

Western Coalfields Limited

(A Subsidiary of Coal India Limited)

// NOTICE FOR SUBMISSION OF OFFERS //

04/01/2020

The company proposes to undertake afforestation in mining area of its 07 Administrative Areas situated in Chandrapur district (Chandrapur area, Ballarpur area, Majri area & part of Wani area), Yavatmal district (Wani & Wani North area) and in Nagpur districts (Nagpur area & Umrer area) of Maharashtra state. The company has decided to undertake plantation works for 05 years from 2020-21 to 2024-25 (planting years) with its subsequent maintenance for 04 years after each consecutive year of plantation in its aforesaid Areas in Maharashtra State **on a MOU basis**.

A copy of MOU may be seen on **Western Coalfields Limited** website under Notices/General Notices head.

Forest Development Corporations of all state Governments /State level Expert forest Agencies may refer the uploaded MOU and may submit the offer for the plantation activity on or before 27/01/2020 **to the office of The General Manager (Environment), Western coalfields Limited, 9th floor, Coal estate, Civil lines, Nagpur 440001 in sealed envelope and the subject** MOU for "Plantation works for 05 years from 2020-21 to 2024-25 (planting years) with its subsequent maintenance for 04 years after each consecutive year of plantation in WCL command Area in Maharashtra State" shall be clearly superscribed on the envelop.

महाप्रबंधक(खनन)/पर्यावरण,विभागाध्यक्ष

वेस्टर्न कोलफील्ड्स लिमिटेड
नागपुर

LONG TERM MEMORANDUM OF UNDERSTANDING (MOU) For FIVE CONSECUTIVE YEARS PLANTATION WORKS WITH SUBSEQUENT FOUR YEARS MAINTENANCE IN WCL COMMAND AREA IN MAHARASHTRA STATE

Year-wise action.		
Plantation year (from 1st Jan. to next year March)	Subsequent maintenance period (financial years).	Plantation to be handed-over in
2020	2020-21 to 2024-25	April, 2025
2021	2021-22 to 2025-26	April, 2026
2022	2022-23 to 2026-27	April, 2027
2023	2023-24 to 2027-28	April, 2028
2024	2024-25 to 2028-29	April, 2029

1)(i) The word 'Company' hereinafter shall mean for the purpose of this Memorandum of Understanding (MOU), Western Coalfields Ltd (WCL). (A subsidiary of Coal India Limited, Govt. of India Undertaking Company) represented by the CMD, WCL at Nagpur District: Nagpur (MS) or his authorized representative or any other person deputed on his behalf for carrying out all or any of the provisions of this MOU.

(ii) The word "Nigam" hereinafter shall mean, for the purpose of this MOU, the State Level Expert Agency like MPRVVN, Bhopal, CGRVVN, Raipur, FDCM, Nagpur & TFDC Hyderabad or State Forest Development Corporation represented by the Managing Director, MPRVVN, Bhopal, CRVVN, Raipur, FDCM, Nagpur, TFDC Hyderabad & SFDC having its Registered Office at different locations or his authorized representative or any other person deputed on his behalf to carry out all or any of the provisions of this MOU.

PLANTATION

2)The Nigam shall take up Plantation works on Company's acquired / leased / purchased / transferred land of any type like Tenancy, Government, Revenue and Forest Land, with due expertise and supervision, as per the scheme / estimates duly sanctioned under the provisions of this MOU. For WCL side, Environment / Forest Officer of the concerned Area or project shall be Nodal Officer for the plantation work. However, all the operations of the scheme shall be done at Area level and Chief General Manager / General Manager of the Area shall be responsible for it.

- 3) The Nigam shall always exercise precautions on the aid and advice of the Company, for the safety of all lives and properties involved in the plantation activities undertaken by the Nigam.
- 4) In case of accidents, the Nigam shall be responsible for compliance with all the requirements imposed by the Workmen's Compensation Act, 1923, Labour Act of State Govt. or similar laws in force and shall indemnify the Company against any claim on this account.
- 5) The Nigam shall conduct all its Plantation activities subject to all laws, rules, statutory orders and regulations applicable to the site and the nature of work.
- 6) The Company shall intimate the Nigam along with the land descriptions and maps about the location and the extent of Plantation intended for the next consecutive five years on an annual basis at a time to the Divisional Manager, of the said Nigam. The Nigam will submit the site specific Project Report / estimate to WCL at a time for all five consecutive year plantation and its subsequent four years maintenance based on schedule of rates for plantation approved by the Managing Director, of the said Nigam and after approval and technical sanction of proposed plantation scheme within 01 month from the date of submission of intent by the Company.

- 7) The scheme / estimate so submitted by the Nigam should contain in six parts for each plantation year viz;
- a) **Plantation year**
 - i) Advance work – work includes nursery work and all preparatory works – 80 % amount of the 1st year plantation;
 - ii) Completion work – plantation work and its maintenance –20 % amount of the 1st year plantation;
 - b) 1st year maintenance work;
 - b) 2nd year maintenance work;
 - c) 3rd year maintenance work; and
 - d) 4th year maintenance work.
- 8) Six months to Twelve months old (polypot) plants shall be used for plantation work by the Nigam. The selection of the species should be (site specific), approved as per Government policy by the concerned Divisional Managers (Divisional Manager, of the said Nigam) based on textures, structures and constituents of the soil. The selection of the species shall also be guided by the opinion of the local villagers with a right blend of fast growing species, naturally growing in that area, fruit bearing trees and trees of commercial value. In no case, however, a particular species shall constitute more than 30% of the total plantation in a particular Area. The Nigam shall replace casualty of plants during maintenance period each maintenance year upto 2nd year maintenance. Eucalyptus varieties will not be planted by the Nigam.

8.1 The various species suggested for Plantation.

- Fruit Bearing Tree Species: Jamun, Imli, Ganga Imli, Bel, Mango, Sitaphal etc.,
- Medicinal / Herbal Plants: Neem, Karanj, Harra, Bahera, Aonla (Amla), Arjun, Shekakai, Kusum, Mahua, etc.,
- Timber Value Trees: Teak, Shivan / Ghamar, Sissoo, Kala Sirus, Safed Sirus, Bamboo, Peltaforam, Babool, etc.,
- Ornamental / Avenue Plants (by the side of roads and colonies): Kachnar, Gulmohar, Amaltas, Saptaparni, Gravalia, Peepal, Palm tree etc.,

8.2 Selection of species shall be in such a way that the crown composition will be in three tiered nature i.e. combination of tall trees with medium height trees and low height trees.

9) The standard and acceptable norms for plantation are maximum 3500 plants per hectare on Overburden Dumps and maximum 2500 plants per hectare in Plain Mine Site Area / Non-OB Dump.

10) Payment Schedule & Submission of Expenditure Bills / Details:-

The Fund shall be released by the concerned WCL Areas in phases for each plantation year, as per the following schedule:

a) Plantation Year

- (i) Amount equal to 80 % of 1st Year Plantation Work will be released for the completion of Nursery Preparation, Site preparation and Plantation work as per the approved scheme.
- (ii) Amount equal to 20% of 1st Year Plantation Work will be released for the completion of weeding and protection work as per the approved scheme on submission of utilization certificate along with expenditure bills/ details of work undertaken against the advance work.

** Illustration

Year	Nursery Preparation, Site Preparation & Plantation (80% of First year Plantation)	Joint inspection	Weeding and protection work (20% of First year Plantation)
2020-21	April 2020	September 2020	October 2020
2021-22	April 2021	September 2021	October 2021
2022-23	April 2022	September 2022	October 2022
2023-24	April 2023	September 2023	October 2023
2024-25	April 2024	September 2024	October 2024

b) Maintenance (first year to fourth year)

- i) Amount equal to 50% for the (1st, 2nd, 3rd and 4th year) maintenance of that particular year shall be released by May of the maintenance year after the receipt of joint inspection report in April Every Year indicating survival percentage and on adjustment of all advances made to the Nigam.
- ii) Amount equal to 50% for the (1st, 2nd, 3rd and 4th Year) maintenance of that particular year shall be released in the month of October after submission of joint inspection report in September Every Year and after adjustment of all previous advances made to the Nigam.

<u>Year</u>	<u>Joint inspection</u>	<u>First Instalment (50%)</u>	<u>Joint inspection</u>	** Illustration
				<u>Second Instalment (50%)</u>
2021-22	April 2021	May 2021	September 2021	October 2021
2022-23	April 2022	May 2022	September 2022	October 2022
2023-24	April 2023	May 2023	September 2023	October 2023
2024-25	April 2024	May 2024	September 2024	October 2024

- iii) 50 % payment of the 4th year maintenance shall be released on submission of final joint inspection report cum site handing over report indicating survival percentage, utilization certificate along with expenditure bills/ details related to previous advances.

- 11) The Nigam will ensure 80% of the survival of plants in the final joint inspection before handing-over the plantation and which shall signify 100% success of the scheme undertaken by the Nigam.
- 12) Subject to sanctioned scheme/ estimate and further subject to timely release of fund by the 'Company' as provided in MOU, the 'Nigam' shall comply with the following schedule of Joint Inspection to be done jointly by Nigam and WCL.

S. No	Description of Joint inspection	Deadline of completion
1.	1 st Joint inspection (verification of advance work)	15 th April of the year of plantation.
2.	2 nd Joint inspection (verification of plantation work/ completion work)	15 th September of the year of plantation.
3.	3 rd Joint inspection (assessment of survival percentage)	15 th April of the 1 st year maintenance.
4.	4 th Joint inspection.	15 th September of the 1 st year maintenance.
5.	5 th Joint inspection.	15 th April of the 2 nd year maintenance.
6.	6 th Joint inspection.	15 th September of the 2 nd year maintenance.
7.	7 th Joint inspection.	15 th April of the 3 rd year maintenance.
8.	8 th Joint inspection.	15 th September of the 3 rd year maintenance.
9.	9 th Joint inspection.	15 th April of the 4 th year maintenance.
10	10 th & final Joint inspection.	31 st March at the end of financial year of 4 th & last year maintenance. If WCL fails to carry-out joint inspection in time, plantation shall be deemed to have been handed-over with effect from next month and Nigam shall not be responsible for any damage to plantation.

- 13) In the Joint inspection, two representatives of Area Chief General Manager / General Manager shall participate from WCL side and Deputy Divisional Manager (Dy.DM)/ Project Range Officer/Dy.PRO from the Nigam shall be present for joint inspection. The joint inspection report will be signed by all the officers from both the sides, who have done joint inspection, which then shall be countersigned by the Chief General Manager / General Manager of the Area.

- 14) Adjustment, if any, from advance amount required during execution of works, shall be made from subsequent release of funds to the Nigam.
- 15) During execution of the work at any stage, if Nigam feels not to take up any part item of the plantation activity, it will not be considered as incomplete item and under such case deductions proportionate to such item shall be made by WCL management only. However WCL is having right to ask Nigam to execute the left item if it is necessary.

16) EMPLOYMENT OF LABOUR

16.1 The Nigam are to employ, to the extent possible (as per policy decision of the company valid from time to time), local project affected people and pay wages not less than the minimum wages as per minimum Wages Act or such other legislations or award of the minimum wage fixed by respective State Govt. or Central Govt. as may be in force.

Payment of Provident Fund for the workmen employed by him for the work as per the Laws prevailing under provision of CMPF / EPF and allied scheme valid from time to time shall be the responsibility of Nigam. Nigam shall also submit statutory returns.

16.2 The Nigam shall comply with statutory requirements of various acts including Child Labour (Prohibition & Regulation) Act, 1986 as amended from time to time and all rules, regulations and schemes framed thereunder from time to time in addition to other applicable labour laws.

16.3 The Nigam shall also follow execution with respect to GST and other guidelines of GST as per Govt norms as incorporated at clause 29 of GST covered under additional responsibilities of the Nigam.

16.4 The Nigam shall also have GST Registration certificate.

16.5 The payment to the Nigam's labour has to be made through bank only.

16.6 Bonus is to be paid to the contract workers engaged by the Nigam as per the provisions of payment of Bonus Act, 1965.

16.7 The Nigam shall register themselves on the contract labour payment portal (CLPMP) of CIL within 30 days of issue of work order in case the contract period is more than 30 days and within a period of 07 days in case the contract period is less than 30 days, and will have to enter and update periodically the following details in portal:

- a) Work Order details
- b) Nigam's workers details and wages payment details and deduction details in respect of each Work Order.

16.8 The Nigam shall directly pay the ex-gratia amount of Rs. 5.00 lakhs to the same dependent family members of the deceased Nigam's worker, who died in mine accident as certified by DGMS, to whom the statutory benefits under Employee Compensation Act, Provident Fund etc. have been paid, as per the terms of contract or through Insurance company by availing Group Personal Accident Insurance Policy for all its workers before commencement of the contract, which shall be renewed periodically to cover the entire duration of the contract. No reimbursement shall be made on this account by CIL/Subsidiaries.

In order to comply with the above provisions, Nigam shall immediately on receipt of letter of acceptance/ work order shall obtain group personal accident insurance in respect of all the workmen engaged in mining activities for payment of Rs.5.0 lakhs in case of death in mine accident. A proof to such effect shall be produced to the satisfaction of the management before commencement of the work. However, the responsibility of payment of special relief/ex gratia amount shall lie exclusively with the Nigam.

If the Nigam fails to disburse the special Relief / Ex-gratia within the due date, the subsidiary concerned may make the payment to the eligible dependent as mentioned herein above. However, such amount shall be recovered from the Nigam from his dues either in the same and/or other subsidiaries/CIL.

16.9 At the end of every wage period the Nigam shall upload in the Nigam Labour Payment Management Portal (CLPMP) of CIL i.e. details of employees employed, their attendance, wages, statutory deduction and statutory contributions in the wage period and take a printout of CLPMP portal generator wages, deduction and statutory contribution details and submit the same along with the certified bank statement and challans in proof of payment of wages and statutory contribution to the officer, empowered to issue Labour Payment Certificate (LPC) within three weeks from the end of wage period.

- 17) The 'Nigam' shall pay wages not less than the minimum wages fixed by the State Govt. to the labourers engaged in the execution of the approved scheme and it will be the responsibility of the Nigam to ensure the compliance of payment of wages to its workmen / labourers as per law and the 'Company' shall in no way be held responsible for the same.

18) Escalation on account of increase in labour wages shall be admissible in respect of planting / maintenance of plants. Escalation, if any, will be calculated in the month of April each year on the basis of actual annual increase / decrease in labour wages that has taken place during the preceding year. Before claiming the escalation, the Nigam will certify that payment to the labourers has been made as per revised wages and submit the documentary evidence in support of payment to the labourers on increased rate.

19.1 The base date for the purpose of calculating escalation will be labour rate (applicable for unskilled labour as per the minimum Wage Act/Rules of the State effective at the time of submission of sanctioned scheme. Rate adjustment for increase or decrease in the plantation expenditure due to variation in labour wages shall be paid in accordance with following formula:

$V = 0.85 \times (P/100) \times R \times [(L_1-L_0)/L_0]$, where,
V = Increase or decrease in the cost of work during the period under Consideration due to changes in rate of labour.
P = Percentage of labour component of the work = 80%
R = Value of work done during the period
L₀ = Minimum wages for labour (base labour rate + 12.72% PF) payable as per minimum wages Act / Rules of the Ministry of Labour of the State, effective at the time of execution of work.

L₁ = Revised minimum wages of Labour Corresponding to L₀ during the period to which the escalation relates.

19.2 Escalation / De-escalation on materials:

The amount to be paid to the Nigam for the work done will be adjusted for increase or decrease in the cost of material and the cost shall be calculated quarterly in accordance with the following formula:

$$V_m = 0.85 \times W \times \frac{B}{100} \times \frac{(M-M_0)}{M_0}$$

Where -

V_m = Variation in the material cost i.e. increase or decrease in the amount in Rupees to be paid or recovered.

W = Cost of work done during the period under reckoning to which the escalation / de-escalation relates.

B = Component of material expressed as percentage of total value of work (20%).

M = Average All India Wholesale Price Index (WPI) for all commodities for the period to which Escalation / de-escalation relates as published by the RBI Bulletin, Ministry of Industry & Commerce, Govt. of India.

M₀ = All India Wholesale price index for all commodities (WPI) as published by RBI Bulletin, Ministry of Industry & Commerce, Govt. of India relating to last date on which the offer rates or revised offer rates whichever is later were stipulated to be received. (Base 2011-12 = 100).

19.3 While claiming escalation, Nigam shall furnish all relevant documents eg. All India price index for all commodities as well as basis of evaluation, etc.

20) In case, either the Nigam or the Company, fails at any stage of the afforestation scheme, to abide by the schedule of inspection and payment as envisaged in clause 10 & 12 of this MOU, the first defaulter shall be responsible for all the ensuing consequences and further action in such cases will be dealt as per the provisions of Clause No. 20.

21) Settlement of Disputes:

21.1 It is incumbent upon the Nigam to avoid litigation and disputes during the course of execution. However, if such disputes take place between the Nigam and the Company, efforts shall be made first to settle the disputes at the Company level.

The Nigam should make request in writing to the Company for settlement of such disputes / claims within 30 (thirty) days of arising of cause of dispute / claim, failing which no disputes / claims of the Nigam shall be entertained by the Company.

21.2 In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs)/ Port trusts inter se and also between CPSEs and Government Departments / Organisations (excluding disputes concerning Railways, Income Tax, Customs & Excise Departments), such dispute or difference shall be taken up by either party for resolution through AMRCD as mentioned in DPE OM No.4 (1)/2013-DPE(GM)/FTS-1835 dated 22.05.2018.

22) In case, the survival of plants is found to fall below 80% during the 3rd joint inspection or the Nigam does not complete the work as per approved scheme in the joint inspection after planting, the Company shall have the discretion of slashing down the remaining outlay of the scheme proportionately.

22.1) On completion of the plantation period of 5 (five) years, for each year plantation, the Nigam shall handover the plantation under the MOU to the company with a minimum 80% survival rate and plants average height of 2.50 meters or more. However, any plant with height less than 1.25 meter at the end of 5 years maintenance period shall not be considered for counting. Any plant not satisfying these criteria will not be taken into account for counting and payment.

22.2) The Nigam shall ensure minimum 80% survival of plants. However, if the survival rate is less than 80%, pro-rata deductions will be made e.g. if the survival rate is 75%, then 6.25% ($5/80 \times 100 = 6.25\%$) of the total cost of plantation raised for all 5 years will be deducted from the final bill and if final bill is not sufficient, deduction will be made from other pending bills of the Nigam. If rate is of Rs. 31.98 at 75% of survival, a deduction of Rs.2.00 i.e.

$\text{Rs.2.00 } \left(\frac{31.98 \times 6.25}{100} = 2.00 \right)$ will be made from the cost of each plant.

Similarly, if the rate is Rs. 36.24, deduction will be Rs. $2.27 \left(\frac{36.24 \times 6.25}{100} = 2.27 \right)$ for each

Plant for 75% survival.

23) Nigam shall submit expenditure bills / details linking work order and advance drawn from time to time for work done to facilitate next stage of payment. At the end of the financial year, Divisional Manager will submit utilisation certificate to WCL for expenditure incurred during the financial year. Divisional Manager will submit the outcome of the audit of the fund received from WCL by practising firm of Chartered Accountants, Area-wise, each year, as soon as the practising firm of Chartered Accountants submits its audit report.

24) The Head of the Environment Department, WCL HQ. Nagpur and the Managing Director, of the Nigam shall have power to make any alteration in or addition to the original schedule of operation and site / map and to give instructions that may appear to be necessary and advisable during the progress of the work and the Nigam shall carry out the work in accordance with the instructions given by them.

25) The Company reserves its right to take back area / planted area full or part thereof with prior intimation if needed by the concerned Area authority during the continuance of the plantation and maintenance period on 'as-is-where-is-basis'. Actual expenditure incurred on plantation / maintenance work by the Nigam till the date of taken over of aforesaid area shall be paid by the Company.

26) The Nigam shall not be responsible for damage to the plantation done due to force majeure including the act of God, natural calamities, war, Civil Commotion, strikes, lockout, bandi in plantation area beyond the control of the Nigam. The Nigam will not be responsible for loss of plantation, crushed / damaged by the vehicle / dumpers running in the plantation area during the course of period under MOU.

27) Any modification, alteration, addition or deletion in terms and conditions of the MOU shall be done as and when required during the course of the MOU mutually agreed by the D(T) P&P, WCL, Nagpur and the Managing Director of the Nigam.

28) Company may provide 2 (two) suitable accommodation in each plantation project to the employees of the Nigam on rental basis subject to availability with electrical & water charges, as per rules.

29) **GST**

All duties, taxes (excluding Goods and Services Tax and GST Compensation Cess (If applicable

only) and other levies, royalty, building and construction workers cess (as applicable in States), whether local, municipal, provincial or central pertaining to the contract payable by the Nigam under the Contract (during the entire period of contract), or for any other cause as applicable on the last date of submission of offer rate, shall be included in the rates, prices and the total offer rate submitted by the Nigam. Applicable GST either payable by Nigam or by company under reverse charge mechanism shall be computed by system in BOQ sheet as per predefined logic.

All investments, operating expenses, incidentals, overheads, lifts, carriages, tools and plants etc. as may be attendant upon execution and completion of works shall also be included in the rates, prices and total offer rate submitted by the Nigam.

However, such duties, taxes, levies etc. which is notified after the last date of submission of Bid and/or any increase over the rate existing on the last date of submission of Bid shall be reimbursed by the company on production of documentary evidence in support of payment actually made to the concerned authorities.

Similarly if there is any decrease in such duties, taxes and levies the same shall become recoverable from the Nigam. The details of such duties, taxes and other levies along with rates shall be declared by the Nigam.

The item wise rate quoted by the Nigam shall be inclusive of all taxes, duties & levies but excluding GST & GST Compensation Cess, if applicable. The payment of GST and GST Compensation Cess by service availer (i.e.WCL) to Nigam (if GST payable by Nigam) would be made only on the latter submitting a Bill/invoice in accordance with the provision of relevant GST Act and the rules made there under and after online filing of valid return on GST portal.

Payment of GST & GST Compensation Cess is responsibility of service provider/Nigam.

However, in case Nigam is GST unregistered Nigam in compliance with GST rules, the Nigam shall not charge any GST and/or GST Compensation Cess on bill/invoice. In such case, applicable GST will be deposited by WCL directly to concerned authorities.

Input tax credit is to be availed by WCL as per rule.

If WCL fails to claim Input Tax Credit(ITC) on eligible Inputs, input services and Capital Goods or the ITC claimed is disallowed due to failure on the part of supplier/vendor of goods and services in incorporating the tax invoice issued to WCL in its relevant returns under GST, payment of CGST & SGST or IGST, GST (Compensation to State) Cess shown in tax invoice to the tax authorities, issue of proper tax invoice or any other reason whatsoever, the applicable taxes & cess paid based on such Tax invoice shall be recovered from the current bills or any other dues of the supplier/vendor along with interest, if any.

The rates and prices quoted by the Nigam shall be fixed for the duration of the contract and shall not be subject to variations on any account except to the extent variations allowed as per the conditions of the MOU, wherever indicated/ applicable.

The company reserves the right to deduct/ withhold any amount towards taxes, levies, etc. and to deal with such amount in terms of the provisions of the Statute or in terms of the direction of any statutory authority and the company shall only provide with certificate towards such deduction and shall not be responsible for any reason whatsoever.

30)The MOU is subject to the '**Jurisdiction of Nagpur Courts**' only.

31)The Nigam shall raise and maintain the Gap Plantation, digging of CPT, CPW and carry-out Safety Zone Fencing and plantation, Soil and Moisture conservation activities, slope stabilization, Creation of contour trenches, contour bunds, grassed waterways and the like help to arrest soil erosion and formation of ravines and gullies etc., as and when required by WCL for compliance of the condition imposed by MOEF & CC from time to time while granting In-principle / Final stage forest land clearance for diversion of forest land for submission of compliance report to MOEF through State Forest Department, as per the same terms and conditions of normal plantation.

32) The Plantation job shall be planned and executed in a manner so as to recoup the natural forest including establishment of water bodies to the maximum possible extent, in order to attract the indigenous flora and fauna.

33)The rates / revised rates for plantation , maintenance and protection on Plain land, on OB slope and on OB top and also fencing work (C.P.T./C.P.W./Thorny fencing) as mutually agreed by both the parties of the MOU shall be the part of this MOU.

The Memorandum of Understanding (MOU) is executed between the Nigam and the Company, the.....day of the month of..... In the year 2019/20 and will be effective fromand shall be applicable for 2020 monsoon plantation work and all future schemes until further reviewed or amended.
