

Date.19.05.2016

GVK POWER (GOINDWAL SAHIB) LIMITED

SUMMARY OF CLARIFICATIONS TO THE QUERIES RECEIVED FROM BIDDERS

QUERY #1

We wish to seek your confirmation that the Railway Freight indicated by the bidders will be as per the prevailing rates of surcharge & levies at the time of bid submission and hence, any upward or downward revision in the surcharges, levies, change in basic freight or freight slab after the bid submission shall be reimbursed by GPGSL at actual. However, the railway freight to be paid by GPGSL will be restricted to the actual railway freight applicable at the time of dispatch between the loading siding (as per the Port of discharge quoted for in the price bid) and the GVK Plant siding.

CLARIFICATION

We clarify that your observation is correct. The actual freight charges incurred will be paid by the buyer.

QUERY #2

1) **Page 10, Point 12.3** - Contract Performance Guarantee: Performance Bank Guarantee for 10% value of the Contract Value will be kept as a security against ~~unsatisfactory~~ Non performance performance during the Period of the Contract. In case of such ~~unsatisfactory~~ Non performance performance, GPGSL will invoke the CPG either in full or in part as the situation may require; and the supplier will have to submit a fresh CPG or replenish the shortfall amount as appropriate within 2 (two) weeks of such invocation and intimation from G P G S L for the same to supplier.

CLARIFICATIONS

We have no objection if ~~unsatisfactory~~ is read as Non performance

QUERY #3

RB3 coal should be replaced with 4800 NAR coal.

Agreed to replacing RB3 with 4800 NAR coal for bidding purpose

QUERY #4

4) **Page 15, last paragraph:** The certificate of vessel draft survey so determined, indicating the cargo weight at discharge port, shall be final and binding on both Buyer and Bidder. Add "If buyer is unable to provide results/ certificate of analysis of IIA appointed by buyer at discharge port for balance 10 percent negotiation within 10 working days from date of completion of discharge then load port results of IIA appointed by seller to be deemed as final for the shipment. Discharge port IIA appointed by buyer will be with mutual consent of seller."

Clarification

Agreed but with 15 days to provide Results/Certificate of analysis of IIA appointed by buyer at discharge Port.

QUERY #5

5) **Page 16, clause 7** - Bidder has to send load port sample to GPGSL within ~~2 days~~ 5 working days of sample preparation through courier and results will be collected within 7 working days from Loadport.

Clarifications :

Agreed for the bidder to send load sample to GPGSL within 5 days

QUERY #6

7) **Page 17, 2nd paragraph** - At load port the Independent inspection company will prepare 3 sets of ~~sub lot wise~~ and composite samples as follows. No sublots can be provided, agency will give the sample to the representative of buyer and supplier within 5 working days after completion of sampling at Load port and buyer can carry that packet of sample.

Clarifications : Agreed

QUERY #7

8) **Page 19, clause 9** - LC to be received by and fully workable with Bidder ~~not later than 5 to 7 working days after confirmation of order & LC draft, containing terms & conditions, shared by the Buyer.~~ LC to be opened 5 days prior to vessel reaching load port. :

Clarifications :

GPGSL clarifies that LC will be opened as per the tender document only.

QUERY #8

9) **Page 24, clause 17** - Add subject to confirmed LC received by seller as per the contract. :

Clarifications : Agreed, but for those who require LC confirmation will have to bear the confirmation charges

QUERY #8

10) **Page 25, clause 21** - The place of arbitration shall be ~~Hyderabad, Telangana, India~~ Singapore.

Clarifications : Singapore is not acceptable It is Hyderabad, Telangana, India only.

QUERY #9

The contract shall in all instances be governed and construed in accordance with ~~Indian~~ English Law. Hon'ble Court of ~~Hyderabad~~ Singapore shall have sole jurisdiction in all matters relating to the arbitration proceedings.

Clarification

Request not acceptable, it will be per Indian Law only.

QUERY #10

11) Page 26, Clause 26 - Add vice- versa.

Clarification: Is not acceptable

QUERY #11

This is in reference to above referred NIT for " **CIF 1.2 Million MT Imported Non-Coking Coal 4800 NAR of South African Origin up to Kandla/ Any West Coast Port, India and Handling & Transportation from Kandla/ Any West Coast Port, India to Goindwal Plant "**.

As per the tender terms of Part B, experience certificate required for handling & transportation tender is 10 lac MT, it is next to impossible to arrange experience certificate for 10 lac mt in such a short duration. Henceforth, we request you to kindly make the qualification requirement uniform for supply and handling tender i.e, 5 lac MT or allow to enclose notarized PO copies instead of Experience certificate.

Clarifications:

We accept uniform qualifications for both supply and handling tenders i.e..5.00lac MT in any one of the financial years during last 3 financial years.

QUERY #12

This is in reference to above referred NIT for " **CIF 1.2 Million MT Imported Non-Coking Coal 4800 NAR of South African Origin up to Kandla/ Any West Coast Port, India and Handling & Transportation from Kandla/ Any West Coast Port, India to Goindwal Plant "**.

We wish to bring to your kind notice that, we are very keen to participate in the above-referred tender and have accordingly gone thru the detailed terms and conditions mentioned in the tender, we would like to request you to please amend the following clause of the Tender Document:

We wish to state that the documents/certificates for participation in Handling & Transportation bid required by your good organization are not possible to be arranged within a short period of time. The so mentioned qualifying criteria should be for those bidders which are interested to participate only for Handling & Transportation section.

We are an importer and as per your previous tender criteria, we have arranged the necessary documents & certificates accordingly but now it is not possible to arrange furthermore documents in concern to handling & transportation in such a short time.

Hence, we request your good self to kindly amend the clause and the documents (as required in CIF Basis Supply) submitted by an Importer should be considered eligible for both CIF Basis & Handling else we will be able to participate only for CIF Supply basis & it would not be possible for us to participate completely for both sections in the bid.

Clarifications:

If the qualification certificate cannot be obtained due to time constraints a notarized copy of a previous experience certificate pertaining to the period of qualification is acceptable by GSPSL

QUERY #13**1. Part A, Volume I (Clause 15.0,IA -Qualifying Requirement):**

The Clause states that “bidder (Part A) should have supplied and handled a minimum of 5 Lakh MT of any type of Non Coking Coal, in any one financial year during last three financial year.

We understand that there is a typographical error in the Clause as handling will not be under the scope of Part A bidder (CIF/HSS supplier) and hence it is irrelevant for Part A of the tender. Moreover, CIF suppliers will not have handling experience. Please clarify and amend suitably.

Clarification :

Agreed

QUERY #14**2. Part A, Volume II (Clause 5.0– SPECIFICATIONS OF COAL):**

Typical as well as rejection value for Sulphur as envisaged under this Clause as 0.8%. We wish to state that this is very stringent and not aligned with the international commodity trade practices. Therefore we wish to submit the following for your consideration:

- a. In order to provide flexibility to the bidders to offer best prices against the tender we request you to amend the Sulphur rejection percentage from 0.8 to 1.1

Clarification

Sulphur rejection percentage cannot be changed, the rejection criteria stands as per the original document.

QUERY #14

- b. Inter lab tolerance between Load Port and Discharge Port IIA labs for sampling and analysis should be envisaged as per the ASTM Standards.

Clarifications:

Agreed, as long as the final test results are within the rejection levels

QUERY #15

3. Part A, Additional Queries

Please confirm that any demurrage on account of pre-berthing delay shall be to the account of GVK.

Clarifications :

Agreed

QUERY #16

4. Part 8, Volume II (Clause 4.1-Cargo Discharge/Discharge Rate, Clause 10.0 & Annexure B): The above mentioned Clauses are contradictory on nature, i.e. Clause 4.1 mentions that the cargo would be discharged on Customary Quick Dispatch (CQD) basis at Kandla/ Any West Coast Port. Where as, Clause 10.0 states that Laytime would be calculated basis 15000 MT per day for geared as well as gearless vessels and again Annexure B asks the bidders to quote the Guaranteed Discharge Rate.

Therefore, please confirm if the laytime calculation will be basis the Guaranteed Discharge Rate quoted in the price bid.

Further, in the same clause it is mentioned that bidder will pay the Customs Duty. Please confirm that the Customs Duty will be paid by GVK directly.

Additionally, please confirm that any demurrage on account of pre-berthing delay will be to the account of buyer (GVK).

Clarifications :

Please bid considering minimum discharge rate of 15000 MT/WWDSHINK

QUERY #17

Part 8, Volume

e II (Clause 4.1-liaisoning with Indian Railways & its Offices):

The Clause states that bidder shall liaison with Railway Authorities for indenting for rake for placement of rake at Kandla/ Any West Coast Port We wish to state that for dispatches of cargo under Part 8 through Railways, GVK will be the consignor as well as consignee. As per the indenting mechanism followed by Indian Railways, only the consignor or the consignee can place the indents through their own login credential is

Therefore, please confirm that GVK will be responsible for placements of indents. However, the bidder will provide all the necessary support required till the rake dispatch from the loading siding

Clarifications:

Part B, Volume II (clause 4.1- Liaisoning with Indian Railways & Its office): Please note that the entire scope of work “right from discharging cargo till it reaches site” lies with the bidder. The necessary follow-ups with railways for allotment of rakes etc. to be done by the Bidder. GVK will provide required documents in this regard.

Queries :

6. Part B, Volume II (Annexure B -Price bid submission form):

Please clarify/confirm the following with regard to the price bid format.

- a) Typographical error in the header; •CHA Scope• is written in place of "in Figures"
- b) We understand that bidders need not quote for the items under E. Payable by GPGSL” and it would be filled by GPGSL for the purpose of computation of landed price and evaluation of the lowest bidder. Also, it is not possible for a Part B bidder to quote the Customs Duty because they will not have any basis (CIF Price) to do that
- c) Bidders are not required to specify the Port basis which they are offering the prices. We wish to clarify that, how would the railway freight be considered for evaluation as railway freight from different ports to GVK plant will vary.

Clarifications :

Part B Volume II (Annexure B-Price Bid Submission): Revised formats are attached and uploaded.