

GOVERNMENT OF SRI LANKA

MINISTRY OF POWER AND ENERGY

LANKA COAL COMPANY (PRIVATE) LIMITED

APPLICATION FORM

FOR REGISTRATION OF COAL SUPPLIERS

LAKVIJAYA POWER PLANT (900MW)

JANUARY 2017

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APPLICATION FORM

a) STATEMENT OF APPLICANT

Items		Applicant's Response
1.	Name of Firm :	
2.	Registered Address : Telephone No. : Telefax No. : E-Mail :	
2.1	Mailing Address : Telephone No. : Telefax No. : E-Mail :	
3	Names of Chairman / Managing Director / General Manager / Chief Executive Officer / Other / Partners :	
3.1	Contact Person Name : Position / Title : Telephone No. : Telefax No. : E-Mail address :	
3.2	Local Agent (if any) Name : Position / Title : Telephone No. : Telefax No. : E-Mail address :	

c) GENERAL EXPERIENCE

Item		Applicant's Response
1	How many years has your organization been in business under your present business name :	
2	How many years of experience in work related to supplying thermal / coking coal to export markets :	
3	Indicate years of organization's overseas experience in supplying coal (List countries and the number of years) :	

d) PARTICULAR EXPERIENCE

EXPERIENCE IN SUPPLYING COAL HAVING GROSS CALORIFIC VALUE (ARB) 5900 kCal / kg OR HIGHER FOR UTILITIES / FIRMS IN LAST THREE (3) YEARS.

PART 1

Applicant shall provide following information in respect of each purchaser. Also the applicant is requested to submit a summary by providing the name of the purchaser, quantity of coal supplied and the total quantity supplied to all the purchasers during the period mentioned below. Use separate table for each purchaser.

Items		Applicant's Response	
1.	Name of the Purchaser :	
2.	Address :	
3.	Telephone, fax, E-mail :	
4.	Period of order / contract :	
5.	Coal Source :		
6.	Loading and Delivery locations :	Loading:	Delivery:
7.	Basis of the Contract :	FOB basis / C & F basis / CIF basis	
8.	Coal [GCV (ARB) 5900 kCal / kg or higher] Supplied during period : (Million Metric Tons)	1 st April 2013 to 31 st March 2014	
		1 st April 2014 to 31 st March 2015	
		1 st April 2015 to 31 st March 2016	

PART 2

To be filled and certified by each purchaser indicated in PART 1.

Name of the Purchaser :.....

Address of the Purchaser :.....

Name of the authorised person signed on behalf of the Purchaser :.....

Contact details of the authorised person signed on behalf of the Purchaser :

Telephone no :.....

Fax No :.....

Email :.....

Name of the supplier :.....

Contract No. and date	Quantity supplied (MT)			Total quantity Supplied under the Contract
	1 st April 2013 to 31 st March 2014	1 st April 2014 to 31 st March 2015	1 st April 2015 to 31 st March 2016	

Purchaser’s Signature and seal.....

PART 3

To be filled and certified by the Purchaser – please provide details for each contract in separate form.

Note: Date of BL / GRN is considered as the date of supply and hence BLs / GRNs dated not within the period 1st April 2013 to 31st March 2016 shall not be considered.

Contract No. and date :.....

BL/GRN No.	Date of BL / GRN	Test Certificate Reference No.	Quantity Supplied in MT

Purchaser’s Signature and seal :

e) FINANCIAL STATUS OF APPLICANT

1. Applicant shall summarize actual assets and liabilities in U.S. dollar equivalent (at the rates of exchange that prevailed at the end of each year) for the last three (3) years.

Applicant shall attach annual reports and certified copies of audited financial statements for the last three (3) years.

Financial information in USD equivalent		Fiscal Year 1 (2013)	Fiscal Year 2 (2014)	Fiscal Year 3 (2015)
1.	Total assets			
2.	Current assets			
3.	Total liabilities			
4.	Current liabilities			
5.	Sales			
6.	Net Worth			
7.	Profits before taxes			
8.	Profits after taxes			

2. Specify proposed sources of credit line in internationally convertible currency to meet the cash flow demands during the contract (if available). Applicant shall attach reference letter issued by source of credit line to demonstrate availability of the credit.

Source of Credit Line		Amount (USD equivalent)
1.		
2.		
3.		
4.		

f) PRIMARY BANKER'S INFORMATION

Name, address, and telephone and fax numbers of the company's bankers who may provide references if contacted by LCC.

Items		Applicant's Response
1.	Name of Bank: Address: Contacts: - Telephone Number: - Telefax Number:
2.	Name of Bank: Address: Contacts: - Telephone Number: - Telefax Number:

g) LITIGATION

The company shall provide below information on litigation or arbitration in which the company is or was involved in the past three (3) years.

Note : No disputes with the institutions coming under Government of Sri Lanka is a necessity for a company to register as a coal supplier.

Nature Litigation / Arbitration	Other Party(ies)	Cause of Dispute	Amount Involved

h) ADDITIONAL INFORMATION BY APPLICANT

The Applicant is requested to list below any additional information submitted with the application such as company brochures and any other relevant information.

Applicant's Signature & Seal :

Date :

Note :

REFERENCE : CLAUSE 6.2

*The Applicant shall attach a **Power of Attorney**, duly authorised by a Notary Public, indicating that the person(s) signing the Application have the authority to sign the Application.*

INSTRUCTIONS TO APPLICANTS

DATE OF ISSUE: 15th January 2016
PROCUREMENT NUMBER: LCC / 17 / T / 1

1. INVITATION

Chairman, Special Standing Cabinet Appointed Procurement Committee (SSCAPC) of Ministry of Power and Energy, invites you amongst others to register with Lanka Coal Company (Private) Limited to supply of coal for the 900MW Lakvijaya Coal Power Plant at Puttalam. This invitation is extended on behalf of Lanka Coal Company (Private) Limited (LCC).

2. INTRODUCTION

Lakvijaya Coal Power Plant (The Plant) of CEB requires $2.25 \pm 10\%$ Million MT of coal per year. LCC has been contracted by the CEB to supply entire requirement of coal for The Plant. In order to make sure the guaranteed quality supply of coal to The Plant, LCC decided to select internationally reputed coal suppliers and register them as its coal supplying parties. After the eligible coal suppliers are registered the LCC will call bids only from those who have registered to supply coal for The Plant. Therefore in future open bids will not be called, to supply coal to Lakvijaya Power Plant. However to include new suppliers to the registered list, LCC will call applications to register new suppliers. Therefore new suppliers always can be included in the coal suppliers list and update the list. The registration will be done for three years and can be renewed after evaluation on the criteria for registration. This process will help LCC to build the partnership with coal suppliers, so that unnecessary delays in evaluation of Technical and Financial capabilities of bidders can be avoided. Once the suppliers are registered, only the Price Proposals can be invited from the Registered Suppliers. Registration does not guarantee that the registered suppliers will be awarded a coal supply contract. Bidders must win the tender for that.

Note :

Terms and Conditions of coal supply contract will be provided at the time of inviting bids for price proposal.

Registration of the Suppliers is done in the sole discretion of the SSCAPC. At any given time if a registered supplier found that do not comply with eligibility criteria, SSCAPC have the right to cancel the registration without refunding the fee.

Registration Fee : USD 5000 for three years.

Ministry of Power and Energy

On behalf of Government of Sri Lanka, Ministry of Power and Energy formulate policies, strategies and programs to meet the power demand in the country. Both government institutions namely, Ceylon Electricity Board and Lanka Coal Company (Pvt) Ltd, involved in power generation using coal and supply of coal for power generation are under the purview of the Ministry of Power and Energy.

CEB

The Ceylon Electricity Board is a corporate body established by the Act No. 17 of 1969. It is empowered to generate electrical energy, transmit the same and distribute it to reach all categories of consumers., to collect the revenue as per the tariff approved by the Public Utility Commission of Sri Lanka (PUCSL) and to perform its functions under the Act and the

licenses issued by the PUCSL as to secure that the total revenues of the Board is sufficient for its implementation.

LCC

Lanka Coal Company (Pvt) Limited (LCC) is the authorized agency for supply of coal for 3x300 MW Lakvijaya Coal Power Plant located in the west coast of Sri Lanka. LCC was incorporated in January 2008 for the procurement of coal to meet full requirement of all coal fired power stations in the country. Shares of the company are held by the Ministry of Finance and Planning, Ceylon Electricity Board, Sri Lanka Ports Authority and Ceylon Shipping Corporation Ltd. LCC is a fully Government owned private company.

3. SUBMISSION OF APPLICATION FOR REGISTRATION OF SUPPLIERS

Applications shall be submitted by hand or sent by courier to the following address.

**Lanka Coal Company (Private) Limited
51/3, Suranimala Place,
Off-Dutugemunu Street, Kohuwala,
Dehiwala, Sri Lanka.**

There is no deadline for submission of applications. Applications will be opened on every Monday at 2.00 PM (Sri Lanka Standard Time) at the above address. Applicants or their authorized representatives may witness the opening.

4. QUALITY

LCC's Standard Values and Reject Values for Coal to be supplied to The Plant are as follows.

LCC STANDARD VALUES FOR COAL

PROXIMATE (%)	BASIS
	<i>As Rec'd</i>
Total Moisture	12.0 % by weight
Volatile Matter	27.0 % by weight
Fixed Carbon	49.5 % by weight
Sulphur	0.5 % by weight
Ash	11.0 % by weight
GCV (kcal/kg)	6,300
HGI	50 ° H
ULTIMATE (%)	<i>As Rec'd</i>
Moisture	12.0 % by weight
Carbon	65.0 % by weight
Hydrogen	3.8 % by weight
Nitrogen	1.5 % by weight
Oxygen	6.2 % by weight
Sulphur	0.5 % by weight
Ash	11.0 % by Weight
ASH (%)	<i>Dry</i>
SiO2	61.0 % by weight
Al2O3	25.0 % by weight
Fe2O3	4.0 % by weight

CaO	3.5 % by weight
MgO	0.7 % by weight
Na2O	0.3 % by weight
K2O	0.6 % by weight
TiO2	1.3 % by weight
P2O5	0.9 % by weight
SO3	2.7 % by weight
ASH FUSION (° C)	<i>Reducing</i>
IDT	1,250
Fluid	1,325
GRAIN SIZE (mm)	
Maximum Size ; Minimum Size	50mm ; 2mm

LCC REJECT VALUES

Gross Calorific Value	Less than 5,900 kcal/kg
Total Moisture	More than 16 % by weight
Ash Content	More than 16 % by weight
Volatile Matter	Less than 22 %, More than 39.9 %
Sulphur Content	More than 1.0 % by weight
HGI	Less than 40, More than 59
Size Consist:	
Above 50 mm	More than 5 % by weight
Less than 2mm	More than 30 % by weight
Ash Fusion Temperature <i>R</i>	
<i>IDT (Deformation)</i>	Less than 1,150° C, More than 1300° C
F.T (Fluid)	Less than 1,250° C, More than 1500° C

Note: *R* equals Reducing Atmosphere, (Proximate analysis - as received basis)

Eligible suppliers may supply the coal within the range of LCC standard values and reject values.

5. DOCUMENTS RELATED TO REGISTRATION

The Applicant is expected to examine all instructions specifications of coal and other information in this Document. Failure to furnish all information required or submission of an application not substantially responsive to this Document will be at the Applicant's risk and may result in rejection the application. Registered Suppliers who submit Bids, when Price Proposals are invited, should register under Public Contract Act No.3 of 1987 and its latest revision.

5.1 CLARIFICATION OF DOCUMENTS RELATED TO REGISTRATION

A prospective applicant requiring any clarification of this Document may notify LCC in writing or electronically by email (confirmed by telefax) or telefax at the LCC's address indicated in Para 3 above. LCC will respond in writing to requests for clarification.

5.2 AMENDMENT OF DOCUMENTS RELATED TO REGISTRATION

At any time, LCC may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective applicant, amend the Documents Related to Registration by issuing an Addendum. Notice of any amendments will be made available in writing and electronically by email (confirmed by telefax) or telefax to all prospective Applicants who have obtained the Documents and will be binding on them. It will be assumed that the information contained therein will have been taken into account by the Applicant.

6. PREPARATION OF APPLICATION

6.1 LANGUAGE OF APPLICATION

The Application prepared by the Applicant and all correspondence and documents related to the Registration exchanged by the Applicant and LCC, shall be written in the English language, provided that any printed literature furnished by the Applicant may be written in another language so long as accompanied by an English translation. For purposes of interpretation of the Application, the English translation shall govern. Any document submitted in another language without accompanying English translation shall not be considered for the evaluation.

6.2 SEALING, MARKING AND SUBMISSION OF APPLICATION FOR REGISTRATION

The Applicant shall submit the Application for Registration in two separately sealed envelopes addressed to LCC. Those two envelopes shall be marked separately as "**Original**" and "**Copy**" and also bear the name of the procurement, the Procurement Number. In the event of any discrepancy between the Original and the Copy, the Original shall govern.

The Original and the Copy of the Application, shall be typed written or otherwise reproduced in indelible ink and shall be signed by the Applicant or a person or persons duly authorized to bind the Applicant to the Registration. The letter authorization shall be indicated by written Power-of-Attorney, duly authorized by a Notary Public, accompanying the Application. All pages of the Application shall be initialled by the person or persons signing the Application.

The Application shall not contain any interlineations, erasures or overwriting except as necessary to correct errors made by the Applicant, in which case such corrections shall be initialled by the person or persons signing the Application.

6.3 OPENING OF APPLICATIONS & DOCUMENTS RELATED TO REGISTRATION BY LCC

The LCC will open only the Original Envelope at the time of Opening. Applicant's representatives may attend the opening.

The Applicant's name and such other details as LCC may consider at its discretion, will be announced and recorded at the opening. The Applicant's representatives who are present shall be requested to sign the schedule prepared by the opening committee. A copy of the record shall be distributed to all the Applicants who submitted Applications.

6.4 CLARIFICATION OF DOCUMENTS RELATED TO REGISTRATION

To assist in the examination and evaluation of Applications the LCC may, at its discretion and at any time, ask the Applicant for a clarification of its Application.

The request for clarification and the response shall be in writing and no change in the substance of the Application shall be sought, offered or permitted.

7 ELIGIBILITY AND QUALIFICATIONS OF THE APPLICANTS

7.1 JOINT VENTURE OF COMPANIES

A joint venture shall be required to be qualified according to the criteria stated in this Section. All individual members of the joint venture must qualify according to the criteria stated in sub-clause 7.3.3 for the joint venture to qualify to submit an Application.

If a joint venture includes a member who is not qualified, then the whole joint venture shall be disqualified from Registration as a Coal supplier, even if the other members of the joint venture are individually qualified.

Applications submitted by a joint venture of two or more firms as partners shall comply with the following requirements:

- (a) Applicant shall include all the information listed in the Application, Paragraph (a) to Paragraph (g) for each joint venture partner and Paragraph (h) for the joint venture;
- (b) One of the partners shall be nominated as Lead Partner of the Joint Venture (The "Lead Partner"); and this authorisation shall be evidenced by submitting a Power of Attorney signed by legally authorised signatories of all the partners;
- (c) The Lead Partner shall be authorised to incur liabilities and receive instructions for and on behalf of any and all partners of the joint venture and the entire execution of the Contracts including payments, which shall be done exclusively with the Lead Partner;
- (d) All partners of a joint venture shall be jointly and severally liable for the execution of the Contracts in accordance with the contract terms, and a statement to this effect shall be included in the authorisation mentioned under (c) above, as well as in the Application ;
- (e) A copy of the agreement entered into by the joint venture partners shall be submitted with the Application.

7.2 INDIVIDUAL / JOINT VENTURE APPLICATIONS

No Applicant may submit more than one Application and no joint venture member may submit or participate in more than one Application for this Coal Supply Registration. If a Joint Venture indicates a member who participates in more than one application, then such J / V shall be disqualified even if the other members of the J / V individually qualified.

The Applications of such Applicants who participate in more than one will be rejected.

7.3 QUALIFICATION OF APPLICANTS (INDIVIDUAL / JOINT VENTURE)

- 7.3.1 To be qualified to submit an Application for Registration of Supply of Coal, the Applicant shall provide evidence satisfactory to LCC of the capability and adequacy of resources to carry out the Contract effectively. Applicants shall provide the information requested in the application.

7.3.2 For the purpose of registration for supplying coal to LCC, applicants shall meet the following **minimum** qualification criteria and application of applicants who fail to provide evidence as below to prove that he meets with the minimum qualification criteria shall be rejected:

- (a) Average annual turnover of USD 50 million or equivalent, over the last three (3) financial years.

Audited financial statements for the financial years 2013, 2014, 2015 shall show that average annual turnover of more than USD 50 Million or equivalent. If the audited financial statement for financial year 2015 is not available yet, audited financial statements for financial years 2012, 2013 and 2014 together with certification from the auditors that audited statement for the year 2015 is not yet available shall be submitted.

In the event of the commencement of applicant's financial years do not coincide with calendar years, the Applicants are requested to submit these statements with respect to last three years according to the respective financial year for their companies.

- (b) Have experience in supplying at least one (01) Million Metric Tons of coal having Gross Calorific Value (As Received Basis) of 5900 kCal / kg or higher in last 36 months, ie from 1st April 2013 to 31st March 2016. Any transactions of supplying coal between the partners of a Joint Venture formed for this Registration of Coal Supply will not be taken for consideration for the purposes of assessing experience of the Joint Venture.

Similarly, any transactions of supplying coal between the parents and/or subsidiaries and/or associates of an Applicant or a partner of a Joint Venture will not be taken for consideration for the purposes of assessing experience of the Applicant or Joint Venture, as the case may be.

Applicant is required to provide the following supporting information from all the Purchasers indicated in Part 1 of Paragraph (d) in the application duly certified by the respective Purchaser.

- (i) The Contract numbers and Contract dates and Coal actually supplied to the indicated Purchaser by the Applicant's Company during the period 2013, 2014 and 2015 in Part 2 of Paragraph (d) in the application. The Purchaser need clearly indicate the name of the supplier and any discrepancy in the name cannot be accepted.
- (ii) The Bill of Lading (BL) / Good Receipt Notice (GRN) reference numbers, and quantity of Coal received under each BL/GRN in Part 3 of Paragraph (d) in the application together with copies of all such BLs/GRNs and any other relevant document such as invoices along with the customs entries for coal supplied under the contracts indicated in Part 2 of Paragraph (d) in the application. If the BLs/GRNs do not provide any references to the applicable Coal Supply Contracts as indicated in Part 2 of Paragraph (d) in the application or names of the purchaser and shipper as appear in the BLs/GRNs do not exactly match with the name of the respective Purchaser and your company, the Purchaser is required to specifically certify that all BLs/GRNs referred to by him are related to the Coal delivery under the respective Coal Supply Contracts.

Further In order to prove that the Applicant has supplied one (01) Million Metric Tons of coal having Gross Calorific Value (As Received Basis) of 5900 kCal / kg or higher

as required herein above, Applicant shall provide Test Certificate issued by an independent testing authority and/or a certificate from his purchaser specifying that the coal received has Gross Calorific Value (As Received Basis) of 5900 kCal / kg or higher. Such certificate shall clearly identify the consignment of coal for which such certificate is applicable by way of reference to the vessel name and date (to establish that the coal consignment meets with minimum Gross Calorific Value criteria). The quantity of coal meeting these criteria shall be established by providing the documents and information specified in above item (ii) above. It is the responsibility of the Applicant to prove that certificates specified above and BL/GRN are both applicable for the same consignment of coal.

- (c) Working Capital and or evidence of access to or availability of Credit Facility for not less than USD 15 Million
 - i) In case of Working Capital, it will be derived by using the following formula based on the values represent the latest balance sheet.
$$\text{Working Capital} = \text{Total Current Assets} - \text{Total Current Liabilities}$$
 - ii) Applicant shall provide original letters / certificates from the applicant's bank(s) as evidence of availability of Credit Facilities. Photocopies, faxes, email shall not be acceptable.
- (d) The coal from mines proposed by the Applicant shall have quality within the LCC acceptable range.
- (e) Shall provide accurate information on any litigation or arbitration resulting from contract completed or under execution by him over the last three (3) years. A consistent history of arbitration decisions opposing the claim of the Applicant or any partner of a joint venture will result in disqualification. Any applicant who is already on litigation process or has failed to supply coal as per the contractual terms or breached the contracts relating to supply of coal to LCC shall be disqualified.

7.3.3 The figures for each of the partners of a Joint Venture shall be added together to determine the Joint Venture's compliance with the minimum qualifying criteria set out in Sub-Clause 7.3.2 above; however, in order for a Joint Venture to qualify, each of its partners must individually meet at least 35% of the minimum criteria listed in sub-clause 7.3.2 (a) and (c) for an individual company and the Lead Partner, also should individually meet at least 50% of those minimum criteria. Failure to comply with this requirement will result in the disqualification of a Joint Venture. Sub-contractors' experience and resources shall not be taken into account in determining the company's compliance with the qualification criteria.

7.3.4 The following additional prerequisites for qualification shall be fulfilled by the Applicant in order to be qualified.

The Applicant shall be a :

1. A properly constituted firm, company, partnership or enterprise duly organised and existing and registered under the laws of its country of registration.

Copies of company registration and/or incorporation certificate shall be provided.
2. No criminal or civil case in court pending or finally decided against him or it, involving non-payment of tax, duty, or undertaking with the government or any of its

sub-divisions, branches or instrumentality, including government-owned or controlled corporations, in Sri Lanka or the Applicant's country.

Confirmation of status in the form of statement signed by the authorized signatory shall be provided.

3. Not been involved in or not currently be involved in bankruptcy.

Confirmation of status in the form of statement signed by the authorized signatory shall be provided.

4. Good bank references, duly confirmed, and full financial support.

Original letter(s) issued by the bank shall be provided and copies, emails or faxes shall not be acceptable.

8 DELIVERY SCHEDULE

For the information of the applicants, the tentative coal shipment schedule for the current season, 2016 / 2017 is appended below :

Month	Number of Shipments	Monthly Quantity (MT)
September	3	165,000
October	6	330,000
November	6	330,000
December	6	330,000
January	6	330,000
February	6	330,000
March	6	330,000
April	5	275,000
TOTAL		2,420,000

9 CONTACTS WITH LCC

Subject to Clause 6.4, no Applicant shall contact LCC or any other person or organization involved on any matter relating to its application, from the time of the opening of applications for registration.

Any effort by an Applicant to influence LCC in evaluation or decisions may result in rejection of the Application.

10 NOTIFICATION OF ACCEPTANCE AND REGISTRATION

Once pre-qualified, applicant will be formally informed in writing by registered letters or electronically by E-Mails or Telefaxes and confirmed in writing by registered letters.

The eligible applicants will be registered subject to payment of Registration fees of USD 5000 for a period of three years.

The list of Registered Coal Suppliers will be updated on regular basis, based on the requests made by the prospective applicants to LCC with the approval of the SSCAPC.