

RINL MEMORANDUM OF UNDERSTANDING (MOU) FOR 2024-25 with Project Customers

- 1.0 The customers taking the material for construction and development purposes are classified as project customers. The project customers can be broadly classified into the following categories:

Sl.No.	Category	Nature of Work	Documents required
1	2	3	4
A	All Govt/PSU/State PSU/Local Bodies / Autonomous bodies like Municipal Corp / Zilla Parishad / State Corp, etc.	Undertaking construction / contracts for construction works or for maintenance of existing unit / expansion / new project	NIL
B	Institutional buyer (only for Public Ltd.Co & Pvt. Ltd Co)	Undertaking construction / Fabricator for executing maintenance of existing unit / expansion / new project/ job work for projects/conversion activity for projects	NIL
C	Contractors for A & B above	Undertaking construction / Fabricator for their clients	An Undertaking in the format mentioned at Annexure-II (Format attached)
D	Educational Institute, Public utility, Religious bodies, etc.	Undertaking construction / Fabricator for executing building / other projects	
E	Individual house builder	Undertaking construction of his house	
F	Sale under projects to categories / Type of firm not falling above with proper justification.		

- 2.0 All the customers taking material for the purposes indicated above at column-3 are classified as Project Customers. Any other works can be classified as projects with the approval of competent authority.
- 3.0 There is no minimum quantity requirement for Project Sales customers. The Project requirements upto 400 MT per annum shall be serviced on spot sales basis. All project customers taking more than 400 MT per annum are eligible to enter into an MOU indicating the quantities to be lifted by them. A suggested format of the MOU is at Annexure-I. However, the requirement for a quantity more than 3000 MT in March from any customer shall be intimated to the Project Sales Section at HQ for information and monitoring.
- 4.0 A Consignee can be the buyer or other than the buyer as informed / stated by the buyer at the time of taking Sales Order; subject to verification of documents like PO/Work Order etc.by the concerned Sr. BM / BM, to establish the relation of the consignee for the concerned project w.r.t. utilization of materials. Quantities lifted as above are also included in MOU.
- 5.0 MOUs can be entered any time during FY 2024-25 with validity up to 31.03.2025. Depending on the requirements of the customers, short term MOUs for a period up to 3 months are also permitted during the Financial Year. All MOUs are entered, subject to availability of Material.

Further, annual MOUs can be entered for a period of one year from the date of MOU, as per the requirement of Project customers, with proper justification and with the approval of competent authority. All other terms and conditions of the MOU, other than the MOU period, shall be as per the existing Operating Guidelines issued for the Financial Year in which the MOU is being signed. This

annual MOU is exclusive and the MOU quantity cannot be clubbed with any other existing MOUs signed by the customer or their groups/associate concerns with RINL. Even in case the existing Policy Guidelines of MOU with the Project Customers change subsequently from the date of signing annual MOU by the customer, either in the same Financial Year or subsequent Financial Year, their terms and conditions will be guided by the terms and conditions of MOU as signed.

Total Quantity Incentive:

6.0 All the project customers on successful completion of the MOU quantity shall be eligible for a Total Quantity Incentive (TQI) slab corresponding to the MOU quantity signed and Total Quantity Incentive (TQI) shall be paid on the eligible quantity as per the Policy, subject to fulfillment of eligibility criteria indicated below:

PS – 1 MOU Qty. in FY 2024-25	
Slab (MT)	TQI in Rs. per MT
>400-6000	150
>6000-12000	175
>12000-18000	200
>18000-24000	225
>24000-30000	250
>30000-42000	275
>42000	300

6.1 For MOUs signed for more than 1,00,000 MT, the following additional TQIs are applicable, subjected to customer lifting is equal to or more than the MOU quantity. The additional TQI shall be paid on the eligible quantity lifted subjected a maximum of 120% of the original/enhanced MOU quantity.

PS – 1 MOU Qty. in FY 2024-25	
Slab (MT)	Additional TQI in Rs. per MT
>1,00,000-2,50,000	50
>2,50,000	100

MOU enhancement and reduction can be done as per the Policy Guidelines. However, in case the option of reduction of such MOU quantity is exercised by the customers, as permitted under the policy, additional TQI is applicable provided lifted quantity is equal to or more than the original MOU quantity and TQI benefit will be applicable as per the Policy Guidelines.

7.0 The customer shall be eligible for TQI by lifting minimum of 90% of the MOU quantity / revised MOU quantity and considered successful in completion of MOU.

8.0 All the quantities (of the products indicated in the MOU), lifted by the customer(s) shall considered for fulfillment of MOU. However, TQI shall be applicable for the quantity lifted through normal sales & spot (open) sales. Quantities purchased by MOU customer on ex-plant basis (against DOA from concerned Branch) are eligible for TQI. The quantities lifted against tenders and E-auction can be considered for fulfillment of MOU and TQI is not applicable on these quantities. In case of multiple MOUs, such quantities can be distributed amongst any of the MOUs, as opted by the customer. Such option can be given by the customer at the end of the financial year.

9.0 Project customers shall be permitted to include all the quantities lifted by the groups/associate concerns to arrive at the applicable slab under the TQI Scheme. In this regard, the project customers are required to submit the names of the groups/associate concerns in the MOU. The project customers are required to produce the Certificate of Registration or a proof of their association for any new group / associate concern for inclusion in the list at a later date. All such subsequent inclusions shall be

made with the approval of competent authority. The project customers who have all India presence through their group/associate concerns lift materials from various branches. In such cases, the combined lifting from all the branches for project customers (including the group/associate concerns) shall be considered for arriving at the applicable slab under TQI scheme.

- 10.0 The customer can select any one or combination of products required for self-consumption and sign an MOU for the total quantity along with product-wise likely break-up.

Sl.No.	Code Number	Products
1	PS-1	Rebars, Structural& Rounds (All grades) and any other products required for self-consumption and used for construction purposes.

- 11.0 The quantities under the MOU can be enhanced on mutual agreement basis with the approval of competent authority, subject to the lifted quantity being lower than 90% of the original/revised MOU quantities as applicable, at the time of receipt of request and subject to availability of material with RINL. Facility of enhancement of MOU quantity will be available during the MOU period, at least 3 months prior to the expiry of MOU, i.e., before 31.12.2024.

The Branches/Regions to process the proposals for MOU enhancement / reduction, for approval of the competent authority, immediately upon receipt from the customers. All such requests received from the customers are required to be processed by the Branch within a maximum period of 7 working days. In exceptional cases, where the process gets delayed beyond 7 working days, the reasons are to be recorded for the appraisal of the competent authority. The proposals for MOU enhancement shall be processed, subject to material availability with RINL.

Since requirements of project customers are dependent on construction schedules and receipt of new works, they will be permitted to exercise this option of MOU Enhancement as per their requirement and such requests received beyond 31.12.2024 shall be processed for the approval of competent authority, subject to lifted quantity being lower than 90% of the original/revised MOU quantities, as applicable, at the time of receipt of request and also subject to availability of material with RINL.

In case, the option of enhancement of MOU quantity is exercised by the Project Customer, as permitted under the policy, MOU quantity cannot be reduced subsequently.

- 12.0 The quantities under the MOU can also be reduced to 95% of the original MOU quantity with the approval of competent authority. This option can be exercised by the customer at least 3 months prior to the expiry of MOU, i.e., up to 31.12.2024. RINL has an option to reduce the quantity to 90% of the MOU quantity at any point of time during the MOU period.

- 13.0 TQI shall be paid on eligible quantity lifted subject to successful completion of MOU but limited to a maximum of 120% lifting of Original/Enhanced MOU quantity with applicable TQI slab corresponding to the slab in which original or enhanced MOU quantity falls. In case, the option of reduction of quantity exercised by the customers, as permitted under the policy, the TQI shall be applicable for the Reduced MOU Quantity only, with the applicable TQI slab corresponding to the slab in which the reduced MOU quantity falls. In case, the option of reduction of quantity is exercised by RINL, the TQI shall be applicable up to 120% of the reduced MOU quantity.

- 14.0 Customers are eligible for the TQI corresponding to MOU quantity as indicated in the table at Clause 6.0 above on flat slab basis. The TQI amount shall be absolute and lump sum amount and shall be passed on through a credit note without any adjustments towards statutory levies like GST, octroi, etc.,

- 15.0 In case RINL is not able to supply the material against accepted orders of the customers during March 2025, such pending order quantities as on 01-04-2025 may be considered by RINL for servicing till 30-04-2025. The price applicable shall be the price prevailing on the date of RR for direct despatches/date of Invoice for Plant/Stockyard deliveries. Such quantities lifted in April 2025 would be deemed to have been supplied against MOUs for the FY 2024-25 and MOU related benefits shall be passed on accordingly.**

