

ମହାନଦୀ କୋଲଫିଲ୍ଡସ୍ ଲିମିଟେଡ୍
महानदी कोलफील्ड्स लिमिटेड
Mahanadi Coalfields Limited
(A Subsidiary of Coal India Limited)

Office of the General Manager(MM)/HoD
Materials Management Department
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Ref: MCL/SBP/MMD/Sec-I/MoU/SAIL/128

Dated: 17/05/2021

To,
GM (Systems)
MCL HQ

Sub: MoU with M/s. SAIL for posting on MCL website, in public domain.

Ref: 1. Letter No. MCL/D(T/OP)/2021/09 Dt. 19/04/2021.
2. MoU between SAIL and MCL for the period 01.11.2020 to 31.10.2021 for supply of Iron & Steel Materials

Dear Sir

MCL has recently renewed the existing MOU with M/s SAIL, Bhubaneswar for procurement of 1550.00 MT quantity of Iron & Steel materials at an estimate off-take value of ₹ 7,75,87,950/- (Incl. of GST).

The MoU is awarded on nomination basis, which has been approved in the 9th meeting of the Empowered committee of Directors headed by CMD, as circulated by Company Secretary vide letter no. 11624 dtd.02/04/2021.


The brief reasons for conclusion of MoU with SAIL are as under:

To ensure immediate and smooth supply with quality materials and looking into safety point of view and also that uniform policy is yet to be formulated by CIL, action was initiated as per existing policy for conclusion of MoU with SAIL, and approval of D (T) OP was obtained for taking offer of SAIL through email on nomination basis.

In view of the above, you are requested for posting the details of MOU on MCL website in public domain for compliance of CVC circular no. 04/04/21 dtd.06/04/2021.

Encl: As above

Yours faithfully,


17/5/2021
Chief Manager (MM)

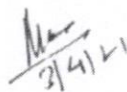
Cc:

1. GM (Vig.), MCL
2. GM (MM)/HoD
3. TS to DT (OP)/ TS to DT (P&P)

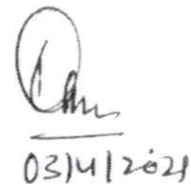
Terms and conditions of MoU with M/s SAIL for MCL will be as under:

1. The MoU shall cover supply of TMT Bar, MS plate, MS Joist, MS Channel, MS Angle etc. The MoU shall be valid for a period of one year from 01.11.2020 to 31.10.2021 with a provision for further conclusion onward.
2. The approximate maximum off take during the period of one year from 01.11.2020 to 31.10.2021 shall be around 1550.00 MT [605.00 MT of TMT Bar, Fe-500 20 mm, 445.00 MT of Flat Product (M.S. Plate, etc) and 500.00 MT Long Product (Joist, Channel, Angle etc.)] at an approximate cost of ₹ 7,75,87,950/-
3. PRICE: Prices are on door delivery basis and ruling on the date of delivery shall be applicable. M/s SAIL will have the option to supply the materials through direct dispatch basis from their Plant or other branches.
4. Taxes & Duties: GST Extra as applicable as per the prevailing rates on the date of delivery of the materials.
5. Payment: 100% payment in advance against Performa Invoice by NEFT/RTGS mode on issue of delivery orders.
6. The Annual projections / six monthly projection of the requirement of Iron & Steel materials would be informed to M/s SAIL in advance and orders shall be placed for the six months requirement.
7. The MOU shall be deemed as a Rate Contract and orders shall be placed from respective Areas and MCL Hqrs. The respective Areas shall arrange collection of the materials by making necessary payments against the Performa Invoice submitted by M/s SAIL.
8. Consignee: Depot Officer, respective Regional Stores of MCL Areas/ Central Stores.
9. Paying Authority: Area Finance Manager of respective MCL Areas.
10. Quarterly statement of supply of Iron & Steel materials to different consignee shall be prepared, reconciled with M/s SAIL. This will enable to monitor the total quantities lifted and also for claiming the Turnover discounts as per the terms of the MOU.




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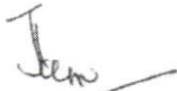
MEMORANDUM OF UNDERSTANDING (MoU)

This Memorandum of Understanding (MoU) is entered into this 30th day of the month October and year 2020 between Steel Authority of India Limited (SAIL) and **M/S Mahanadi Coalfields Limited** with a view to know the possible market requirement and decide production plan to enable SAIL to make supply of steel materials from time to time.

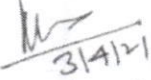
This MoU is valid for a period of **one year** with effect from **01.11.2020** to **31.10.2021** and shall cover the following categories and quantities of materials with indicative quarter-wise breakup:-


PLANT	Category.	Special Quality (If any)	Quantity (T).				Total.
			Qr. I	Qr.II	Qr.III.	Qr.IV	
All Plants	Long Products(TMT/Structurals etc)) - 1105 MT All Flat Products - 445 MT		400	400	350	400	1550T

That it clearly understood between SAIL and **M/S Mahanadi Coalfields Limited** that this MoU is not an enforceable contract and future contracts(s) will be entered between the parties to the MoU at the Branch level for supply of iron and steel materials through direct dispatch/stockyard delivery.


Name and designation of
SAIL Officer.

जे. एन. कर/J. N. Kar
उप.प्र. (सेल्स) व प्र.प्र./GM (Sales) & BM
स्टील अथॉरिटी ऑफ इण्डिया लिमिटेड
Steel Authority of India Ltd.
271, Bidyat Marg, Unit-IV
Bhubaneswar-751001


Name and designation of
Authorized signatory of customer


03/11/21

Interest Free Credit (IFC) up to 15 days may be offered on monthly lifting of 100 T and above. Higher level of credit may also be considered by SAIL based on merit.

Terms. & Conditions of IFC:

- a) IFC will be allowed on actual quantity lifted
- b) In respect of group sister companies signing a single MoU, the IFC slab applicable will be decided by adding up the purchases of all the units. In case of consumers with more than one unit in the same name and style also, IFC slab applicable will be decided by adding up the purchases of all the units.
- c) Equivalent cash discount, at rates as applicable from time to time on credit sales, may be allowed against entitled IFC
- d) Penal interest at rates applicable from time to time would be charged by SAIL for delay in making payment by customers after expiry of entitled period of IFC as per MoU or at the expiry of mutually extended credit period, if any.

E. Turnover Discount:

The TOD entitlement against MoU bookings for 2010-11 would be as follows:-

Actual Lifting(T)	Applicable TOD (Rs/T)
400-6000	50
>6000-12000	75
>12000-18000	100
>18000-24000	125
>24000	150

Terms & Conditions of Turnover Discount:

- a- TOD will be paid on actual quantity lifted subject to successful completion of MoU but limited to maximum 120% lifting of original / enhanced MoU quantity. However SAIL may consider release of TOD in cases bearing merit subject to fulfillment of 90% lifting against the original/ enhanced booking quantity. The rate or Ton shall correspond to the slab pertaining to the actual quantity lifted but not exceeding the slab pertaining to 120% of original booking quantity.

The payment of TOD will be made at the end of the MoU period and normally within one month after completion of MoU period. TOD shall be paid only after taking into account all the credit notes and debit notes and after realisation of all outstanding payments including sales under credit

- b- TOD will be paid on flat rate and not on incremental basis. However, quantity sold through plant disposals; tender sales, and materials returned under quality complaint will not be taken into account for calculation of TOD

In cases where customer falls short of quantity to be eligible for TOD benefit, the tonnage lifted by the customer, but returned under quality complaint, will be considered as a part of actual lifting for the purpose of eligibility. However, TOD will not be paid

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MEMORANDUM OF UNDERSTANDING (MoU) for PROJECTS / CONSTRUCTION COMPANIES ETC.: 2010-11

A. Objective:

The objective of entering into MoUs is to estimate the market potential and production plan to facilitate SAIL to supply Iron & Steel materials

B- Eligibility:

PRODUCTS	MINIMUM BOOKING QTY(MT _s)	WHO CAN BOOK
All Product (Long and Flat including ERW/SW Pipes) except Pig Iron and semis.	400 tonnes (Combination of all products covered under the MoU)	1- Govt. Departments / PSUs Excl SSICs/ NSICs 2- Project / Construction Companies

C- General terms and conditions of MoU:

1. MoUs can be signed at any time during the year.
2. Duration of MoUs will generally be for a maximum period of one year from the date of signing of such MoUs. SAIL may also consider signing of MoUs for period more than one year.
3. Single MoUs can be signed companies /firms having units at different locations operating under the same name and style.
4. Single MoUs can be signed with Group sister companies with whom MoUs have been entered in the previous years. SAIL may also consider applications for fresh cases.
5. Enhancement of quantity under MoUs scheme may be considered by SAIL after due review subject to lifting being lower than 120% of the MoU quantity at the time of receipt of request from the customer for *enhancement*. The option for *enhancement* is to be exercised by the customers at least three months before the completion of MoU period
6. Annual MoU booking quantity can be reduced to 90% level of the original booking quantity at the option of the customer. Such an option for reduction can be exercised by the customer at least three months before the completion of MoU period.. However in case MoU quantity has been enhanced at customer's request, the option for reduction in quantity subsequently will not be available to the customer.

SAIL may also exercise the option of reducing the MoU quantity to 90% of the original level at any point of time.

D. IFC (Interest Free Credit):

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servicing till the end of the following month. The price applicable shall be the price prevailing on the date of FR for direct dispatch, date of Challan for stockyard delivery. Such quantities against backlogs would be deemed to have been supplied against MoUs for the period of the MoU and associated benefits would be passed on accordingly.

6- The MoUs would be signed for standard tested qualities only. However, normal arisings like WTCC, Commercial, QIT-grade, U/T, OGOW etc., as distinct from mixed/special arisings, can also be supplied against the MOD depending upon availability as well as subject to mutual agreement.

7- SAIL may consider supply against MoU from other branches of the regions at the request of the customer subject to availability

8- In case of Construction companies, if actual Lifting during the first six months falls below 40% of the booked quantity, the MoU would stand discontinued. However SAIL may consider continuation of the MoU based on merits.


9- SAIL will have the option to supply the material either through stockyard or through direct dispatch basis or in combination of both.

10- Customers would be required to make financial arrangement(s) for the material supplied by SAIL on direct dispatch basis

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for such quantity.

- c- In case the option of reducing the original booking quantity is exercised by the customer latest by three months before the completion of the MoU period the customer would be entitled to TOD only to the extent of the reduced quantity and not upto 120% of the reduced quantity. The rate of TOD shall correspond to the slab applicable to the reduced quantity.
- d- In case SAIL exercises the option of reducing the MoU quantity, TOD would be admissible upto 120% of the reduced quantity. If quantity lifted is below the minimum slab arising out of reduction in MoU quantity at SAIL's option, the rate of the minimum slab will be applicable for determining the quantum of TOD.
- e- In the case of a company having units all over the country operating under the same name and style, for calculation of TOD, purchases of all the units will be added, provided they had entered into a single Annual MoU covering requirements of all the units. Similarly, for calculation of TOD, purchases of all units of a group company will be added provided a single Annual MoU had been signed for different units of the Group Company
- f- In case of large Construction company which is engaged in different projects in different parts of the country, the TOD scheme will cover supplies to a new project site also, where the construction company may take up work at a later date during the MoU period.
- g- Under the 2010-11-MoU, additional T.O.D of Rs.25/- per tonne would be payable on offtake of special quality during 2010-11, subject to successful completion of MoU and lifting minimum 120% of special quality offtake of 2009-10 by the customer
- h- In cases where projects are covered under Govt. Notification No. 108/95 dated 28.8.1995, TOD may be paid at invoice stage in case of direct dispatch subject to submission of documents as prescribed by SAIL.

Other terms and conditions of MoUs

- 1- Normally prices shall be kept firm for the ordered quantity for execution within a calendar month. However, firm prices for supplies in a calendar quarter can also be considered
- 2- Any variation in the statutory duties and levies .viz. excise, sales tax, octroi etc. as well as freight as applicable shall be payable by the customer.
- 3- If a govt Dept / PSUs/ Projects/Construction Companies desire to lift materials from different locations, indicative break up of the quantities to be lifted from each location will have to be provided at the time of signing of the MoU. However, inter-location adjustment of MoU quantities may be considered by SAIL. For successful completion of MoU, their off take at all locations put together would be considered.
4. Quantity of supply in a month will normally be reckoned with reference to RRs / Challans raised during the month for direct dispatch /stockyard deliveries respectively and applicable MoU benefits paid accordingly. In case of direct dispatch by Toad, date of plant invoice would be reckoned as the date of dispatch.
- 5- In case SAIL is not able to supply the material against accepted orders of the customer during the last month of the MoU period the backlog may be considered by SAIL for

Mr
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