bid bond**

In part 1 of the bid, bidder is supposed to submit the earnest money, blank price bid duly signed, and other information /data and documents etc. The bidder shall also furnish details of coal purchased/traded in the last three years, up to the last date of submission of bid. Bidder shall furnish detailed information of the company /individual along with the last three years published annual accounts and annual report if available. These documents should clearly show the exact nature of ownership. (Refer clause 10 and 16 of the tender document)

**Part 2 : Price Bid**

Only duly filled in price bid should be submitted as per the prescribed proforma enclosed as part III of the bidding document (refer clause 16 )

2. *Question :-Clause no 10.1 Pursuant of para 6 , the bidder in part-I of the bid, shall furnish details of coal purchased/ traded in the last three years , upto of the last date of submission of bid . Do I need to submit it again even if I submitted in the earlier tender?*

Answer: Bidder needs to submit the details even if they had submitted in the earlier tender

3. *Question : Clause no 10.2 Bidders shall furnish detailed information of company / individual along with the last three years published Annual accounts and Annual reports if available. These documents should clearly show the exact nature of ownership. . Do I need to submit it again even if I submitted in the earlier tender?*

Answer : Bidder needs to submit the details even if they had submitted in the earlier tender.

4. *Question : Offers has been invited on Index Linked (API4), Base price determination under clause 16.6.3 has been clarified as the Average of 2 weeks price immediate prior to the week in which bill of lading is issued. We need clarification on this point. Suppose the B/L date is 24th August 2017 (Thursday) under this scenario what average will be considered? Please clarify with example.*

Answer: 24<sup>th</sup> August is the Thursday (similar treatment for 25<sup>th</sup> August, Friday, also) of the 34<sup>th</sup> week of 2017. **Argus/McCloskey's Coal Price Index Report** is published every Friday. From the **Historical trend of weekly indexes** published in the report, weekly averages for the 2 immediately preceding weeks ending 11<sup>th</sup> and 18<sup>th</sup> August, i.e. 32<sup>nd</sup> and 33<sup>rd</sup> weeks, will be averaged for the purpose of base price determination.

5. *Under Load Port Analysis, we need the Certificate of Analysis to contain the results on ARB as well as ADB. Also we would like you to include Gross Calorific Value and Inherent Moisture.*

*Can you arrange for this?*

Answer: The same can be provided. Normally results of all parameters mentioned in the tender document will be included in the Certificate of Analysis. All other derived results or results obtained during the process of conducting the test can also be provided on case to case basis, so long as additional tests are not required to be conducted.

6. *The bid validity period of 20 days is extremely long keeping in view the volatile market. Kindly advise if Bidder can bid for a shorter validity*

Answer: The validity of the offer (discount over API#4) for 20 days is ok considering the fact that the actual sale price is linked to the index and would therefore vary/correct with the prevailing market condition at the time of sale.

7. *Page 4 of 30: Minimum Bid Quantity: There are 4 shipment of 33,000 MT +/-10% on offer by the Seller. Thus the two shipments should be 66,000 MT +/-10% instead of 70,000 MT +/-10%. Please confirm.*

Answer : Bidder may bid in the multiple of 33,000 MT +/-10% : However bid must be for at least two shipments as specified in the tender document .

8. *Page 4 of 30: Clause 10 - Please note the details of coal purchased/ traded and supporting docs may be difficult to share. Would a letter from supplier for successful purchase of quantity would be sufficient ( same letter as submitted in last tender)*

Answer :- A letter from the supplier for successful purchase/trade of quantity would be sufficient .

9. *Page no 10 of 30 (Performa for price Bid) – mentions “no conditions to be mentioned in this format and any qualification will make the offer liable for rejection and forfeiture of EMD” – Please advise if any conditional offer means forfeiture of EMD or any condition should be specified in technical bid (not price bid) as the Seller will have an option to not to open the price bid if the conditions*

*are not acceptable or to proceed with opening of price bid if the conditions are acceptable.*

Answer:- Any conditional offer in the Price Bid will lead to disqualification and forfeiture of EMD. However, any conditional offer in the Techno Commercial Bid will reduce the chances of the bidder to qualify in the tender. It is advisable not to give conditional bid.

10. *Page 5 of 30 – Clause 13. – Since the submission is in electronic format, we think submission of bid in two copies is irrelevant? Please advise.*

Answer: Acceptable. Only one copy may be provided.

11. *Page 6 of 30: Base Price: as per standard international practice, API4 index used for pricing should be for the month of BL and not two weeks average as it is difficult to hedge the same. Kindly confirm.*

Answer : The clause as mentioned in the tender document is OK.

12. *Page 6 of 30 - Pricing Mechanism. – Usually API4 is for 6000 NAR cargo while the cargo being offered is 5500 NAR. So the derived price arrived after deducting the discount from the base price ( API4) would be for 6000 NAR basis or 5500 NAR basis?*

*For sake of clarity: Assuming API4 = 100 USD*

*Discount : 15 USD*

*Derived price : 100-15 = 85 USD*

*This 85 USD would be price basis 5500 NAR or 6000 NAR?*

*Please clarify.*

Answer: The derived price arrived after deducting the discount will be for 5500 NAR only. This 85 USD would be base price for 5500 NAR. This will be further corrected for actual CV of the coal supplied, based on the CoA, as per clause no 16.6.5 of the tender to arrive at the FOB price.

13. *Page 6 of 30: Clause 16.5 : Since we shall be taking the cargo for forward selling to end user basis the discount quoted, the value of our purchase shall be based on the API index which may go up or down. In case Seller refuses to sell if FOB of the quantity agreed under the contract goes below 49, we may be in default with our commitments with the end user to whom we shall be selling the cargo. Thus request you to kindly remove this conditions which will not be in spirit of contract. Kindly confirm.*

Answer: If the FOB price at Beira port works out to be below USD 49 per ton, then also the sale will be done, but the price of the coal shall be USD 49 per tonne.

*14. Payment: Please advise if it is ok to open the separate LC for each shipment under the contract before the agreed laycans and not revolving LC as requested in the documents.*

Answer: LC to be opened as indicated in the tender document.

*15. Kindly advise if Seller shall be able to provide the Certificate of Origin as per attached format for obtaining concessional duty for import from least developed nations category*

Answer: Certificate of Origin in the specified format for availing DFTPS for LDCs in India, can be provided.

*16. We request you to kindly consider NOR tendering at ATDNSHINC and turntime of 12 hrs as per standard international shipping practice.*

Answer:- NOR tendering at ATDNSHINC and turntime of 24 hrs shall be used.