



FAUJI CEMENT COMPANY LIMITED

Local Coal

Generally 3,000MT–9,000MT is required per month as per following specifications: -

Specification	Desired Specs	Rejection Limits	Penalty / Premium Formulae
GCV(Kcal/kg) (ADB)	6800 Kcal/kg	<5800 Kcal/kg	Adjusted Rates = FOR Cost x Actual GCV / 6800
TM (ARB)	8%	>15%	Weight Adjustment = Qty Received x (100- Actual TM) / 90
Sulfur	2.5%	>3.0%	Deduction @ 0.1 % of FOR cost on each 0.1% increase over 2.5 % till 3 %. Premium on Sulfur less than 2.5% is not admissible.
Ash	17%	>23%	Deduction @ 1% of FOR cost on each 1% increase over 17 % till 23 %.
VM	7 -20%	<7 & >20%	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.** Coal will be received / accepted till sun set subject to if found within **offered and rejection limits** of specifications as agreed with the firm. However, variations in specifications will be **liable for penalties or premium** as per formulae given in Para -6f ante.
- (4) **Receipt of Sub-Standard Consignment.** The results of all consignments received 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.** Lab test of QC FCCL will be considered as final.
- (6) **Weight.** The weight measured at FCCL Weight Bridge will be considered as final.
- (7) **Rules For Calculation of Penalties/Deductions.** Penalties/deductions will be applied on weighted average quantity of each certificate prepared for payment. However, final adjustment will be made on the **Gross Weighted Average** results of the whole quantity against PO.
- (8) **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.
- (9) **Premium.** Will not be paid in cash; however **will be adjusted as compensation against other penalties** (if levied)
- (10) **Payments**
 - (a) **Freight Charges.Freight Charges.** Will be paid within 48 hours after Receiving Report.
 - (b) **Cost of Material.** Will be paid on **20th day of last Receiving Report** indicated in each penalties / premium certificate.