



FAUJI CEMENT COMPANY LIMITED

Afghan Coal (Nahrine)

| Specification | Offered Values | Rejection Limits | Penalty / Premium Formulae |
|-----------------------|----------------|------------------|---|
| GCV(Kcal/kg) (ADB) | 6500 | <6000 Kcal | Adjusted Rates = FOR Cost x Actual GCV / 6500 |
| TM (ARB) | 8 | >15% | Wt Adjustment = Qty Received x (100- Actual TM) / 92 |
| Sulfur | 1 | >1.2% | Deduction @ 0.1 % of FOR cost on each 0.1% increase over 1 % till 1.2 %. Premium on less than 1% Sulfur is not admissible. |
| Ash | 12 | >18% | Deduction @ 0.1% of FOR cost on each 1% increase over offered % till 18 %. |
| VM | 22-30 | >30% or <22 % | Premium on VM is not admissible. |

Terms and Conditions

- (1) **Rate of Coal.** On FOR basis only as per the quality of offered coal.
- (2) **Price to be Quoted on FOR Site Located.** Near Village Jhang, Tehsil Fatehjang, District Attock.
- (3) **Acceptance of Coal and Calculation of Premium/Penalties.** Coal will be accepted till sun set without any holiday (except when specified by Procurement Department) subject to being within **offered and rejection limits** given in para-6d above. However, variations in specifications will be **liable to penalties or premium** as per given formulae on weighted average quantity basis. A certificate to this effect will be issued by Procurement Department to supplier for bill/ payment. Final adjustment will also be made on the **Gross Weighted Average** results of the whole quantity against that PO.
- (4) **Receipt of Sub-Standard Consignment.** The results of all consignments will be taken on **weighted average** method for calculation of net results. However, **under no circumstances, the specifications of coal in any truck should fall below/more than given rejection limits.**
- (5) **Lab Test and Weight.** Lab test of QC FCCL and weight measured at FCCL Weigh Bridge will be considered as final.
- (6) **Security.** Firm is required to deposit a Pay Order/DD @ 1% of the total cost of offer (**not less than Rs. 50,000/-**) in favor of FCCL as security. The same will be refunded subject to successful completion of PO.



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(7) **Import of Coal**

- (a) Coal will be imported in favor of FCCL and all documents at **Torkham** will be prepared accordingly on the basis of an authority letter being issued by this office on receipt of the name of selected custom clearing agent from the supplier. Payment on account of GST will be reimbursed as per GDs along with material bill provided coal received by FCCL is in the same truck having same weight as indicated in each GD.
- (b) In case coal is imported by the firm on commercial basis then amount of GST will be paid on rates fixed by Government of Pakistan on agreed cost of material payable after deductions of penalties etc. Activation of GST account of firm with FBR is mandatory.

(8) **Premium.** Will **not** be paid in cash; however the same will be adjusted as compensation against other penalties (if levied) less Sulfur and VM.

(9) **Payments**

- (a) **Freight Charges.** Will be made within **48 hours** of Receiving Report.
- (b) **Cost of Material and Taxes.** Will be paid on **20th day** of last Receiving Report.