

**RASHTRIYA ISPAT NIGAM LIMITED  
VISAKHAPATNAM STEEL PLANT**

Volume-I of tender document downloaded from [www.vizagsteel.com](http://www.vizagsteel.com) by

Messers: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Signature and seal of the tenderer)

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The Bid Money / Bid Bond is remitted with the tender by

BG / DD / Banker Cheque No. \_\_\_\_\_ dated \_\_\_\_\_ for

of \_\_\_\_\_ Bank \_\_\_\_\_ Branch

(Signature and seal of the tenderer)

**RASHTRIYA ISPAT NIGAM LIMITED**  
**VISAKHAPATNAM STEEL PLANT**  
**Global Tender for Supply of `Sea Water Magnesite**  
**(MgO-97% Minimum)`**

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**RASHTRIYA ISPAT NIGAM LIMITED  
VISAKHAPATNAM STEEL PLANT  
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**GLOBAL TENDER NOTICE FOR SUPPLY OF `SEA WATER MAGNESITE (MgO-97% MINIMUM)`**

**Global Tender No.Pur.20005382/1709 Dated 04.11.2015**

1. Rashtriya Ispat Nigam Limited (RINL) / Visakhapatnam Steel Plant (VSP) invites sealed bids for supply of **5,000 (Five Thousand) Metric Tonnes of `Sea Water Magnesite (MgO-97% Minimum)`** as per the specifications given in the tender document. The delivery shall be made as per the schedule indicated in the tender documents.
2. Tenderers who are interested to participate in the tender can download the tender document from the website [www.vizagsteel.com](http://www.vizagsteel.com) and submit their offer **before 10.30 hrs (IST) on 02.12.2015 (VITAL)** as per the instructions given in the tender document. In case of difficulty in downloading of tender document, the tender document shall be sent by e-mail free of cost on written request from the tenderer. **The Tenders should refer to RINL's website regularly for any Corrigendum / Addendum.**

EXECUTIVE DIRECTOR (MM)

RASHTRIYA ISPAT NIGAM LIMITED  
VISAKHAPATNAM STEEL PLANT  
(Government of India Enterprise)  
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## **Invitation to Tender for Supply of `Sea Water Magnesite (MgO-97% Min.)`**

**Global Tender No.Pur. 20005382/1709 Dt. 04.11.2015**

- 1.0 Rashtriya Ispat Nigam Limited (RINL) / Visakhapatnam Steel Plant (VSP) invites sealed bids in Two Parts (Part- A :Techno Commercial Bid and Part-B : Price Bid in sealed envelopes) **for supply of 5000 Metric Tonnes of `Sea Water Magnesite` in conformity with the Technical Specifications given in the tender document at Annexure-II.**

2.0 **Delivery** : The deliveries to be performed in 5 (Five) lots of 1000MT each and shall be completed by June'16 / July'16. The delivery of first lot of 1000 Metric Tonnes to be within one month from the date of Acceptance to Tender (or) Letter of Intent . The delivery of each subsequent lots of 1000MT to be with a periodicity of 45 days from the date of delivery of previous lot. **Further, RINL / VSP reserves the right to postpone the deliveries upto a period of 3 months beyond the contracted delivery period, without any additional financial implication to the Purchaser.** However, the Tenderers may quote their earliest and best delivery schedule. VSP reserves the right to reject offers not meeting VSP's schedules / to consider offers with best delivery schedule(s).

Further, failure to adhere to the delivery schedules committed in the tender shall attract contractual remedies as contained herein.

- 3.0 **RINL / VSP intends to purchase the total quantity of 5,000 Metric Tonnes against this tender from a single source.**
- 4.0 The offer should be submitted in a sealed envelope clearly superscribing "Tender for supply of Sea Water Magnesite (MgO - 97%Min.) against Tender No. PUR. 20005382/1709 Dt 04.11.2015 **due on 02.12.2015**, at the office of EXECUTIVE DIRECTOR(MM), BLOCK-A, PURCHASE DEPARTMENT, ADMINISTRATIVE BUILDING, VISAKHAPATNAM STEEL PLANT, VISAKHAPATNAM- 530 031 (A.P.) – INDIA. The tenders shall be received up to **10.30 Hours (IST) on 02.12.2015 (VITAL)** and Techno-Commercial part of the bid (Part-A) will be opened immediately thereafter in the presence of tenderers or their authorised (with letter of authorization) representatives of the tenderers who choose to be present. The date of opening of Sealed Price bids (Part-B) of the tenderers who have been Techno-Commercially found acceptable shall be informed later so as to enable them or their authorised representatives to be present at the time of opening of the Sealed Price Bids, if they so desire.
- 5.0 Each tender should be accompanied by a deposit of an Earnest money Deposit (**VITAL**) / Bid Money for **an amount of US\$ 26,910 (US Dollars Twenty Six Thousand Nine Hundred and Ten only) (or) INR 17,50,000 (Indian Rupees Seventeen Lakh Fifty Thousand only) (or) EURO 24,690 (Euro Twenty Four Thousand Six Hundred and Ninety only)** by means of either a Account Payee Banker Cheque / Demand Draft (both subject to realization) or a Bid Bond in the form of a Bank Guarantee. In case of Banker Cheque / DD, the same shall be drawn on Scheduled Commercial Banks and Payable at Visakhapatnam. In case of a BG (as per format enclosed to this tender document), the same should be from any Scheduled Commercial Banks encashable at Visakhapatnam. Tenders received without Bid Money / Bid Bond of requisite value will not be

considered by RINL / VSP. Banker Cheque / Demand Draft / Bonds drawn on or issued by Co-operative banks are not accepted.

- 6.0 The successful tenderer has to execute a **Performance Guarantee Bond** within fifteen days of issue of order in the form of a Bank Guarantee for 5% of the CFR Value in case of Imported Supplies (FOR VSP Siding / Stores value, in case of indigenous supplies).
- 7.0 RINL / VSP shall not be responsible for any difficulty in downloading of clear and complete tender documents from its website. The tenderers shall be deemed to have read and understood the complete tender documents uploaded by RINL / VSP on its website.
- 8.0 RINL / VSP shall not be responsible for any delay, loss or non-receipt of tender documents or tenders by post.
- 9.0 Purchase preference will be given to the Indian Public Sector Undertakings wherever applicable as per Department of Public Enterprises, Government of India Guidelines / or any other Government of India guidelines in force.
- 10.0 Notwithstanding anything specified in this tender document, RINL in its sole discretion, unconditionally and without having to assign any reason reserves to itself the rights:
  - (a) To accept or reject the lowest tender or any other tender or all the tenders,
  - (b) To accept any tender in full or in part,
  - (c) To reject the offers not conforming to the tender terms.

## PART – I OF TENDER DOCUMENTS

(GLOBAL TENDER NOTICE NO. PUR. 20005382/1709 Dt 04.11.2015 )

### INSTRUCTIONS TO TENDERERS

#### 1.0 ELIGIBILITY:

1.1. The tenders received from the following categories of tenderers only, will be considered by RINL / VSP.

- a) Established Sea Water Magnesite producers. Tenderers who are Producers shall furnish **in original** the Letter of Assurance as per proforma at **ANNEXURE-I A** of this Instructions to Tenderers.

(or)

- b) Traders offering Sea Water Magnesite, duly backed by a Letter of Authority **in original** of the concerned Sea Water Magnesite producer, as per the proforma at **ANNEXURE-I B** of this Instructions to Tenderers, specifically authorizing the said Sea Water Magnesite Trader and no one else to make an offer in response to this Invitation to Tender.

1.2. **ESTABLISHMENT OF CREDENTIALS OF UN-LISTED VENDORS**: If a tenderer who responds to this tender is not presently enlisted with RINL / VSP, he is requested to furnish copies of the following documents in a separate sealed envelope super scribing “**CREDENTIALS**” and the **ITT REFERENCE OR ADVERTISED TENDER REFERENCE** as the case maybe along with the tender:

#### **For Overseas Tenderers:**

- a) Notarised copy of Registration certificate from Chamber of Commerce / their respective designated Govt. Agency in English Version.
- b) Self Attested copies of Audited Financial Statements for the last three years of the Bidder (or) Mine Owner (or) Manufacturer .
- c) Self Attested copy of Other Credentials like ISO Certificates etc from the Bidder (or) Mine Owner (or) Manufacturer (not Compulsory) .
- d) Self Attested copies of Purchase Orders / Contracts / Bill of Ladings / Notarised Copies of Accepted Inspection Certificates / Notarised Copies of Acceptance Note / Self Attested copies of Commercial Invoice / Payment Receipt against the supplies made etc., for the same or similar items in respect of other major customers as a proof for successful execution of Purchase Orders / Contracts.

#### **For Indigenous Tenderers:**

- a) Notarised Statutory Manufacturing / Service Industry Registration Certificate i.e. EM-Part-II issued by DIC / NSIC registration certificate for the same / similar items for MSEs (or) Notarised Copy of Certificate of Registration of shops and Establishments for a Dealer / Agent / Trader etc. (or) Notarised Copy of Certificate of Incorporation along with Memorandum and Articles of Association of the Private / Public Limited Companies.
- b) Notarised Copy of Proprietary / Partnership deeds in case of Proprietary / Partnership firms.
- c) Notarised Copies of Excise, Sales Tax (CST, VAT), Service Tax Registration Certificates and PAN card copy in the name of the company in case of Limited companies or in the name of individuals in case of Proprietary firms.
- d) Self-Certified Financial worth and audited financial statements for the last three (3) years.
- e) Self-Certified Purchase orders/contract copies for the same or similar tendered item(s).  
Self-Certified ISO certificate if any.

Kindly note that the above information is required to assess the credibility of the vendor not presently enlisted with RINL / VSP. The tender of un-listed vendor shall necessarily accompany the above documents. The tender of such un-listed vendor shall be rejected, if RINL / VSP finds that the credibility of the un-listed Vendors is not satisfactory on the basis of the documents furnished / to be furnished. **The decision of RINL / VSP in this regard is final and Binding.** Further, the tenderer is required to submit the duly filled in check list for credentials along with the tender. The check list format is enclosed at **Annexure VI** of this Instructions to Tenderers. The Vendor shall produce originals of the above documents for verification, if RINL / VSP so desires. RINL / VSP's decision in this regard is final.

## **2.0 SPECIFICATIONS:**

- 2.1. RINL / VSP requires Sea Water Magnesite as per the Technical Specifications mentioned in Column-3 of **ANNEXURE-II** of this Instructions to Tenderers. The tenderer is required to indicate in Column-4 of **ANNEXURE-II**, the realistic Guaranteed Maximum / Minimum specifications against each of these parameters. This will be treated as the Bidder's Specifications. If the Guaranteed Maximum / Minimum specifications of Sea Water Magnesite offered fall outside the Maximum / Minimum limits stipulated under Column-3 for these parameters, such offers are liable for Rejection.
- 2.2. Specifications offered in a manner superior to those desired by RINL / VSP will not receive any extra credit / weightage.
- 2.3. In the event of an order materializing, the supplies should be as per the specifications Guaranteed by the Bidder in Column-4 and included in the Acceptance of Tender / Agreement.
- 2.4. The tenderer should submit a recent Test Certificate of not later than 6 months from the date of issue of tender issued by a reputed International Test House indicating the specific values (but not as a range of values) of all the parameters mentioned in the Technical Specifications at **ANNEXURE-II** of this Instructions to Tenderers.

## **3.0 SEA WATER MAGNESITE NOT SUPPLIED EARLIER TO RINL / VSP:**

- 3.1. For the Sea Water Magnesite not supplied earlier to RINL / VSP, RINL / VSP may initially seek trial supply of a small quantity to ensure that it meets the stipulated specifications and is found suitable for use in RINL / VSP, before giving clearance for bulk supplies.
- 3.2. The decision of the RINL / VSP, whether the Trial Supply is suitable or not, even if it meets the stipulated specification, shall be final.

## **4.0 PRICES:**

- 4.1. In case of Imported Supplies, the price offered should be quoted either in EURO (or) in US Dollars in the Price Schedules given in Volume-II of the tender document on per Metric Tonne (of one thousand Kilograms each) basis. The price of the MATERIAL offered should be quoted on the basis of CFR (Liner Terms) Visakhapatnam Port (**VITAL**), giving break up of FOB named port(s) of loading – material in bags and stuffed into containers and Freight.
  - 4.1.1. The shipments shall normally be arranged on FOB basis **However, at it's sole discretion RINL / VSP shall take shipments either on FOB basis or CFR basis or part FOB and part CFR basis. Tenderers must therefore give break up of CFR Price into FOB price and Freight.**
- 4.2. In case of Indigenous Supplies, the price should be quoted in Indian Rupees per MT preferably on FOR VSP Siding / Stores, Visakhapatnam, and should be inclusive of all taxes, duties and levies applicable on the due date for submission of tender. For this purpose, the rate of taxes, duties, levies, freight and insurance considered should be indicated separately.

In case the freight and Insurance are not furnished, the loading for the same shall be as follows.

Insurance : 0.09% as per VSP's Open Insurance Policy

Freight charges :

(i) If the Weight of the tendered items is known,

Freight charges : VSP's approved Transporter's rates x Distance from the Tenderer's Despatch Station / Town / City

(ii) If the Weight of the tendered items is not known,

Freight charges : 3% of basic quoted value if the Tenderer's Despatch Station / Town / City is at a distance of 750 Kms from Visakhapatnam and 5% of basic quoted value if the Tenderer's Despatch Station / Town / City is at a distance beyond 750 Kms from Visakhapatnam.

Note: (a) Distance from Tenderer's Despatch Station / Town / city to Visakhapatnam shall be obtained from Stores-Transport Section of VSP. (b) Door collection charges shall be loaded as per the VSP's annual contract with the Transporters if the weight of consignment is less than 3 MT

**4.3. Offers without break up of CFR Price into FOB Price and Freight shall be not considered (VITAL).**

**4.4.** The supplier from imported source should necessarily indicate the freight rate applicable for shipping the material in lots till completion of delivery and no change in freight quoted, whatsoever, shall be allowed. RINL / VSP reserves the right to exercise the option of FOB / CFR while giving clearance for each lot of shipment.

**4.5. The price quoted by the tenderer should be firm and fixed for the entire quantity offered (VITAL).**

**4.6.** The prices quoted by the tenderer shall be both in figures and words and shall be free from corrections or erasures. In case of any discrepancy between the price quoted in figures and words, the price quoted in words shall prevail. In case of any discrepancy between the Price quoted and the Landed Price / LNCP computed considering the quoted price, then the Price quoted shall prevail and the the Landed Price / LNCP shall be reworked taking the quoted Price and other charges applicable based on the commercial offer.

**4.7.** The tenderers should quote their prices for the following two options:

- a) With Supplier's Credit of 180 days.
- b) Without Supplier's Credit

Offers with supplier's credit, will be considered by Purchaser at his option at the time of placement / execution of the order / Agreement. **However, for inter-se comparison and ranking between the tenders, the price offered without Supplier's credit shall be considered.**

**4.8.** Any revised bids received after the tender (Techno-Commercial bid) opening shall be rejected unless it has been furnished in response to a specific request from VSP.

**4.9.** RINL / VSP shall have the option of resorting to reverse e-auction. All Technically and Commercially acceptable bidders would be required to participate in the reverse e-auction. Details in regard to reverse e-auction are mentioned at Clause 4.9.1 below. **In case of reverse e-auction, the bidders would be required to quote prices only on the basis of Landed Net of Cenvat Price (LNCP)**



4.9.1. RINL / VSP will inform the Technically and Commercially acceptable (TA & CA) tenderers of the date and time of reverse e-auction and they shall participate in the process. All the tenderers would have to generate User-ID & Password by following the following steps

- Go to [www.vizagsteel.com](http://www.vizagsteel.com)
- Click on auctions link.
- Click on MM Reverse e-auctions
- Click on “new user!!! Click to register” for generating user ID and fixing corresponding password.

4.9.2. Definition of key terms for reverse auction and RINL / VSP's reverse e-auction user manual is uploaded on our web site [www.vizagsteel.com](http://www.vizagsteel.com) under auctions menu and MM reverse auctions sub menu. TA & CA tenderers would be authorized to quote only the LNCP prices on e-reverse auction engine on a fixed time and date.

4.9.3. **In case of reverse e-auction the bidders would be required to quote prices only on the basis of Landed Net of Cenvat Price (LNCP). Modalities of evaluation of Landed Net of Cenvat Price is given at Clause 9.6.**

4.9.4. After the Reverse e-auction is conducted, the lowest bid tenderer shall submit the breakup of LNCP in the format of Illustration of Calculation of LNCP immediately after completion of reverse e-auction. RINL / VSP will inform the Technically and Commercially Acceptable (TA & CA) tenderers of the date and time of price bid opening so as to enable them or their authorised representatives to be present at the time of opening of the Price Bids, if they so desire.

4.9.5. The Sealed Price Bids of all the TA & CA tenderers , irrespective of either they have participated in the reverse e-auction or not shall be opened within a period of short duration. **Based on the prices so received through reverse e- auction and the Sealed Price Bids received in the physical mode of tender, a composite comparative statement shall be made considering the lower of prices (i.e. Sealed Price Bid prices and reverse e-auction prices) of all the TA & CA tenderers. Placement of Acceptance to Tender / Purchase Order / Agreement shall be considered on the L-1 price (LNCP) so arrived.**

4.10. In case, the Acceptance to Tender / Purchase Order / Agreement is finalized on Indian firm, who is importing from foreign source and quoted in foreign currency, the Acceptance to Tender / Purchase Order / Agreement shall be placed on **HIGH SEA SALES** basis and the payments shall be released in Indian Rupees considering the lower of the rate of exchange of TT buying rate of “State Bank of India ” prevailing (i) one day before the scheduled date of reverse e-auction (or) (ii) as on the date of opening of Sealed Price Bids (or) (iii) the Closing Bid Rate as per Reuters as on the date of negotiation of L/C. In case of placement of Acceptance to Tender / Purchase Order / Agreement on Indian Firm on ‘High Sea Sales basis’, Taxes & Duties applicable if any, shall also be considered at actuals for arriving at Landed Net of Cenvat (LNCP).

## 5.0 TAXES AND DUTIES:

5.1. In case of Imported Supplies, the successful tenderer shall be entirely responsible for all taxes, stamp duties, Licence fees and other such levies imposed outside India and the price quoted shall be deemed to be inclusive of all such taxes and duties, unless otherwise specifically mentioned.

5.1.1. As per the Income Tax rules in India, RINL / VSP shall report the details of any payment including any interest or salary of any other sum chargeable to tax, being made to a non-resident, not being a Company or to a Foreign Company. Hence, the Foreign Tenderers shall submit declaration as per the format at **Annexure – III** to Draft Terms and Conditions of Order along with Techno-Commercial Bid.

**5.2.** In case of indigenous supplies, the prices quoted should be inclusive of all taxes, duties and levies applicable on the due date for submission of tender. For supplies on CST basis, C-Form shall be issued by RINL / VSP. Any increase / imposition of taxes and duties shall be reimbursed at actuals and any decrease / withdrawal of taxes and duties shall be deducted based on the documents evidencing the taxes and duties applicable on the date of supply as well as the due date for submission of tender. In case the increase / imposition of taxes and duties during the extended period of contract, reimbursement shall not be made unless specifically agreed at the time of extension. Entry Tax as applicable on the Sale Price (Basic Price + Excise Duty + Freight + any other charges paid by the Purchaser to the Supplier excluding CST) as per G.O. of AP Government for procurement of material on CST basis shall be taken into account while evaluating the offer. If any percentage set-off is available to RINL / VSP at the time of evaluation of offer out of the Entry Tax based on the sales of Iron and Steel products, the loading towards Entry Tax shall be done accordingly while evaluating the Prices. In case of supplies from Andhra Pradesh State, the tenderer should be registered under VAT and shall submit VAT Invoice to enable RINL / VSP to avail the Input Credit. Evaluation of such offers shall be done considering this credit that would be available to RINL / VSP.

**5.2.1.** Tenderers must indicate Excise Assessable value w.r.t each of the quoted items in the Price bid (Vol II of Tender Document). In case Excise Assessable value is not mentioned in the price bid, basic unit price quoted for such item(s) shall be considered as Excise Assessable value and the offer shall be evaluated accordingly. If it comes to the notice of RINL / VSP at any point of time that Excise Assessable value of any item supplied by the successful tenderer against the Acceptance to Tender / Purchase Order / Agreement placed against this Invitation to Tender (ITT) is less than the value indicated in the price bid, payment shall be released taking such lower Excise Assessable value into consideration and no claims whatsoever on this account shall be entertained.

## **6.0 INDIAN AGENT COMMISSION:**

**6.1.** RINL / VSP would not like the foreign Tenderers to appoint any Indian agent. In case the Tenderer has an Indian agent, the following details shall be furnished in the offer.

- a) The name and address of the Indian agent. In case the Agent / Representative is a Foreign Company, it shall be confirmed whether it is a real substantial company and details of the same shall be furnished.
- b) Details of services rendered by the Agent; extent of authorisation and authority given to commit the tenderer; the amount of commission / remuneration included in the quoted price(s) for such Indian agent, shall be furnished in the Price Bid (Volume-II).
- c) Confirmation of the Tenderer that the commission / remuneration, if any, payable to his Indian agent, shall be paid by RINL / VSP in India in Indian Rupees. Such commission / remuneration payable to the Indian agent will be converted to Indian Rupees at the Closing Bid Rate as per Reuters on the previous working day of Bill of Lading (B/L) Date and shall not be subject to any further exchange variation and shall be paid only in Indian Rupees after deducting income tax as applicable and other statutory dues, if any. In case of such deductions, necessary certificate shall be issued as per government notification / law of the land. In addition, any other relevant detail as may be asked for by RINL / VSP subsequently, shall also be furnished by the Tenderer.

**6.2.** There shall be compulsory registration of Indian agents with RINL / VSP. Information shall be sent to the Indian agents after they are registered. The necessary 'Application Form' for registration of Indian Agent is to be downloaded from our web site [www.vizagsteel.com](http://www.vizagsteel.com) under 'MM' menu and 'MM Tenders' sub menu. The application is to be submitted with necessary documents as contained therein along with the Techno Commercial Offer of the foreign Tenderer.

**6.3.** The Indian agents commission, if any, should be included in the quoted prices and indicated separately in the Price Bid (Volume-II).

- 6.4. Failure to furnish correct and detailed information as called for in Clause No.6.1 herein above, in the proforma at **ANNEXURE-III** of this Instructions to Tenderers, will render Tenderer's bid liable for rejection or in the event of an agreement materialising, the same is liable for termination by RINL / VSP. Besides this, there would be a penalty of banning business dealings with RINL / VSP or damage or payment of a named sum.
- 6.5. In the event of an Agreement materialising, the terms of payment will provide for payment of the net value of the materials delivered in each consignment, after deduction of the amount of commission / remuneration, if any, payable to Indian agent, which will, under normal circumstances, be released to the concerned Indian Agent on the basis of net invoice weight, 90 (ninety) days after the discharge and acceptance of the cargo in India and on settlement of the demurrage / despatch claims relating to Loadport for F O B shipments and Disport for C F R shipments.
- 6.6. The Indian Agent shall represent only one Tenderer in the tender. In case, it is found that the Indian Agent is representing more than one Tenderer then all the offers represented by this Indian Agent will be rejected.

## 7.0 STATEMENT OF DEVIATIONS:

- 7.1. Each tenderer shall submit along with his offer confirmation of his acceptance to all the terms and conditions of the Tender Documents. A letter as per Proforma at **ANNEXURE-IV** of this Instructions to Tenderers, duly signed by the Tenderer should be submitted along with the offer as a token of acceptance of RINL / VSP's terms and conditions in Techno-Commercial Bid – Part :A.
- 7.2. If any tenderer is unable to accept any particular term(s) as incorporated in the Tender document and proposes any deviation there from, the Tenderer shall clearly spell out the deviations in the Statement of Deviations to be enclosed with the letter as **ANNEXURE-IV** of this Instructions to Tenderers. However, the tender shall be liable for rejection / consideration with loading on account of deviations at the sole discretion of RINL / VSP.
- 7.3. No revision in the terms and conditions of the offer will be entertained after the tender opening.

## 8.0 LOADING ON ACCOUNT OF DEVIATIONS:

- 8.1. In case an offer with deviations is considered further, it shall be loaded suitably for the purpose of comparison of with other offers. The loading shall be done based on the additional financial implication to which RINL / VSP may possibly be exposed on account of such deviation. The decision of RINL / VSP in this regard shall be final.

Since the deviations that might be stipulated by the tenderer cannot be foreseen, the illustration given below are not exhaustive. RINL / VSP reserves the right to load the offers at it's sole discretion for other deviations also, which in the opinion of RINL / VSP, have financial implications to RINL / VSP.

### 8.1.1. Illustration – I: (Deviation in payment terms for Imported supplies)

| Description   | As per Tender terms  | As per deviation                                      |
|---|--|---|
| Payment terms                                       | 100% value against Letter of Credit (L/C) within 60 days of acceptance of material at VSP. | 100% value against Letter of Credit (L/C) at site     |
| CFR PRICE   |  | CFR Price: Rs.10,000/-                                |
| Loading per Tonne due to deviation in payment terms | 20% interest (per annum) for 60 days on CFR Price  | $0.20 \times 60 \times 10,000 / 365 =$<br>Rs.328.767. |

### 8.1.2. Illustration – I: (Deviation in payment terms for Indigenous supplies)

| Description   | As per Tender terms   | As per deviation  |
|---|---|---|
| Payment terms                                       | 100% value against submission of bills within 60 days of acceptance of material at VSP. | 100% against L/C with 60 days interest and acceptance at VSP (All bank charges to Seller's a/c)   |
| Landed cost on F O R VSP Stores basis               |   | Landed cost: Rs.10,000/-  |
| Loading per Tonne due to deviation in payment terms | Loading on LC Charges   | Loading on LC charges shall be Rs 5,618 for First One Crore or part thereof of LC Value and additional Rs 5,618 each for each additional one Crore or part thereof of LC Value. |

### 8.1.3. illustration-II: (Deviation in payment terms for Indigenous supplies)

| Description   | As per Tender terms  | As per deviation   |
|---|--|--|
| Payment terms                                       | 100% value against submission of bills within 60 days of acceptance of material at VSP | 100% against L/C at Site (All bank charges to VSP's a/c)   |
| Landed cost on FOR VSP Stores basis                 |  | Landed cost : Rs.10,000/-  |
| Loading per Tonne due to deviation in payment terms | (i) Loading on LC Charges<br><br>(ii) 20% interest for 60 days on LNCP                 | Loading on LC charges shall be Rs 5,618 for First One Crore or part thereof of LC Value and additional Rs 5,618 each for each additional one Crore or part thereof of LC Value.<br><br>$0.20 \times 60 \times 10,000 / 365 =$<br>Rs.328.76 |

## 9.0 EVALUATION OF THE OFFERS:

**9.1. All the technically and commercially accepted offers shall be evaluated and compared based on Landed Net of Cenvat Price (LNCP) basis of the material at Visakhapatnam Steel Plant, Visakhapatnam.**

**9.2.** For the purpose of comparison of Imported & Indigenous offers, offers for Imported Supplies shall be converted into INR considering an exchange rate of the State Bank of India (SBI) Bill Selling Rate prevailing one day before the scheduled date of Reverse e-auction and the same shall be considered for evaluation of the offers of both 'Reverse e-auction' and 'Sealed Price Bids' for making the composite comparative statement. In case RINL / VSP opts for only Sealed Price Bids, Exchange rate of State Bank of India (SBI) Bill Selling Rate as on the date of opening of Sealed Price bids shall be considered for evaluation.

**9.3.** RINL / VSP , after opening the Techno-Commercial bids / bid document, may seek in writing documents / clarifications **(except in case of EMD)** which are necessary for evaluation of the

Tender / bid document from the Tenderers / bidders or issuing authority for confirmation of eligibility / pre-qualifications stipulated in the Global Tender.

- 9.4. Offers received in single Bid ( which otherwise contains all necessary details for evaluation of the tender as per the ITT / Global Tender Terms) and offers which contain details of the prices in the Techno-Commercial bid but, also accompanied with Sealed Price Bid shall be considered for evaluation subject to the condition that there is no vitiation to the Tendering process i.e., neither the Tenderers revise their prices nor submit Revised Price Bids after opening of the Techno-Commercial bids unless otherwise, sought by RINL / VSP.

**In such a case, Prices in the Sealed Price Bid only shall be considered for evaluation.**

- 9.5. In case, any of the tenders specify multiple price options, although no such requirement is specified in the tender document, RINL / VSP shall consider the LOWEST priced option for the purpose of inter-se comparison and ranking between the tenders (unless specifically mentioned in the tender document). RINL / VSP reserves the right to avail the lowest priced options available in the tender for placement of Acceptance to Tender / Purchase Order / Agreement .

#### 9.6. Illustration for calculation of landed Net of VAT / CENVAT :

##### For Imported Supplies:

Assuming, 24 MT per container and 1 USD = 50.00 INR

| S.No     | Details   |                  |
|----------|---|------------------|
| 1        | FOB (Material in bags stuffed in Containers) – USD per MT             | 1,000.00         |
| 2        | Freight (Liner Terms) Visakhapatnam Port – USD per MT                 | 100.00           |
| 3        | CFR Price - USD per MT (S No 1 + 2)                                   | 1,100.00         |
| 4        | CFR Price - Rs/MT (S.No.3 * Exch. Rate)                               | 55,000.00        |
| 5        | Insurance – Rs 20 per Lakh (S.No.4 * 20/100000)                       | 11.00            |
| 6        | Service Tax on Insurance over Premium (S.No.5 * 14%)                  | 1.54             |
| 7        | CIF Price - Rs/MT (S No 4+5+6)  | 55012.54         |
| 8        | Assessable Value (CIF + 1% Landing Charges) - Rs/MT (1.01 * S.No 7)   | 55562.67         |
| <b>A</b> | <b>DUTY STRUCTURE</b>   |                  |
| 9        | Basic Customs Duty @ 5% + Ed. Cess @ 3 %- Rs/MT (5.15% of S.No 8)     | 2,861.48         |
| 10       | Special Additional Duty @ 4% - Rs/MT (4% on S.No (8+9))               | 2,336.97         |
| 11       | CIF + Customs Duties + Education Cess - Rs/MT (S.No 7 +9+10)          | <b>60,210.99</b> |
| 12       | Terminal handling charges @ Rs.5,300 per 20 ft container              | 220.83           |
| 13       | Service Tax on the above charge @ 14%                                 | 30.92            |
| 14       | Container cleaning charges @ Rs. 1,200 per container                  | 50               |
| 15       | Service Tax on the above charge @ 14%                                 | 7                |
| 16       | Container Maintenance charges @ Rs.1,200 per container                | 50               |
| 17       | Service Tax on the above charge @ 14%                                 | 7                |
| 18       | Delivery Order Charges @ Rs.5,000 per B/L (Assuming 1000T per B/L)    | 5                |
| 19       | Service Tax on the above charge @ 14%                                 | 0.7              |
| 20       | Documentation / HBL Manifestation Charges per B/L (Ass.1000T per B/L) | 5                |
| 21       | Service Tax on the above charge @ 14%                                 | 0.7              |
| 22       | CFS charges at Visakhapatnam @ 7200 per 20 ft container               | 300              |
| 23       | Service Tax on the above charge @ 14%                                 | 42               |
| 24       | C&F Charges @ Rs.1,200 per B/L (Assuming 1000T per B/L)               | 1.2              |
| 25       | Service Tax on C&F Charges @ 14%                                      | 0.17             |
| 26       | Inland Transportation from CFS to Stores @ Rs. 2756.87 per container  | 114.87           |

|           |   |                 |
|-----------|---|-----------------|
| <b>27</b> | <b>TOTAL HANDLING CHARGES</b>   | <b>835.39</b>   |
| <b>28</b> | <b>Landed Price - Rs/MT</b> (S No 11+ 27)                                 | <b>61046.38</b> |
| 29        | LC Charges (Rs 5,618 for every 1 Crore of CFR Value or part thereof)      | 30.90           |
| 30        | Loading towards payment terms (on CFR Price)                              | 0               |
| <b>31</b> | <b>Final Landed Price - Rs/MT</b> (S No 28 + 29 + 30)                     | <b>61077.28</b> |
| 32        | CENVAT credit on account of Addl.Duty - Rs/MT                             | 2336.97         |
| 33        | CENVAT credit on account of Ser.Tax - Rs/MT (6+13+15+17+19+21+23+25)      | 90.03           |
| <b>34</b> | <b>Final Landed Price net of Cenvat Credit - Rs/MT</b> (S No 31 – 32 -33) | <b>58650.28</b> |

**For Indigenous Suppliers:**

|          |   |                   |                   |
|----------|---|-------------------|-------------------|
| 1        | Basic Price (#)   | 1000.00           | 1000.00           |
| 2        | Excise Duty @ 12.5% *   | 125.00            | 125.00            |
| 3        | Sales Tax/VAT : (1+2) x CST* / VAT* rate  | 22.50<br>CST @ 2% | 56.25<br>VAT @ 5% |
| 4        | Freight (#)   | 10.00             | 10.00             |
| 5        | Entry Tax (If applicable) (1+2) x % of Entry tax *                              | 0.00              | 0.00              |
| 6        | Insurance (Value depends on Company policy with insurer) (Sum 1 to 5) x 0.09% # | 1.04              | 1.07              |
| 7        | Loading towards payment terms   | 0.00              | 0.00              |
| <b>8</b> | <b>Landed cost</b>  | <b>1158.54</b>    | <b>1192.32</b>    |
|          | Loading towards L/C margin money  | 0.00              | 0.00              |
| 9        | (@ 5% of 10% of landed value/qtr)   |                   |                   |
| 10       | Landed Cost with L/C margin money   | <b>1158.54</b>    | <b>1192.32</b>    |
| 11       | Less: Cenvat  | 125.00            | 123.60            |
|          | VAT Credit(@ 1. 58* % setoff)   | 0.00              | 17.78             |
|          | Set off on ET   | 0.00              | 0.00              |
| 12       | Landed net of Cenvat/VAT/ET   | <b>1033.54</b>    | <b>1050.94</b>    |

\*Statutory Levy (ruling at the time of offer)

# Assumption.

**NOTE:**

- 1) Any revision in Taxes & Duties which are statutory in nature (for both Indigenous and Imported offers), Inland Transportation, Handling charges, etc (for Imported offers only), prevailing at the time of Reverse e-auction / opening of Sealed Price bids shall be considered for evaluation of the offers.
- 2) Exchange rate of the State Bank of India (SBI) Bill Selling Rate prevailing one day before the scheduled date of Reverse e-auction and the same shall be considered for evaluation of the offers of both 'Reverse e-auction' and 'Sealed Price Bids' for making the composite comparative statement. In case RINL / VSP opts for only Sealed Price Bids, Exchange rate of State Bank of India (SBI) Bill Selling Rate as on the date of opening of Sealed Price bids shall be considered for evaluation

**10.0 VALIDITY OF OFFER:**

Each tenderer shall keep his offer firm and valid for acceptance by RINL / VSP for a period of 120 (One Hundred Twenty) days from the actual date of tender opening.

**11.0 BID MONEY / BID BOND:**

- 11.1. Each tender shall be considered only if Bid Money for the amount mentioned in the Notice Inviting Tender by either of the following means is submitted either before opening of Part-A: Techno-Commercial Bid or is submitted along with the said Part-A. **(VITAL):**

- a) An Account Payee Banker Cheque / Demand Draft drawn on any Scheduled Bank (Banker Cheque / Demand Draft drawn on Co-operative Banks are not accepted) in favour of Rashtriya Ispat Nigam Limited payable at Visakhapatnam. Even if Bid Money is submitted in US Dollars (or) Euro, it shall be converted and retained in Indian Rupees. The implication of fluctuation in exchange rate from the date of conversion to the date of reconversion shall be to the account of the tenderer. No interest shall be paid for the Bid Money.
- b) A Bid Bond in the form of a Bank Guarantee as per the prescribed proforma at **ANNEXURE-VII** of this Instructions to Tenderers established in favour of RINL. No change in the prescribed proforma of the Bank Guarantee for Bid Bond is acceptable. Further, the Tenderer is required to submit the duly filled in Check list for Bank Guarantees along with the tender. The check list format is enclosed at **ANNEXURE-VII A**. The Bid Bond shall be established by any Nationalised / Scheduled Commercial Bank through their Branch / associate Bank in Visakhapatnam and claim payable at Visakhapatnam whose address is also to be specified in the Bank Guarantee. Bonds issued by Co-operative banks are not accepted. The Bid Bond shall be valid for **150 (One hundred and Fifty) days** from the last date fixed for receipt of tenders. The BG should be signed on all pages by the concerned officer(s) of the Bank whose name, designation and Code no, should be mentioned against their respective signatures. The BG shall be sent by the issuing Bank, directly to RINL, Purchase Dept., **under registered post (A/D) or Speed Post only**. In exceptional cases, where the BGs are received through the tenderers, the issuing Bank Branch should be requested to immediately send by **registered post (A/D) or Speed Post only** an unstamped duplicate copy of the guarantee directly to RINL, Purchase Dept. with a covering letter to compare with the original BGs.

**11.2. The tenderers may please note that the Bid Bond / Bid Money shall be submitted either before opening or along with the Part-A: Techno-Commercial Bid (VITAL).** The Bid Money will not earn any interest. Tenderers may please note that the offers received without Bid Bond / Bid Money shall be rejected summarily. **Tenders received without the Bid Bond / Bid Money of requisite value shall be rejected summarily.** Previous deposits with RINL / VSP, if any, by way of Bid Money, Security Deposit or any other kind of Deposit or financial security can not be adjusted for this purpose and offers with such requests shall be treated as without Bid Money

**11.3.** The following categories of tenderers are exempted from submission of EMD/ Bid Money/ Bid Bond :

- a) Central / State Government Public Sector Undertakings of India.
- b) SSI Units / Micro and Small Scale Enterprises (MSEs) registered with NSIC/ District Industries Centre of the state Government concerned for the item(s) / item category of tendered item(s) for which the tenderer is registered with the respective authority.
- c) Manufacturing Units registered with RINL / VSP for the tendered item(s).

**SSIs / MSEs and Units registered with RINL / VSP for the tendered item(s) need to submit notarized copies of the relevant, valid registration certificates for claiming exemption of EMD / Bid Money.**

However, they are required to establish the Performance Guarantee Bond as per Clause 18.0 of Draft Terms and Conditions of tender documents.

**11.4.** The Bid Bond / Bid Money shall be **forfeited** by RINL / VSP without any further reference to the tenderer:

- a) in case the offer submitted is withdrawn or modified by the tenderer in a manner not acceptable to RINL / VSP, before expiry of validity

(or)



- b) in case Performance Guarantee Bond is not submitted within the time allowed as per the terms and conditions after RINL / VSP communicates Acceptance of Tender / Purchase Order / Agreement.

## **12.0 INFORMATION / DATA / DOCUMENTS TO BE FURNISHED:**

**12.1.** The tenderers shall furnish information / data / documents / printed and illustrated literature / brochures covering the following aspects:

- a) Detailed information of the tenderer along with the latest published Annual Accounts and Annual Report to the Shareholders. These documents should clearly show the exact nature of ownership.
- b) Detailed information of the Producer in case the tenderer himself is not the Producer of material. In such a case, the tenderers shall also furnish in original the Letter of Authority of the concerned producers, as per the proforma at **ANNEXURE-I B** of this Instructions to Tenderers, specifically authorising the tenderer to make an offer in response to this Invitation to Tender.
- c) Technical Specifications offered as per the Proforma given at **ANNEXURE-II** of this Instructions to Tenderers.
- d) A recent Test Certificate of not later than 6 months from the date of issue of tender issued by a reputed International Test House indicating the specific values (but not as a range of values) of all the parameters mentioned in the Technical Specification at **ANNEXURE-II** of this Instructions to Tenderers.
- e) Declaration in original regarding Indian Agent, if any, as per the proforma given at **ANNEXURE-III** of this Instructions to Tenderers along with the duly filled in Application form for registration of Indian Agent as detailed at Clause 6.2 above.
- f) Letter in original as a token of acceptance of the RINL / VSP terms and conditions mentioned in the tender, as per the proforma given at **ANNEXURE-IV** of this Instructions to Tenderers.
- g) Declaration of particulars as sought at **ANNEXURE-V** of this Instructions to Tenderers.
- h) The duly filled in check list for credentials in the format enclosed at **ANNEXURE VI** of Instructions to Tenderers
- i) The price schedule after blanking the prices (but indicating the percentage of Taxes and Duties, in case of Indigenous Supplies and currency of prices quoted, in case of Imported Supplies).
- j) Tenderer should mention Excise Duty, Tariff number, estimated assessable price and applicable Excise Duty percentage (rate) for item quoted, if Excise Duty applicable, failing which the offer shall be liable for rejection. If the Tenderer is Dealer / Stockist / Trader, the estimated assessable price of the product obtained by them from their Manufacturer (wherever applicable) and/or MRP with abatement, if any, Excise Duty tariff number and applicable Excise Duty percentage (rate) should be mentioned in the offer, if Excise Duty is applicable, failing which, the offer shall be liable for rejection.
- k) Acceptance to submit Performance Guarantee (PG) Bond as per **ANNEXURE-I** to Draft Terms & Conditions of Order (**VITAL**).
- l) Acceptance to purchaser exercising option for FOB or CFR shipment as per clause 3.1 of Draft Terms & Conditions of Order.
- m) Acceptance and Submission of signed Integrity pact as per **ANNEXURE-II** to Draft Terms & Conditions of Order (**VITAL**).



- n) Submission of Declaration regarding Income Tax towards foreign payments as per **Annexure-III** to Draft terms and conditions of Order.

### 13.0 PREPARATION OF TENDER:

13.1. The offer shall be submitted in two parts ;

Part-A - Techno-Commercial Bid

Part-B - Price Bid.

in two separate sealed envelopes.

13.2. **Part-A** in a sealed envelope should contain

- a) EMD / Bid Money / Bid Bond.
- b) Tender document downloaded from RINL's website duly signed on all pages including the Invitation to Tender, Instructions to Tenderers and Draft Terms and Conditions of Order in token of acceptance. The tenderer should not alter the Terms and Conditions of Order and other documents forming part of the tender document downloaded from the website of RINL / VSP and submit the deviations, if any, separately in the Statement of Deviations.
- c) Detailed Techno Commercial offer together with its enclosures in two copies. The details shall include all details on technical specifications, other information / data / documents (as at Clause No.12 above) / confirmations / any deviations except prices. **One set** of Credential Documents as specified at Clause 1.2 above, in case of Tenderer who is not presently enlisted with RINL / VSP. A price format as in the Part-B (Volume-II) after blanking the prices (but indicating the percentage of Taxes and Duties, in case of Indigenous Supplies and currency of prices quoted, in case of Imported Supplies) shall also be placed in the Part-A. However, no indication of price in any form, shall be given in Part-A.

13.3. Each page of the offer should be numbered consecutively, referring to the total number of pages comprising the entire offer, at the top right-hand corner of each page.

13.4. Each page of the offer and its enclosures should be signed by the authorised officer(s) of the Tenderer along with seal of the Company / Firm indicating the name and status of the signatory. **The techno-commercial bid should not contain any indication of prices.**

13.5. **Part-B:** Price Bid should be submitted in a separate sealed envelope in the prescribed proforma given in Volume-II of the tender document. **The Price Bid should only contain the price quotations and should not contain any other terms and conditions.** Any financial terms should be given in the Techno-Commercial Bid (Part-A) only. Any condition / caveat in the Price Bid shall make the offer liable for rejection.

13.6. The sealed envelopes with Part-A & Part-B of the offer should bear, in Block capital letters, superscription "Tender for supply of ..... against Tender No. Pur..... dtd....." and should also bear superscription:

Part-A: Techno-Commercial Bid, **or**

Part-B: Price Bid.

The two envelopes should be sealed separately. The name and address of the tenderer should be mentioned on these envelopes.

**13.7.** The two envelopes as above should be placed in another envelope which should be addressed to the Executive Director (MM), Administration Building, 3<sup>rd</sup> Floor, Block-A, Purchase Dept, Visakhapatnam Steel Plant, Visakhapatnam 530 031, Andhra Pradesh, India and should bear in Block Capital Letters the superscription "Offer in response to Tender No..... dated..... due on .....". This envelope should also be sealed. The name and address of the Tenderer should be mentioned on this envelope as well.

**13.8.** Copies of the offer should not be sent to any other officer of RINL / VSP.

**13.9.** The offers received by RINL / VSP, which deviate from the **vital conditions** of the tender, as specified below, shall be liable for rejection:

- a) ***Incomplete offers, without appending signature on the offer and the prescribed formats.***
- b) ***Receipt of offers after the due date and time and / or by Fax / E-mail.***
- c) ***Variable price being quoted against requirement of firm and fixed price***
- d) ***Offers not accompanying the requisite EMD / Bid Bond/ Bid Money in line with the tender conditions unless exempted for any reasons specified herein.***
- e) ***Offers not confirming to submission of Performance Guarantee Bond in line with the requirement of this tender document.***
- f) ***Specifications falling outside the Maximum / Minimum Limits stipulated in the tender.***
- g) ***For imports, Offers not offering CFR price and not specifying the break up of the Price indicating the FOB Price and Freight against this tender.***
- h) ***Offers not confirming the acceptance of Integrity Pact.***

**13.10.** Tenders submitted against this Tender shall not be returned in case the tender opening date is postponed /extended. Tenderers desirous to modify their offer / terms may submit their revised / supplementary offer(s) within the extended Tender Opening Date (TOD), by clearly stating the extent of updation done to their original offer and the order of prevalence of revised offer vis-à-vis original offer. The Employer reserves the right to open the original offer along with the revised offer(s).

#### **14.0 LANGUAGE OF THE BID:**

**14.1.** The offer and complete correspondence must be effected only in English language. The Bid prepared by the tenderer and all correspondence and documents relating to the bid exchanged by the tenderer and RINL / VSP, shall be written only in the English language, provided that any printed literature furnished by the tenderer may be written in another language so long as it is accompanied by an English translation of its pertinent passages in which case, for purposes of interpretation of the bid, the English translation shall govern.

#### **15.0 COMPLETENESS OF THE TENDER:**

**15.1.** Each Tenderer should ensure that the aforesaid conditions for submission of offers are duly complied with. Failure to furnish correct and detailed information as called for, will render the concerned tender liable for rejection.

**15.2.** Any special condition of the offer shall be clearly spelt out by the Tenderer prominently in the offer. No revision in the terms and conditions of the offer will be entertained after the price bid opening.

**15.3.** RINL / VSP shall at it's discretion give equal opportunity to all the tenderers for clarification / rectification of any deficiencies in the tender and seek clarifications / confirmations / documents / withdrawal of deviations from the Terms and Conditions of Tender '. In case of failure to rectify the deficiencies within the time given, the tender would be rejected / loaded as mentioned at Clause Nos.7 & 8 above. In case of rejection, Part-B (Price Part) of the tender would be returned unopened and EMD / **Bid Money** would be refunded. RINL / VSP shall not give opportunity as above for submission of Bid Money / Bid Bond.

## 16.0 ACCEPTANCE OF TENDER / AGREEMENT :

- 16.1. When the offer of a Tenderer is found acceptable, RINL / VSP will issue an Acceptance of Tender / Purchase Order / Agreement to the successful Tenderer, which shall constitute a valid and binding contract.

## 17.0 ETHICS:

- 17.1. If it comes to the notice of RINL / VSP at any stage from request for enlistment / tender document that any of the certificates / documents submitted by applicants for enlistment or by bidders are found to be false / fake / doctored, the party will be debarred from participation in all RINL / VSP tenders for a period of 5 years including termination of contract, if awarded. EMD / Security Deposit etc. if any, will be forfeited. The Contracting Agency in such cases shall make good to VSP any loss or damage resulting from such termination. Contracts in operation anywhere in RINL / VSP will also be terminated with attendant fall outs like forfeiture of EMD / Security Deposit, if any, and recovery of risk and cost charges etc. Decision of RINL / VSP Management will be final and binding.
- 17.2. The Company requires that bidders / suppliers / contractors under this contract, observe the highest standard of ethics during the execution of this contract. In pursuance of this policy, the Company defines, for purpose of these provisions, the terms set forth below as follows. "Corrupt practice" means the offering, giving, receiving or soliciting of any thing of value to influence the action of a Public official in contract execution and "fraudulent practice" means a misrepresentation of facts in order to influence the execution of a contract to the detriment of the Employer and includes collusive practice among Bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the Company of the benefits of free and open competition. The Company will reject a proposal for award of work if it determines that the bidder recommended for award had engaged in corrupt or fraudulent practices in competing for the tender in question. The Company will declare a bidder ineligible, either indefinitely or for a stated period of time, to be awarded contract / contracts if it any time determines that the bidder has engaged in corrupt or fraudulent practices in competing for, or in executing, the contract.

- 18.0 **INTEGRITY PACT** : Tenderer is required to accept the "Integrity Pact" enclosed to the tender document as **Annexure-II** to the Draft Terms & Conditions of Order and shall submit the same duly signed and Stamped along with his offer. **Offers not confirming the acceptance of Integrity Pact, will not be considered.**

- 18.1. The details of Independent External Monitors nominated for this tender are given hereunder :

| Sl.No. | Name of the Independent External Monitor (I E M)   |
|--------|--|
| 1      | Shri VENU GOPAL K NAIR,<br>P-1, Chakola Water Ford<br>Pandit Karuppan Road<br>Near Sacred Heart College<br>Thevara, Cochin – 682 013.<br>Contact Numbers Mobile : 9447500010 , P&T : 0484-2664223<br>E-mail: <a href="mailto:vgknair@gmail.com">vgknair@gmail.com</a>  |
| 2      | Shri SIVA PRASAD RAO<br>Flat No. 4 H, South Park Apartment,<br>Opp. HDFC Bank<br>Nallagandla By pass Road,<br>Nallagandla, Serilingampally,<br>Hyderabad – 500 019<br>Mobile No : +91 9908511188<br>Email Id : <a href="mailto:sivaprasadrao1950@gmail.com">sivaprasadrao1950@gmail.com</a> <a href="mailto:spr50@rediffmail.com">spr50@rediffmail.com</a> |

**18.2.** The Nodal officer for the purpose of Integrity pact shall be :

Shri P K Mishra, General Manager (MM),,  
3<sup>rd</sup> Floor,  
Main Administrative Building,  
Visakhapatnam Steel Plant,  
Rashtriya Ispat Nigam Limited,  
VISAKHAPATNAM – 530031.

**19.0 AMENDMENT TO THE TENDER TERMS AND CONDITIONS:**

**19.1.** At any time prior to the deadline for submission of the bids, the RINL / VSP may, for any reason, modify the tender terms and conditions by way of an amendment.

**19.2.** Such amendments will be notified on RINL's website [www.vizagsteel.com](http://www.vizagsteel.com) and will be binding on the tenderers. The intending tenderers shall, therefore, visit RINL's website at regular intervals.

**ANNEXURE-I A OF INSTRUCTIONS TO TENDERERS**

**LETTER OF ASSURANCE FROM ESTABLISHED PRODUCER OF 'SEA WATER  
MAGNESITE'**

To  
EXECUTIVE DIRECTOR(MM),  
BLOCK 'A' PURCHASE DEPARTMENT,  
ADMINISTRATIVE BUILDING,  
RASHTRIYA ISPAT NIGAM LTD.,  
VISA KHAPATNAM STEEL PLANT,  
VISA KHAPATNAM 530 031,  
ANDHRA PRADESH,  
INDIA

Dear Sir,

Sub: Your Tender Notice No....., Dt.....

We..... (name & address) an established and reputed .....(material)  
producer of ..... (place) do hereby make an offer in response to the subject Invitation  
to Tender.

No Company / firm or individual are authorised to represent us in regard to this business against  
this specific Tender.

In the event, our offer being considered by RINL / VSP for acceptance, we shall be responsible  
for the due and timely performance of the Acceptance to Tender / Purchase Order / Agreement.

We hereby extend our full guarantee and warranty for the goods offered for supply against this  
Invitation to Tender.

Yours faithfully,  
(NAME)

for & on behalf of M/s.....  
(Signature and Name of the Material Producer with seal)

**(Note:** This letter of authority should be on the Letter Head of the material Producer and  
should be signed by a person competent and having the power of attorney to bind the  
Material Producer.

**ANNEXURE-I B OF INSTRUCTIONS TO TENDERERS**

**LETTER OF AUTHORITY FROM ESTABLISHED PRODUCER OF `SEA WATER  
MAGNESITE`**

To

Executive Director (MM)  
Block 'A' Purchase Department,  
Administrative Building,  
Rashtriya Ispat Nigam Limited,  
Visakhapatnam Steel Plant,  
Visakhapatnam-530 031 (A.P).

Dear Sir,

Sub: Your Tender Notice No..... dtd.....

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1. We ..... (name and address) an established and reputed .....(material) producer of ..... (place) do hereby authorise M/s.....(Name and address of tenderer) to make an offer in response to this invitation to tender.
2. No Company / Firm or individual other than M/s..... is authorised to represent us in regard to this business against this specific tender.
3. In the event, the offer made by M/s..... being considered by RINL for acceptance both M/s ..... and ourselves shall be jointly and severally responsible for the due and timely performance of the Acceptance to Tender / Purchase Order / Agreement.
4. We hereby extend our full guarantee and warranty for the goods offered for supply against this Invitation to Tender by the above firm.

Yours faithfully  
(NAME)

for & on behalf of M/s.....  
(Signature and Name of the Material Producer with seal)

**Note:** This letter of authority should be on the Letter-Head of the material Producer and should be signed by a person competent and having the power of attorney to bind the Material Producer.

## **ANNEXURE-II OF INSTRUCTIONS TO TENDERERS**

### **TECHNICAL SPECIFICATIONS**

| Sl No. | Parameter                      | Specifications required by RINL | Specifications guaranteed by the tenderer |
|--------|--------------------------------|---------------------------------|---|
| (1)    | (2)                            | (3)                             | (4)                                       |
| 1      | MgO                            | 97% (Min.)                      |   |
| 2      | B <sub>2</sub> O <sub>3</sub>  | 0.03% (Max.)                    |   |
| 3      | Bulk Density                   | 3.40 gms/cc (Min.)              |   |
| 4      | CaO                            | 2.40% (Max.)                    |   |
| 5      | SiO <sub>2</sub>               | 0.35% (Max.)                    |   |
| 6      | Fe <sub>2</sub> O <sub>3</sub> | 0.20% (Max.)                    |   |
| 7      | Al <sub>2</sub> O <sub>3</sub> | 0.15% (Max.)                    |   |
| 8      | Average Crystal Size           | 80 Microns (Min.)               |   |

### **SPECIAL INSTRUCTIONS:**

1. The material should be packed in suitable Sea Worthy Bags of 1 MT TO 1.35 MT with inner PE Lining.
2. MgO should be measured by difference.
3. All other constituents should be measured by X-Ray Fluorescence Method except B<sub>2</sub>O<sub>3</sub> which should be determined by Colorimetry method.
4. Crystal Size should be measured by Linear Intercept Method with a Multiplication Factor of 1.62.

.....  
Signature and seal of the Tenderer

## **ANNEXURE-III OF INSTRUCTIONS TO TENDERERS**

### **DECLARATION REGARDING INDIAN AGENT**

To

Executive Director (MM),  
Block 'A' Purchase Department,  
Administrative Building,  
Rashtriya Ispat Nigam Ltd.,  
Visakhapatnam Steel Plant,  
Visakhapatnam-530 031 (A.P).

Dear Sir,

Sub: Your Tender Notice No..... dated.....  
for supply of .....

1. With reference to the subject tender, we wish hereby inform you that we have appointed ..... as our Indian Agent and furnished the commission / remuneration payable to them in the Price Bid (Part-B / Volume-II). The other details are given below:

|   |  |  |
|---|--|--|
| a | Nature (Individual / Proprietary Firm / Partnership Firm / Limited Company)  |  |
| b | Name (s) of the Proprietor / Partners / Directors                            |  |
| c | Registered Address   |  |
| d | Correspondence Address   |  |
| e | Contact Person   |  |
| f | Mobile Nos.  |  |
| g | Phone Nos.   |  |
| h | Fax Nos.   |  |
| i | E-mail IDs   |  |
| j | Web Address  |  |
| k | Extent of authorization (copy of Agreement / MOU in this regard is enclosed) |  |

2. We are aware that the commission / remuneration, if any, payable to the Indian agent, shall be paid by you in India in Indian Rupees by converting it at the Closing Bid Rate as per Reuters on the previous working day of Bill of Lading (B/L) Date and it shall not be subject to any further exchange variation and shall be paid only in Indian Rupees after deducting income tax as applicable and other statutory dues, if any. In case of such deductions, necessary certificate shall be issued as per government notification / law of the land.
3. In the event of an Agreement materialising, the terms of payment shall provide for payment of the net value of the materials delivered in each consignment, after deduction of the amount of commission / remuneration, if any, payable to Indian agent, which shall, under normal circumstances, be released to the concerned Indian Agent on the basis of net invoice weight, 90 (ninety) days after the discharge and acceptance of the cargo in India and on settlement of the demurrage / despatch claims relating to Loadport and Disport.



4. It is declared that the Indian Agent is an Independent Agent and is acting on behalf of the non-resident in the normal course of his business as a broker, general Commission Agent or as an Independent Agent and ;
- (a) He does not have and habitually exercises in India , an authority to conclude contracts on behalf of the non – resident ;
  - (b) He does not habitually maintains in India a stock of goods or merchandise from which he regularly delivers goods or merchandise on behalf of the non-resident ;
  - (c) He does not habitually secures orders in India, mainly or wholly for the non-resident or for that non-resident and other non-residents controlling, controlled by, or subject to the same common control, as that non-resident ;
  - (d) He does not work mainly or wholly on behalf of the non–resident (principal non – resident) or on behalf of such non – resident and other non-resident which are controlled by the principal non – resident or having a controlling interest in the principal non – resident or are subject to the same common control as the principal non – resident ;

The above mentioned facts are true and in case any Indian Income tax liability arises on RINL / VSP by virtue of any incorrect statement in the above declarations, we would indemnify RINL / VSP for the consequences

Thanking you,

Yours faithfully,

Dated:

(Signature and Seal of Tenderer)

**ANNEXURE-IV OF INSTRUCTIONS TO TENDERERS**

**ACCEPTANCE OF THE TERMS AND CONDITIONS MENTIONED  
IN THE TENDER**

To

Executive Director (MM),  
Block 'A' Purchase Department,  
Administrative Building,  
Rashtriya Ispat Nigam Ltd.,  
Visakhapatnam Steel Plant,  
Visakhapatnam-530 031 (A.P).

Dear Sir,

Sub: Your Tender Notice No..... dated.....

1. With reference to your Tender Notice No..... dated ..... for supply of ..... we hereby confirm our acceptance for all the Terms and Conditions given in the Tender Documents, except for the deviations specifically mentioned in the Statement of Deviations enclosed.
2. We are aware that our offer shall be liable for rejection / loading on account of deviations, at the sole discretion of RINL / VSP.

Thanking you,

Yours faithfully,

Dated:

(Signature and Seal of Tenderer)

**Note:** The tenderer shall specifically confirm Acceptance or mention Deviation for the conditions given in the enclosed Statement of Deviations. In case of deviation from any other condition, the deviation shall be mentioned by specifying the Condition and the Clause No.

**Enclosure to the letter confirming acceptance of Draft Terms and Conditions of Order**

**STATEMENT OF DEVIATIONS**

| Sl. No. | Condition  | As per Clause No. | Acceptance / Deviation |
|---------|--|-------------------|------------------------|
| 1       | FOB / CFR Option for shipment                                    | 3                 |                        |
| 2       | Delivery Period  | 5                 |                        |
| 3       | Payment Terms  | 16/17             |                        |
| 4       | Submission of Performance Guarantee Bond                         | 18                |                        |
| 5       | Integrity Pact   |                   |                        |
| 6       | Any other (to be specified by the tenderer for other deviations) |                   |                        |

.....  
Signature and seal of the Tenderer

**ANNEXURE-V OF INSTRUCTIONS TO TENDERERS**

**DECLARATION OF PARTICULARS TO BE FILLED UP AND SUBMITTED ALONG WITH  
TECHNO-COMMERCIAL BID – PART-A OF OFFER**

|   |  |    |
|---|--|----|
| 1 | Details of the Tenderer (latest published Annual Accounts and Annual Report to the Shareholders clearly showing the exact nature of ownership shall also be submitted):  |    |
|   | a) Name  |    |
|   | b) Nature of ownership (Proprietary Firm / Partnership Firm / Limited Company)   |    |
|   | c) Name (s) of the Proprietor / Partners / Directors   |    |
|   | d) Registered Address  |    |
|   | e) Correspondence Address  |    |
|   | f) Contact Person  |    |
|   | g) Mobile Nos.   |    |
|   | h) Phone Nos.  |    |
|   | i) Fax Nos.  |    |
|   | j) E-mail IDs  |    |
|   | k) Web Address   |    |
| 2 | Qty. offered   | MT |
| 3 | Brand / Name of Sea Water Magnesite offered  |    |
| 4 | Country of Origin  |    |
| 5 | Details of Producer in case the tenderer himself is not the Producer of material (they shall furnish in original the Letter of Authority of the concerned producers, as per the proforma at <b>ANNEXURE-I B</b> of this Instructions to Tenderers specifically authorising the said supplier to make an offer in response to this Invitation to Tender): |    |
|   | a) Name  |    |
|   | b) Registered Address  |    |
|   | c) Correspondence Address  |    |
|   | d) Contact Person  |    |
|   | e) Mobile Nos.   |    |
|   | f) Phone Nos.  |    |
|   | g) Fax Nos.  |    |
|   | h) E-mail IDs  |    |
|   | i) Web Address   |    |
| 6 | Details of production:   |    |
|   | a) Production Capacity / year  |    |
|   | b) Production in 2012 – 2013   |    |
|   | c) Production in 2013 – 2014   |    |
|   | d) Production in 2014– 2015  |    |
| 7 | Details of Loadport (Port of Shipment):  |    |
|   | a) Name  |    |
|   | b) Location  |    |
|   | c) Distance from the Production Plant  |    |

|    |   |  |
|----|---|--|
|    | d) Mode of transportation proposed  |  |
| 8  | Net weight of each bag (MT)   |  |
| 9  | Gross weight of each bag (MT)   |  |
| 10 | Number of bags those can be stuffed in a 20 ft. container   |  |
| 11 | Name of the Indian Agent, if any (The details shall be declared as per proforma at <b>ANNEXURE-III</b> of the Instructions to Tenderers) and submission of Application form by Indian Agent for registration of Indian Agent as per Clause 6.2 of Part-I. |  |
| 12 | Details of Negotiating Bank for Letter of Credit  |  |
|    | a) Name   |  |
|    | b) Address  |  |
|    | c) Swift Code   |  |
| 13 | Nature of Production  |  |
| 14 | Letter of Acceptance of terms & conditions of ITT   |  |
| 15 | Acceptance of Tech. Specification   |  |
| 16 | Acceptance to purchaser exercising option for FOB or CFR shipment as per clause 3.1 of Draft Terms & Conditions of Order  |  |
| 17 | Blank Price bid format (Part-B) enclosed along with Part-A  |  |
| 18 | Offer of Prices (a) Without Suppliers Credit<br>(b) With Suppliers Credit of 180 days   |  |
| 19 | Submission of Latest Test Certificate from reputed International test house not later than 6 months from the date of this Global Tender   |  |
| 20 | Delivery schedule for the offered quantity  |  |
| 21 | Acceptance of Payment Terms   |  |
| 22 | Acceptance to submit Bid Bond   |  |
| 23 | Acceptance to submit Performance Guarantee :<br>(PG) Bond   |  |
| 24 | Acceptance and Submission of signed Integrity pact  |  |
| 25 | Submission of Declaration regarding Income Tax towards foreign payments as per Annexure-III to Draft terms and conditions of Order  |  |
| 26 | Reverse e-Auction user id generated as per Clause 4.9.1 of instruction to Tenderer  |  |
| 27 | Validity of offer   |  |

Signature and Seal of the Tenderer

## **ANNEXURE-VI OF INSTRUCTIONS TO TENDERERS**

### **CHECK LIST FOR CREDENTIALS TO BE FILLED UP AND SUBMITTED ALONG WITH TECHNO-COMMERCIAL BID – PART-A OF OFFER**

| <b>Sl. No</b> | <b>Document</b>  | <b>Pages</b> |           |
|---------------|--|--------------|-----------|
|               |  | <b>From</b>  | <b>To</b> |
|               | <b>For Overseas Tenderers:</b>   |              |           |
| a             | Notarised copy of Registration certificate from Chamber of Commerce / their respective designated Govt. Agency   |              |           |
| b             | Self Certified copies of Audited financial statement for the last three years of the Bidder (or) Mine Owner (or) Manufacturer  |              |           |
| c             | Self Certified copies of Other Credentials like ISO Certificates etc. from the Bidder (or) Mine Owner (or) Manufacturer (not Compulsory)   |              |           |
| d             | Self Attested copies of Bill of Ladings / Notarised Copies of Accepted Inspection Certificates / Notarised Copies of Acceptance Note / Self Attested copies of Commercial Invoice / Payment Receipt against the supplies made etc., for the same or similar items in respect of other major customers as a proof for successful execution of Purchase Orders / Contracts.  |              |           |
|               |  |              |           |
|               | <b>For Indigenous Tenderers:</b>   | <b>From</b>  | <b>To</b> |
| a             | Notarised Statutory Manufacturing / Service Industry Registration Certificate i.e. EM-Part-II issued by DIC / NSIC registration certificate for the same / similar items for MSEs (or) Notarised Copy of Certificate of Registration of shops and Establishments for a Dealer / Agent / Trader etc. (or) Notarised Copy of Certificate of Incorporation along with Memorandum and Articles of Association of the Private / Public Limited Companies. |              |           |
| b             | Notarised Copy of Proprietary / Partnership deeds in case of Proprietary / Partnership firms.  |              |           |
| c             | Notarised Copies of Excise, Sales Tax (CST, VAT), Service Tax Registration Certificates and PAN card copy in the name of the company in case of Limited companies or in the name of individuals in case of Proprietary firms.  |              |           |
| d             | Self-Certified Financial worth and audited financial statements for the last three (3) years.  |              |           |
| e             | Self-Certified Purchase orders/contract copies for the same or similar tendered item(s).   |              |           |
| f             | Self-Certified ISO certificate if any.   |              |           |

Signature and Seal of the Tenderer

## **ANNEXURE-VII OF INSTRUCTIONS TO TENDERERS**

### **PROFORMA OF BANK GUARANTEE(BG) FOR BID BOND**

(To be submitted on a Non-judicial stamp paper of the value of Indian Rupees One Hundred and should have been issued in the name of the Bank issuing the BG & the date of sale of stamp paper should be prior to the date of the BG)

To be established through any Nationalised / Scheduled Bank through their Branch / Associate Bank in Visakhapatnam and claim payable at Visakhapatnam whose address is also to be specified in the BG. Bonds issued by Co-operative banks are not accepted

To

Rashtriya Ispat Nigam Limited  
Visakhapatnam Steel Plant,  
Administration Building,  
Visakhapatnam-530 031.  
INDIA.

Bank Guarantee No..... dated.....

#### **LETTER OF GUARANTEE**

WHEREAS Rashtriya Ispat Nigam Ltd., Visakhapatnam Steel Plant (hereinafter referred to as RINL) have invited Tenders vide Tender No. .... Dated..... (hereinafter referred to as the said Invitation to Tender) for purchase of ..... MT of ..... (material).

AND WHEREAS the said Invitation to Tender requires that any eligible Tenderer wishing to make an offer in response thereto shall establish an irrevocable Bid Bond in favour of RINL in the form of Bank Guarantee for an amount of USD ..... (US Dollars ..... only) / EURO.....(Euro.....only) / INR ..... (INR ..... only) valid upto 150 days from the date of opening of tenders as guarantee that the tenderer:

- a) shall keep his offer firm and valid for acceptance by RINL for a period of 120 (One Hundred Twenty) days from the date of opening of tenders.
- b) shall, in the event of the offer being accepted by RINL, establish a Performance Guarantee (PG) Bond in favour of RINL, in the form of Bank Guarantee covering 5% (five percent) of the CFR value (FOR VSP Siding / Stores value, in case of indigenous supplies) of the material at the price and on the terms accepted by RINL, within 15 (Fifteen) days from the date of the Acceptance to Tender / Purchase Order / Agreement .

AND WHEREAS M/s.....(hereinafter referred to as the said Tenderer) wish to make an offer in response to the said Invitation to Tender for the supply of the material on the basis of FOB / CFR / FOR terms.

NOW THIS BANK HEREBY GUARANTEES that in the event of the said Tenderer failing to abide by any of the conditions referred to in any of the preceding paragraphs, this Bank shall pay to Rashtriya Ispat Nigam Ltd., Visakhapatnam Steel Plant, Visakhapatnam, INDIA on demand and without protest or demur US\$/ Euro/ INR ..... (US Dollars.....only) / EURO ..... (Euro ..... only) / INR ..... (INR ..... only). This Bank further agrees that the

decision of RINL as to whether the said Tenderer has committed a breach of any of the conditions referred to in the preceding paragraphs, shall be final and binding.

THIS BANK FURTHER undertakes that this Guarantee shall remain irrevocably valid and in force upto 150 (One Hundred Fifty) days from the date of opening the tenders and also undertakes that this Guarantee can be invoked at the counters of our branch at Visakhapatnam .....(address) & IFSC Code :.....to on claim lodged on us and acceptable..

For and on behalf of \_\_\_\_\_

(Name of the Bank)

Signature  
Name ( )

Duly constituted attorney

and authorised signatory

Designation :

Name and Address :  
of the Bank

Issuing Bank IFSC Code :

**Note:** Issuance of this Bank Guarantee may also be got confirmed from our Controlling Branch Office / Higher Authority as hereunder

(NAME AND ADDRESS TO BE SPECIFIED)



## **ANNEXURE-VII A OF INSTRUCTIONS TO TENDERERS**

### **CHECK LIST FOR BANK GUARANTEES**

**Name of the party submitting BG:**

**Party Code:**

**Tender No:**

**Name of the Bank issuing BG:**

**Branch issuing the BG:**

**BG No.:**

**BG Date:**

**BG Value:**

|    |   |          |
|----|---|----------|
| 1  | Is the BG as per the approved format of VSP ?   | Yes / No |
| 2  | Is the BG issued by the specified category of Banks (Scheduled commercial bank / Nationalized bank etc. as specified in the contract) ?   | Yes / No |
| 3  | Is the BG executed on stamp paper of adequate value under the relevant state rules ?  | Yes / No |
| 4  | Is the stamp paper obtained in the name of the bank issuing the BG ?  | Yes / No |
| 5  | Is the date of sale of stamp paper prior to the date of the BG ?  | Yes / No |
| 6  | Does the BG refer to the concerned agreement / tender with reference to which the BG is issued ?  | Yes / No |
| 7  | Does the BG bear the number, date and seal of the issuing Bank ?  | Yes / No |
| 8  | Is the BG signed on all pages ?   | Yes / No |
| 9  | Whether the name, designation & code number of the officer/officers signing the BG are mentioned against the signatures of respective officer/officers ?  | Yes / No |
| 10 | Whether the BG validity period is as per the concerned contractual requirement ?  | Yes / No |
| 11 | Whether the BG format contains a foot note regarding the details of the controlling office / higher authority from which confirmation regarding issuance of BG may also be obtained as given below:<br><br>"Issuance of this bank guarantee may also be got confirmed from our controlling branch office / Higher Authority (Name & Address)" | Yes / No |
| 12 | BG contains the clause for 'Enforceability of the same at Visakhapatnam*' and the address for the same is also specified in the BG.   | Yes / No |
| 13 | Enclosed is the Original confirmation letter from the BG enforcing and paying Bank/Branch at Visakhapatnam in the case BG is issued from a Bank outside Visakhapatnam.  | Yes / No |

**Note: The BGs can be accepted only when reply to all the above are 'Yes'**

**Signature of the Tenderer**

**Date: .....**

## **DRAFT TERMS AND CONDITIONS OF ORDER FOR SUPPLY OF `SEA WATER MAGNESITE`**

### **1.0 DEFINITIONS:**

- 1.1. The Purchaser shall mean the Rashtriya Ispat Nigam Limited (RINL), Visakhapatnam Steel Plant (VSP) incorporated under the Companies Act 1956, having their Registered Office at Main Administrative Building, Visakhapatnam-530 031 and shall include their successors or assigns. All correspondence in respect of the order shall be addressed to Imported Raw Materials Section, Purchase Department, Administrative Building, Visakhapatnam Steel Plant, Visakhapatnam-530 031, AP, India, Phone: +91 891 2519506 / 2519533 Ext.136, Fax: +91 891 2519520 / 2518753 / 2518756, e-Mail: [venkayayj@vizagsteel.com](mailto:venkayayj@vizagsteel.com) / [satishmalladi@vizagsteel.com](mailto:satishmalladi@vizagsteel.com)
- 1.2. The Supplier shall mean the person, firm or Company whose tender has been accepted and shall be deemed to include his / its / their successors (approved by the Purchaser), representatives, heirs, executors and administrators unless excluded by the Supplier.
- 1.3. The Order shall mean and include Invitation to Tender (ITT), Purchase Order / Acceptance of Tender (A/T) / Agreement and amendments to A/T / Purchase Order / Agreement thereof issued by the Purchaser in writing.
- 1.4. The Material shall mean all or any of the materials to be supplied as mentioned in the Acceptance of Tender / Purchase Order / Agreement
- 1.5. The Delivery shall mean delivery of the materials acceptable to the Purchaser as per the Acceptance of Tender / Purchase Order / Agreement
- 1.6. The Contract Price shall mean the sum accepted by the Purchaser or the sum calculated in accordance with the prices accepted by the Purchaser as in the Acceptance of Tender / Purchase Order / Agreement
- 1.7. In case of indigenous supplies, Loadport shall mean Loading Point at Supplier's end and Disport shall mean Unloading Point at Purchaser's end.

### **2.0 QUANTITY:**

- 2.1. The SUPPLIER shall sell and the PURCHASER shall buy the quantity of `Sea Water Magnesite` as mentioned in the Acceptance of Tender / Purchase Order / Agreement in conformity with the Technical Specifications mentioned in the Acceptance of Tender Agreement / for use in its integrated Iron and Steel works. The quality of the Sea Water Magnesite to be supplied under this Order shall under no circumstances be inferior to the Technical Specifications as contained in the Acceptance of Tender / Agreement

### **3.0 PRICES:**

- 3.1. For Imported Supplies: The prices FOB Named Port of Loading (material in bags and stuffed into containers) and CFR (Liner Terms) Visakhapatnam Port, India per Metric Tonne (of one thousand kilograms) shall be as indicated in the Acceptance of Tender / Purchase Order / Agreement. The shipments shall normally be arranged on FOB basis. However, at his sole discretion RINL / VSP shall take shipments either on FOB basis or CFR basis or part FOB basis or part CFR basis. RINL / VSP reserves the right to exercise the option of FOB / CFR while giving clearance for each lot of shipment.
- 3.2. For Indigenous Supplies: The prices FOR VSP Siding, Visakhapatnam – Siding No.12328705, in case of rail despatches and FOR VSP Stores, Visakhapatnam in case of road despatches per Metric Tonne (of one thousand kilograms) shall be as indicated in the Acceptance of Tender / Purchase Order / Agreement.

3.3. Prices shall be firm for the entire period of the Supplier's performance of the Order / Agreement, in other words, till completion of supplies and shall not be subject to any variation on any account.

#### 4.0 INDIAN AGENT'S COMMISSION:

- 4.1. In case of Imported Supplies, the above price shall be inclusive of any commission as indicated in the Acceptance of Tender / Purchase Order / Agreement payable in equivalent Indian Rupees. The Agency commission payable to the Agent will be converted to Indian Rupees at the Closing Bid Rate as per Reuters on the previous working day of Bill of Lading (B/L) Date and shall not be subjected to any further exchange variations and shall be paid only in Indian Rupees after deducting income tax as applicable and other statutory deductions, if any. Service Tax, if any, shall be reimbursed at actuals on submission of CENVAT documents. In case of any deductions, necessary certificate shall be issued as per Government Notification / Law of the Land.
- 4.2. The amount of commission / remuneration, if any, payable to Indian agent, shall, under normal circumstances, be released to the concerned Indian Agent on the basis of net invoice weight, 90 (ninety) days after the discharge and acceptance of the cargo in India and on settlement of the demurrage / despatch claims relating to Loadport and Disport.

#### 5.0 DELIVERY:

- 5.1. The deliveries to be performed in 5 (Five) lots of 1000MT each and shall be completed by June'16 / July'16 . The delivery of first lot of 1000 Metric Tonnes to be within one month from the date of Acceptance to Tender (or) Letter of Intent . The delivery of each subsequent lots of 1000MT to be with a periodicity of 45 days from the date of delivery of previous lot. **Further, RINL / VSP reserves the right to postpone the deliveries upto a period of 3 months beyond the contracted delivery period, without any additional financial implication to the Purchaser.** However, the Tenderers may quote their earliest and best delivery schedule.
- 5.2. The period of delivery is the essence of the Order / Agreement. Further, failure to adhere to the delivery schedules committed in the tender shall attract contractual remedies as contained herein. The date of Bill of Lading shall be the date of delivery in respect of each consignment. In case of indigenous supplies, the date of receipt of material in Purchaser's Premises shall be the date of delivery in respect of each consignment.
- 5.3. For any delay in clearance at the port of destination on account of non-supply of shipping documents (Original Clear Railway Receipt / Lorry Receipt, in case of indigenous supplies) in time and/or due to faulty documents, the SUPPLIER would be held responsible for any demurrage, port / siding / store rent etc, which the PURCHASER may become liable to pay to the Authorities at the Discharge Port in India (Demurrages, Punitive Charges etc, payable to Railways / Transporter, in case of indigenous supplies).

#### 6.0 SHIPPING PROCEDURE:

- 6.1. In case shipment on FOB terms is decided, the shipping arrangements will be made through forwarding agents / nominees to whom adequate notice of not less than six weeks about the readiness of cargo for shipment should be given by the supplier from time to time for finalising the shipping arrangements. The details of forwarding agents / nominees will be informed after deciding the shipment terms.
- 6.2. The Bills of Lading shall be drawn so as to show:

Shippers : (Name of the supplier)  
Consignee : To order

Notify : "Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant, Transport and Shipping Dept., Administrative Building, Visakhapatnam-530 031"

#### 7.0 CONDITIONS FOR SHIPMENT:

7.1. In case shipment on FOB terms is decided every shipment against this Acceptance to Tender / Purchase Order / Agreement must be made under Bill (s) of Lading marked "Freight to Pay" providing for discharge on Liner Terms on Quay / Wharf / Berth at the port of discharge, free of risk and expense to the Purchaser. The date of the Bill of Lading shall be treated as the date of Shipment.

## 8.0 **PACKING & MARKING:**

8.1. **PACKING:** Material should be packed in suitable Sea Worthy Bags of 1 MT TO 1.35 MT with inner PE Lining.

8.1.1. The Supplier shall include and provide for securely protecting and sea worthy packing the material in accordance with best established practices so as to protect the contents from damage during transit from point of production until after arrival at Purchaser's site under conditions which may involve multiple handling, transport by ship, rail and road, storage, exposure, to heat moisture rain etc. Wherever considered necessary, the Purchaser or his representative may check the packing before despatch and may ask for modifications to the extent considered necessary to be carried out in the packing and the Supplier shall carry out the same free of charge. All packing shall allow for removal and checking at site.

8.2. **MARKING:** All packages shall be clearly and properly marked in English language with indelible paint stenciling. All previous irrelevant markings shall be carefully obliterated. The Supplier shall ensure that the following are clearly and legibly stenciled with good quality non-fading paint on the packages.

|    |                                   |   |   |
|----|-----------------------------------|---|---|
| a) | Name and address of the Consignee | : | Rashtriya Ispat Nigam Ltd.<br>Visakhapatnam Steel Plant,<br>Visakhapatnam 530 031<br>Andhra Pradesh, INDIA. |
|----|-----------------------------------|---|---|

|    |                                      |   |  |
|----|--------------------------------------|---|--|
| b) | Name of the Supplier                 | : |  |
| c) | A/T / Purchase Order / Agreement No. | : |  |
| d) | Description                          | : |  |
| e) | Quantity                             | : |  |
| f) | Package number                       | : |  |
| g) | Gross and nett weights               | : |  |
| h) | Port of loading & unloading          | : |  |

## 9.0 **PACKING LISTS:**

9.1. Each package shall have a detailed packing list quoting specifically the name of the Supplier, number and date of the order, the name of the Purchaser and the description of the stores and the quantity contained in the package. Duplicate copy of the packing list shall be put in a water proof envelope and fastened securely to the outside of the package.

9.2. Notwithstanding any thing stated in this Article, the Supplier shall be entirely responsible for loss, damage or depreciation to the materials occasioned by faulty, defective or insecure packing or due to improper or insufficient protective measures.

## 10.0 **TEST CUM GUARANTEE CERTIFICATE:**

10.1. The Supplier should submit Test cum Guarantee certificate along with every consignment and give guarantee for replacement in case of any deviations / manufacturing defects.

10.2. Replacement of defective materials shall be made free of cost (including duties in India to Supplier's account) at Purchaser's site by the Supplier and the collection of the defective

material to the Supplier's works shall be the Supplier's responsibility and shall be made at his expenses.

**11.0 INSURANCE:**

11.1. The PURCHASER shall, at his own expense arrange for suitable Marine Insurance (Transit Insurance, in case of indigenous supplies) cover for the entire MATERIAL to be delivered by the SUPPLIER.

11.2. For the purpose of insurance, the SUPPLIER shall within two working days from the date of Bill of Lading intimate the following to the PURCHASER by Fax (Fax:+91 891-2518753/2518756/2519520) and M/s. \_\_\_\_\_ (Insurance Company)

- i) Acceptance of Tender / Purchase Order / Agreement Number
- ii) Name of Loading Port
- iii) Name of the vessel
- iv) Quantity shipped including gross and net weight
- v) Value of the material loaded.
- vi) Bill of Lading Number and Date
- vii) Number of packages / bundles / containers,
- viii) Date of sailing of the vessel
- ix) Name of the Destination Port
- x) Expected date of arrival of the vessel at the Destination Port.

11.3. The SUPPLIER shall fax the message twice to ensure clear receipt of the message by the PURCHASER and the Insurance Company.

11.4. In case of C&F shipments, RINL will bear the marine insurance premium for the ships not older than 15 years. If the age of the ship is more than 15 years the additional insurance premium payable on this account (overage premium) shall be to the SUPPLIER's account.

**12.0 DETENTION OF CONTAINER AT DISPORT:**

12.1. In case of CFR shipment, free time allowed for detention of container at Disport shall be minimum 14 (fourteen) days from the date of discharge of the vessel.

**13.0 WEIGHMENT, SAMPLING AND ANALYSIS:**

**13.1. AT LOAD PORT (LOADING POINT AT SUPPLIER'S END, IN CASE OF INDIGENOUS SUPPLIES):**

13.1.1. The SUPPLIER shall, at his own expense, arrange to carry out at the Loadport, the weighment, sampling and analysis of the MATERIALS delivered in each consignment, in accordance with the relevant British Standard Specifications (BS Specifications) / Specifications of the International Organization for Standardization (ISO Specifications) / Indian Standard specifications (BIS), through an independent inspection agency at the Loadport, as approved by the Purchaser. The PURCHASER may, at his option and at his own expense, depute his representative(s) to witness such weighment, sampling and analysis by the independent inspection agency at Loadport and may also obtain a part of the Loadport sample for testing. The SUPPLIER shall provide necessary assistance in this regard to the PURCHASER's representative(s).

13.1.2. The SUPPLIER shall furnish to the PURCHASER the Certificate of Sampling and Analysis issued by the independent inspection agency at the Loadport indicating all the parameters mentioned in the Technical Specification.

13.1.3. The Certificate of Sampling and Analysis shall be prepared in 6(eight) copies, of which 2(six) copies shall be airmailed by the SUPPLIER to the PURCHASER within 7 (seven) days from the date of Bill of Lading (within 2 days from the date of RR, in case of rail despatches) in respect of each consignment and the remaining 4(two) copies shall be submitted by the SUPPLIER along with other documents for drawing payment.

13.1.4. On no account, material not conforming to the Technical Specifications mentioned in the Acceptance of Tender / Purchase Order / Agreement shall be delivered.

**13.2. AT DISCHARGE PORT (UNLOADING POINT AT PURCHASER'S END, IN CASE OF INDIGENOUS SUPPLIES):**

13.2.1. The Purchaser shall carry out at his end, the weighment of material delivered in each consignment. The weight of the material mentioned against each Bill of Lading, as certified by independent inspection agency at loadport, shall be compared with the weight recorded at VSP weighbridge after clearance by the Customs at disport. In case the weight recorded at VSP weighbridge is lower than the B/L weight / DC by more than 0.50%, then the weight recorded at VSP weighbridge shall be considered as final for all purposes. Otherwise, B/L weight shall be considered as final. This clause is applicable to the extent the consignment is in "In-tact" bags only.

13.2.2. The PURCHASER and the Supplier, at their respective costs, through Independent Inspection Agencies of International repute appointed by the Purchaser and the Supplier, will carry out at the Discharge Port, the sampling and analysis of the MATERIALS delivered in each consignment, in accordance with the relevant British Standard Specifications (BS Specifications) / Specifications of the International Organization for Standardization (ISO Specifications) / Indian Standard specifications (BIS). **The Joint Sampling and Analysis Report of the material submitted by the Independent Inspection Agencies appointed by the Purchaser and the Supplier at the Discharge Port will be final for all parameters and shall be binding on both the parties for release of payment.** The sample shall be divided into four parts, one each for the Supplier and the Purchaser, one for the Joint Analysis as above and one Umpire Sample.

13.2.3. In case Independent Inspection Agency is not deputed for Joint Sampling and Analysis by the Supplier, the Independent Inspection Agency appointed by the Purchaser shall proceed with the Sampling and Analysis. In case of any dispute, which shall be notified within 15 days from the date of receipt of such Analysis Report, the Umpire Sample shall be got tested at a mutually agreed laboratory and the results thereof shall be binding on both the parties.

**14.0 QUALITY VARIATIONS:**

14.1. In case, the Joint Sampling and Analysis at Disport (Unloading Point at the Purchaser's end, in case of indigenous supplies) reveals specification beyond these Maximum / Minimum limits for any parameter, the material shall be replaced free of cost (including taxes and duties in India to Supplier's account) at Purchaser's site by the Supplier and the collection of the defective material to the Supplier's works shall be the Supplier's responsibility and shall be made at his expenses.

**15.0 CONTINUOUS VARIATIONS:**

15.1. If during the currency of this Order, there are continuing variations between the quality of the MATERIAL stipulated in the Order and the quality and/or weight determined at the Loading port or at the PURCHASER's end, the PURCHASER and the SUPPLIER shall meet within a specific time frame of three or four (3/4) weeks from the date of intimation of such discrepancies by the PURCHASER to the SUPPLIER, to investigate the reasons for such discrepancies and to arrive at a mutually agreeable settlement of issues as may have arisen out of the discrepancies.

15.2. If no agreeable solution as envisaged above is arrived at, the PURCHASER reserves the right to terminate the Acceptance to Tender / Purchase Order / Agreement . Therefore, utmost precaution shall be exercised by the SELLER at the time of shipment / despatch of each consignment to ensure that the specifications stipulated in the Order are strictly complied with.

**16.0 PAYMENT FOR IMPORTED SUPPLIES:**

**16.1. PAYMENT TERMS FOR IMPORTED SUPPLIES:**

16.1.1. Payment to the Supplier shall be made for 100% of the Freight (if any) and 100% of the value of the material delivered in each consignment, excluding Indian Agent's Commission (if any) within 60 days of receipt and acceptance of material at PURCHASER's end without any interest.

16.1.2. Payment to the Indian Agent shall be made after 90 (Ninety) days of discharge and acceptance of the cargo by each vessel at the destination port in India and on settlement of demurrage / despatch claims relating to the Loadport and Disport. No Indian Agent's Commission shall be payable in case of material found beyond Absolute Limits as at Clause No.14.

**16.2. MODE OF PAYMENT FOR IMPORTED SUPPLIES:**

16.2.1. The PURCHASER shall establish irrevocable Letter(s) of Credit, each covering the approximate value of one shipment, as per the delivery schedule indicated. Such Letter of Credit shall be valid for a period of 60 days from the date of opening for shipment and 90 days for negotiation.

16.2.2. All bank charges at the SUPPLIER's end shall be borne and paid for by the SUPPLIER. All bank charges at the PURCHASER's end shall be borne and paid for by the PURCHASER.

16.2.3. Letter(s) of Credit established by the PURCHASER in favour of the SUPPLIER under this Acceptance to Tender / Purchase Order / Agreement shall provide for payment as Clause No.16.1.1 above on presentation of the following documents by the SUPPLIER at the counters of Negotiating Bank mentioned in the Acceptance of Tender / Purchase Order / Agreement , all in four copies unless otherwise specified.

- a) Signed Commercial Invoices for payment as at Clause No.16.1.1 above containing the reference of the Acceptance to Tender / Purchase Order / Agreement certifying that the MATERIAL shipped is strictly in conformity with the Acceptance to Tender / Purchase Order / Agreement.
- b) Two out of Three (2/3) originals, negotiable, Clean on Board / Shipped on Board Ocean Bills of Lading made to order and blank endorsed marked Notify "Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant, Transport and Shipping Dept., Administrative Building, Visakhapatnam-530 031".

**Note:** For FOB shipments - Charter Party Bill(s) of lading marked "freight to be paid as per Charter Party" will also be acceptable. For CFR shipments – Bill of Lading should be marked "freight prepaid".

- c) Certificate of Origin issued by Chamber of Commerce or Trade Association either in the name of the Supplier or in the name of the Material Producer.
- d) Certificate issued by the Material Producer who has supplied the cargo, certifying that they have supplied the cargo to the SUPPLIER.
- e) Test cum Guarantee Certificate issued by the Material Producer.
- f) Certificates of Weight, Sampling and Analysis issued by the Independent Inspection Agency at Loadport either in the name of the Supplier or in the name of the Material Producer. Payment will

not be released if the analysis result of any parameter exceeds the maximum / minimum limit stipulated in the Acceptance to Tender / Purchase Order / Agreement .

g) Packing list.

h) Certificate issued by the Supplier confirming;

i) that contents in each pallet are not less than those entered in the Invoice and the Packing List. The quality of goods is guaranteed as new and as per relevant specifications. Any shortage identified will be supplied free of cost in addition to charges paid by the Purchaser towards Freight, Insurance, Indian Customs Duty and Local Transportation charges for the short supplied items shall be reimbursed to the Purchaser.

ii) that copy of Invoice, Packing List, Country of Origin Certificate and Test cum Guarantee Certificate for Customs Clearance purpose have been kept with the package for shipment.

iii) the material has been packed as per Clause No.8 above

i) Seller's certificate to the effect that shipment has been made as per Clause No.7 above.

j) Copy of Fax intimation given by the SUPPLIER to the PURCHASER and the Insurance Company as referred to in Clause No.11 hereinabove, giving necessary details of shipment within 2 working days of B/L for arranging Insurance.

k) In case of CFR Shipments, certificate issued by the vessel owner / agent certifying the age and also certifying the Sea Worthiness classed 100 A1 or above by Lloyds or Equivalent Classification Society and approved by General Insurance Corporation of India.

l) SUPPLIER'S Certificate confirming that the documents mentioned under Clause No.16.2.4 have been sent directly to the Purchaser by Air Mail / Courier within seven days from the date of Bill of Lading.

m) Copy of the Certificate of Joint Sampling and Analysis issued by the Independent Inspection Agencies appointed by the Purchaser and the Supplier at Discharge Port. Payment shall not be released if the analysis result of any parameter exceeds the maximum / minimum limit stipulated in the Acceptance to Tender / Purchase Order / Agreement

n) Copy of Accepted GARN (Goods Acceptance / Rejection Note) issued by the Purchaser after receipt and acceptance of Material at Purchaser end.

16.2.4. Within 7 (seven) working days from the date of Bill of Lading, the SUPPLIER shall despatch two advance sets of the above documents mentioned at Clause No.16.2.3 (a) to (k) including one Original Negotiable Bill of Lading in respect of each shipment by Air Mail / Courier directly to the PURCHASER.

16.2.5. In case the order is finalized on an Indian firm, who is importing from foreign source and quoted in foreign currency, the order shall be placed on HIGH SEA SALES basis and the payments shall be released in Indian Rupees considering the lower of the rate of exchange of TT buying rate of "State Bank of India" prevailing (i) on one day before the scheduled date of Reverse e-auction (or) (ii) as on the date of opening of Sealed Price Bid (or) (iii) Closing Bid Rate as per Reuters as on the date of negotiation of L/C.

## **17.0 PAYMENT FOR INDIGENOUS SUPPLIES:**

17.1. Payment to the Supplier shall be made for 100% of the Freight (if any) and 100% of the value of the material delivered in each consignment, within 60 days of receipt and acceptance of material at PURCHASER's end without any interest.



17.2. The Purchaser encourages Electronic Fund Transfer (EFT) or RTGS for payment directly to the Seller's Bank Account on the due date for which the Seller has to furnish Bank Account details in the format prescribed by the Purchaser. For such payment, the Supplier shall submit the following documents to the Purchaser, all in 4 (four) copies unless otherwise specified:

- a) Signed Commercial Invoices containing the reference of the Acceptance to Tender / Agreement certifying that the MATERIAL despatched is strictly in conformity with the Order - in quadruplicate.
- b) Copy of Railway Receipt / Lorry Receipt in favour of Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant, Visakhapatnam.
- c) Certificate issued by the Material Producer who has supplied the cargo, certifying that they have supplied the cargo to the SUPPLIER.
- d) Test cum Guarantee Certificate issued by the Material Producer.
- e) Certificate/s of Weight, Sampling and Analysis issued by the Independent Inspection Agency at Supplier's premises either in the name of the Supplier or in the name of the Material Producer. Payment will not be released if the analysis result of any parameter exceeds the maximum / minimum limit stipulated in the Acceptance to Tender / Purchase Order / Agreement.
- f) Packing list – in duplicate
- g) Certificate of Joint Sampling and Analysis issued by the Independent Inspection Agencies appointed by the Purchaser and the Supplier at Purchaser's premises. Payment shall not be released if the analysis result of any property exceeds the maximum / minimum limit stipulated in the Acceptance to Tender / Purchase Order / Agreement.
- h) Accepted GARN (Goods Acceptance / Rejection Note) issued by the Purchaser – in duplicate

17.3. Within 2 (two) days from the date of Railway Receipt, the SUPPLIER shall despatch two advance sets of the above documents mentioned at Clause No.17.2 (a) to (f) including Original Railway Receipt / Lorry Receipt in respect of each consignment by Courier directly to the PURCHASER.

#### 18.0 **PERFORMANCE GUARANTEE BOND:**

18.1. The SUPPLIER shall deposit Performance Guarantee Deposit or establish a Performance Guarantee Bond for 5% of the CFR value (FOR VSP Siding / Stores value, in case of indigenous supplies) as per the proforma at **ANNEXURE – I** of these Terms and Conditions within 15 days of the issue of Acceptance to Tender / Purchase Order / Agreement. The bond shall be established in favour of RINL through any Nationalized Bank or Scheduled Bank in India. In case the bank guarantee is issued by any bank out side Visakhapatnam, the same should be routed through their Branch / Associate Bank in Visakhapatnam and enforceable at Visakhapatnam whose address is also to be specified in the BG. Bonds issued by Co-operative Banks shall not be acceptable. The Bond shall be valid for six months from the date of the last shipment against this Acceptance to Tender / Purchase Order / Agreement. No change in the prescribed proforma of the Bank Guarantee shall be acceptable. Further, the supplier is required to submit the duly filled in check list for BGs along with the tender. The check list format is enclosed at **ANNEXURE I A**.

18.2. The Performance Guarantee Deposit / Bond shall be for the due and faithful performance of the Order and shall remain binding notwithstanding such variations, alterations or extensions of time as may be made, given, conceded or agreed to between the Supplier and the Purchaser under the Terms and Conditions of Acceptance to Tender / Purchase Order / Agreement. The Supplier shall be entirely responsible for the due performance of the Acceptance to Tender / Purchase Order / Agreement in all respects according to the spirit, intent and meaning of the terms and conditions and

specifications and all other documents referred to in the Acceptance to Tender / Purchase Order / Agreement.

- 18.3. The Performance Guarantee Bond shall be kept valid and in full force and effect for a period of six months from the date of delivery of last consignment. The BG should be signed on all pages by the concerned officer(s) of the Bank whose name, designation and Code no, should be mentioned against their respective signatures. The BG shall be sent by the issuing bank directly to RINL, Purchase Dept, under registered post (A/D). In exceptional cases, where the BGs are received through the supplier, the issuing Bank Branch should be requested to immediately send by Regd. Post A/D, an unstamped duplicate copy of the guarantee directly to RINL, Purchase Dept. with a covering letter to compare with the original BGs.
- 18.4. Performance Guarantee Deposit / Bond shall be released after 6 (six) months from the date of delivery of last consignment or one month after consumption of the total material supplied, subject to clearance from user department and settlement of claims on account of demurrage / despatch relating to loadport and disport for all shipments (on account of overloading / demurrage, in case of rail / road despatches) under the Acceptance to Tender / Purchase Order / Agreement, whichever is earlier.

**19.0 LIQUIDATED DAMAGES:**

- 19.1. In the event of the SUPPLIER'S failure to deliver the MATERIAL within the time(s) specified for delivery, the PURCHASER shall recover from the SUPPLIER, liquidated damages not by way of penalty a sum of 0.5 % of the price of any MATERIAL which the SUPPLIER has failed to deliver as aforesaid for each week or part of week, during which delivery of such MATERIAL may be in arrears subject to a maximum of 10 % of the value of the MATERIAL in arrears. However, such liquidated damages shall not apply to any period of extension granted by the PURCHASER under Force Majeure conditions given under Clause No.29 hereinafter. Delivery of the MATERIAL after the same has become liable for levy of liquidated damages under this Clause shall not operate as a waiver of this right.

**20.0 RISK PURCHASE:**

- 20.1. Should the SUPPLIER fail to provide the MATERIAL for delivery by the time or times agreed upon or should the SUPPLIER in any manner or otherwise fail to perform the Acceptance to Tender / Agreement or should a receiver be appointed on its assets or make or enter into any arrangements or composition with Creditors or suspend payments (or being a company should enter into liquidation either compulsory or voluntary), the PURCHASER shall have power to declare the Acceptance to Tender / Purchase Order / Agreement as at an end at the risk and cost of the SUPPLIER in every way. In such a case, the SUPPLIER shall be liable for any expenses, damages or losses which the PURCHASER may incur, sustain or be put to by reason of or in connection with SUPPLIER's default. This Clause is however subject to Force Majeure under Clause No.29 hereinafter.
- 20.2. The cancellation of the Order as stated in Clause No.20.1 herein above may be either for whole or part of the Acceptance to Tender / Purchase Order / Agreement at PURCHASER's option. In the event of the PURCHASER canceling the Order in whole or in part, he may procure, on such terms and in such manner as he deems appropriate, supplies similar to those so cancelled and the SUPPLIER shall be liable to the PURCHASER for any excess costs for such similar supplies. However, in case of part cancellation of Acceptance to Tender / Purchase Order / Agreement by the PURCHASER, the SUPPLIER shall continue the performance of the Acceptance to Tender / Purchase Order / Agreement to the extent it is not cancelled under the provisions of this Clause.

## **21.0 RECOVERY OF SUMS DUE:**

21.1. Whenever under this Acceptance to Tender / Purchase Order / Agreement any sum of money is recoverable from and payable by the SUPPLIER, the PURCHASER shall be entitled to deduct such sum from any amount then found payable to the SUPPLIER by the PURCHASER or which at any time thereafter may be found to be payable to the SUPPLIER by the PURCHASER under this or any other Acceptance to Tender / Purchase Order / Agreement with the PURCHASER or any other unit of Rashtriya Ispat Nigam Ltd. Should this sum be not sufficient to cover the full amount recoverable, the SUPPLIER shall pay to the PURCHASER on demand the remaining balance amount. This action is without prejudice to the right of the PURCHASER to take legal action against the SUPPLIER for the breach of the Acceptance to Tender / Purchase Order / Agreement

## **22.0 RESPONSIBILITY:**

22.1. The PURCHASER on the one hand and the SUPPLIER on the other hand shall be responsible for the performance of all their respective obligations under this Acceptance to Tender / Purchase Order / Agreement

## **23.0 TRANSFER AND SUB-LETTING:**

23.1. The SUPPLIER shall not sublet, transfer, assign or otherwise part with the Acceptance to Tender / Purchase Order / Agreement or any part thereof, either directly or indirectly, without the prior written permission of the PURCHASER. In the event of Supplier contravening this condition, the Purchaser shall be entitled to cancel the Acceptance to Tender / Purchase Order / Agreement and to purchase the same or similar material elsewhere on the Supplier's account and at his risk and cost.

23.2. The SUPPLIER shall be entirely responsible for the execution of the Acceptance to Tender / Purchase Order / Agreement by the subcontractor, if any, permitted by the PURCHASER. For this purpose, the SUPPLIER shall at his own cost ensure adequate inspection of the subcontractor's works by an inspection organisation acceptable to the PURCHASER.

## **24.0 CLEARANCES:**

24.1. It shall entirely be the responsibility of the SUPPLIER to obtain all clearances as may be required for export / sale of the MATERIAL to the PURCHASER and he shall keep the PURCHASER indemnified for any losses which may accrue to the PURCHASER because of any defect therein. The Supplier should be a legal owner of the offered cargo for the purpose of sale to RINL / VSP.

## **25.0 TAXES AND DUTIES:**

25.1. In case of Imported Supplies, the SUPPLIER shall be entirely responsible for all taxes, stamp duties, Licence fees and other such levies imposed outside the PURCHASER'S country and the price/s shall be deemed to be inclusive of all such taxes and duties, unless otherwise specifically mentioned.

25.2. In case of Indigenous Supplies, the prices shall be deemed to be inclusive of all taxes, duties and levies applicable on the due date for submission of tender. The prices shall remain firm and fixed during the period of the contract. For supplies on CST basis, C-Form shall be issued by the Purchaser. Any increase / imposition of taxes and duties shall be reimbursed at actuals and any decrease / withdrawal of taxes and duties shall be deducted based on the documents evidencing the taxes and duties applicable on the date of supply as well as the due date for submission of tender. In case the increase / imposition of taxes and duties is during the extended period of contract, reimbursement shall not be made unless specifically agreed at the time of extension. In case of supplies from Andhra Pradesh State, the Supplier shall be registered under VAT and shall submit VAT Invoice to enable the Purchaser to avail the Input Credit.

25.3. If it comes to the notice of RINL / VSP at any point of time that Excise Assessable value of the Material supplied by the SUPPLIER is less than the value payable against this Purchase order, payment shall be released taking such lower Excise Assessable value into consideration and no claims whatsoever on this account shall be entertained.

**26.0 IMPORT LICENCE:**

26.1. Import of the MATERIAL is presently under Open General Licence.

**27.0 COMPLETENESS OF THE AGREEMENT AND MODIFICATION:**

27.1. This Acceptance to Tender / Purchase Order / Agreement supercedes all previous negotiations between the parties hereto. There are no understandings or agreement between the PURCHASER and the SUPPLIER which are not fully expressed herein and no statement or agreement, oral or written, made prior to or at the signing hereof shall affect or modify the terms hereof or otherwise be binding on the parties hereto. No change in respect of the terms covered by this Acceptance to Tender / Purchase Order / Agreement shall be valid unless the same is agreed to in writing by the parties hereto specifically stating the same as an amendment to this Acceptance to Tender / Purchase Order / Agreement

**28.0 WAIVER:**

28.1. Failure of the Purchaser to insist upon strict performance of any terms and conditions of the contract will not be deemed a waiver of any rights or remedies that the Purchaser may have and will not be deemed a waiver of any subsequent default under the terms and conditions of the contract. No right or remedy of the Purchaser will be exclusive of any other right or remedy and the Purchaser will have all rights and remedies given under the Contract and now or hereafter existing in law or by statute. The despatch or delivery by the Supplier or receiving of or payment by the Purchaser for the material under this Contract, will not be deemed a waiver of any rights for any prior failure by the Supplier to comply with any of the provisions of the Contract.

**29.0 FORCE MAJEURE:**

29.1. If either the SUPPLIER or the PURCHASER be prevented from discharging its or their obligation under this Acceptance to Tender / Purchase Order / Agreement by reason of arrests or restraints by Government of people, war blockade, revolution, insurrection, mobilization, strikes, civil commotion, Acts of God, Plague or other epidemics, destruction of the MATERIAL by fire or flood or other natural calamity interfering with the production, loading or discharge, the time for delivery shall be extended by the time or times not exceeding one year, during which production, loading or discharge is prevented by any such causes as herein above mentioned. The party invoking protection under this clause shall within 15(fifteen) days of the occurrence of Force Majeure causes put the other party on notice supported by Certificate from the Chamber of Commerce or concerned Governmental authority and shall likewise intimate the cessation of such causes. The delivery shall be resumed by the Party / Parties within 15 (fifteen) days from the cessation of the Force Majeure causes.

29.2. Should there be any interruption in the delivery of the MATERIAL due to force majeure circumstances detailed above, it is hereby mutually agreed between the PURCHASER and the SUPPLIER that the period of offtake of the MATERIAL by the PURCHASER / period of delivery of the MATERIAL by the SUPPLIER shall automatically stand extended by a period not exceeding one year, equal to the actual duration of the causes interrupting the offtake by the PURCHASER and / or delivery of the MATERIAL by the SUPPLIER plus a period of six weeks to enable the affected party to make suitable arrangements for resumption of shipment.

### **30.0 ARBITRATION:**

30.1. All disputes arising in connection with the present Acceptance to Tender / Purchase Order / Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce, Paris (Indian Council of Arbitration in case the Supplier is an Indian Company / Firm) by one or more arbitrators appointed in accordance with the said Rules and the Award made in pursuance thereof shall be binding on the parties. The Arbitrator(s) shall give a reasoned award. Cost of arbitration to be borne by the losing party. The venue of arbitration shall be Visakhapatnam, India.

### **31.0 LEGAL INTERPRETATIONS:**

31.1. The Acceptance to Tender / Purchase Order / Agreement and the arbitration shall be governed by and construed according to the laws of India for the time being in force.

31.2. To interpret all the commercial terms and abbreviations used herein which have not been otherwise defined, the rules of "INCOTERMS 2010" shall be applied.

### **32.0 LIABILITY OF GOVT. OF INDIA:**

32.1. It is expressly understood and agreed by and between the SUPPLIER and the PURCHASER that the PURCHASER is entering into this Acceptance to Tender / Purchase Order / Agreement solely on its own behalf and not on behalf of any other person or entity. In particular, it is expressly understood and agreed that the Govt. of India is not a party to this Acceptance to Tender / Purchase Order / Agreement and has no liabilities, obligations or rights hereunder. It is expressly understood and agreed that the PURCHASER is an independent legal entity with power and authority to enter into contracts solely in its own behalf under the applicable laws of India and general principles of Contract Law. The SUPPLIER expressly agrees, acknowledges and understands that the PURCHASER is not an agent, representative or delegate of the Govt. of India. It is further understood and agreed that the Govt. of India is not and shall not be liable for any acts, omissions, commissions, breaches or other wrongs arising out of this Acceptance to Tender / Agreement. Accordingly, the SUPPLIER hereby, expressly waives, releases and foregoes any and all actions or claims, including cross claims, impleader claims or counter claims against the Govt. of India arising out of this Acceptance to Tender / Purchase Order / Agreement and covenants not to sue the Govt. of India in any manner, claim, cause of action or thing whatsoever arising of or under this Acceptance to Tender / Purchase Order / Agreement

## **ANNEXURE-I OF DRAFT TERMS AND CONDITIONS OF ORDER**

### **PROFORMA OF BANK GUARANTEE FOR PERFORMANCE GUARANTEE BOND**

(To be submitted on Non-judicial stamp paper of value of Indian Rupees one Hundred and should have been issued in the name of the Bank issuing the BG & the date of sale of stamp paper should be prior to the date of the BG)

To be established by any Nationalised / Scheduled Bank through their Branch / Associate Bank in Visakhapatnam and claim payable at Visakhapatnam whose address is also to be specified in the BG. Bonds issued by Co-operative banks are not accepted

To

Rashtriya Ispat Nigam Limited,  
Visakhapatnam Steel Plant,  
Administrative Building,  
Visakhapatnam-530031

Bank Guarantee No

Dt

### **LETTER OF GUARANTEE**

1. WHEREAS M/S \_\_\_\_\_ (hereinafter referred to as the SUPPLIER) and M/S. RASHTRIYA ISPAT NIGAM LIMITED (hereinafter referred to as the PURCHASER) have entered into an AGREEMENT vide ACCEPTANCE TO TENDER No. \_\_\_\_\_ Dated \_\_\_\_\_ (hereinafter called the said Acceptance to Tender / Purchase Order / Agreement) for the supply of \_\_\_\_\_ (\_\_\_\_\_ ) metric tons of \_\_\_\_\_ (hereinafter referred to as the MATERIALS) on the terms and conditions mentioned therein.
2. We, ... (name of bank & branch) at the request of the SUPPLIER, do hereby undertake and indemnify and keep indemnified the PURCHASER to the extent of US \$ \_\_\_\_\_ (\_\_\_\_\_ ) / EURO \_\_\_\_\_ (\_\_\_\_\_ ) / INR \_\_\_\_\_ (\_\_\_\_\_ ) against any loss or damage that may be caused to or suffered by the PURCHASER, by reason of any breach by the SUPPLIER of any of the terms and conditions of the said Acceptance to Tender / Purchase Order / Agreement and/or in the performance of the said Order by the SUPPLIER. We agree that the decision of the PURCHASER as to whether any breach of any of the terms and conditions of the said Acceptance to Tender / Agreement or in the performance thereof has been committed by the SUPPLIER and the amount of loss or damage that has been caused to or suffered by the PURCHASER shall be final and binding on us and the amount of the said loss or damage shall be paid by us forthwith to the PURCHASER on demand and without protest or demur.
3. We, \_\_\_\_\_ (name of the bank and branch) hereby further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for satisfactory performance and fulfillment in all respects of the said Acceptance to Tender / Purchase Order / Agreement and that it shall continue to be enforceable for (a) six months after the date of delivery of the last consignment of the MATERIALS under the said Acceptance to Tender / Purchase Order / Agreement or (b) in the event of any dispute(s) between the PURCHASER and the SUPPLIER, until such period(s) the dispute is settled fully, whichever date is the latest and that if any claim accrues or arises against us, \_\_\_\_\_ (name of the bank and branch) by virtue of this guarantee before the dates referred to at (a) and (b) hereinabove, the same shall be enforceable against us, \_\_\_\_\_ (name of the bank and branch), notwithstanding the fact that the same is enforced after the dates referred to at

(a) and (b) hereinabove, whichever date is the latest, provided that notice of any such claim has been given by the PURCHASER before the dates referred to at (a) and (b) hereinabove, as the case may be. Payment under this LETTER OF GUARANTEE shall be made promptly upon our receiving the notice to that effect from the PURCHASER on demand and without protest or demur.

4. It is fully understood that this Guarantee shall become effective from the date of the said Acceptance to Tender / Purchase Order / Agreement and that We, \_\_\_\_\_ (name of the bank and branch) undertake not to revoke this Guarantee during its currency without the prior written consent of the PURCHASER.
5. We, \_\_\_\_\_ (name of the bank and branch) hereby further agree that the PURCHASER shall have the fullest liberty, without affecting in any manner our obligations hereunder, to vary any of the terms and conditions of the said Acceptance to Tender / Purchase Order / Agreement or to extend the time of performance of the said Order by the SUPPLIER from time to time or to postpone for any time or from time to time any of the powers exercisable by the PURCHASER against the SUPPLIER and to forbear or to enforce any of the terms and conditions relating to the said Acceptance to Tender / Purchase Order / Agreement and we, \_\_\_\_\_ (name of the bank and branch) shall not be released from our liability under this Guarantee by reason of any such variation or extension being granted to the SUPPLIER or any forbearance and/or commission on the part of the PURCHASER or any indulgence by the PURCHASER or by any other matter or thing whatsoever which under the law relating to sureties would, but for this provision, have the effect of so releasing us from our liability under this Guarantee.
6. We, \_\_\_\_\_ (name of the bank and branch) hereby further agree that the Guarantee herein contained is initially valid upto \_\_\_\_\_ and that the same shall be extended further according to the provisions contained herein above. We \_\_\_\_\_ (name of bank and branch) hereby further undertake that this guarantee can be invoked at the counters of our branch at Visakhapatnam (IFSC Code :.....) whose address is given below and which shall cater to the claim lodged on us and shall be acceptable :  
  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
7. We, \_\_\_\_\_ (name of the bank and branch) hereby further agree that the Guarantee herein contained shall not be affected by any change in the constitution of the SUPPLIER and/or the PURCHASER.

FOR AND ON BEHALF OF  
.....(name of bank & branch)  
Signature:  
Name:  
DULY CONSTITUTED ATTORNEY  
& AUTHORISED SIGNATORY  
Designation  
..... (name of bank & branch)  
Issuing Bank IFSC Code :  
Visakhapatnam  
Dated:

Note: Issuance of this Bank Guarantee may also be got confirmed from our Controlling branch/office/Higher Authority as hereunder.

(NAME AND ADDRESS TO BE SPECIFIED)

**CHECK LIST FOR BANK GUARANTEES****Name of the party submitting BG:****Party Code:****Job Code / AT No/ LOI No:****Name of the Bank issuing BG:****Branch issuing the BG:****BG No.:****BG Date:****BG Value:**

|    |  |          |
|----|--|----------|
| 1  | Is the BG as per the approved format of VSP ?  | Yes / No |
| 2  | Is the BG issued by the specified category of Banks (Scheduled commercial bank / Nationalized bank etc. as specified in the contract) ?  | Yes / No |
| 3  | Is the BG executed on stamp paper of adequate value under the relevant state rules ?   | Yes / No |
| 4  | Is the stamp paper obtained in the name of the bank issuing the BG ?   | Yes / No |
| 5  | Is the date of sale of stamp paper prior to the date of the BG ?   | Yes / No |
| 6  | Does the BG refer to the concerned agreement / tender with reference to which the BG is issued ?   | Yes / No |
| 7  | Does the BG bear the number, date and seal of the issuing Bank ?   | Yes / No |
| 8  | Is the BG signed on all pages ?  | Yes / No |
| 9  | Whether the name, designation & code number of the officer/officers signing the BG are mentioned against the signatures of respective officer/officers ?   | Yes / No |
| 10 | Whether the BG validity period is as per the concerned contractual requirement ?   | Yes / No |
| 11 | Whether the BG format contains a foot note regarding the details of the controlling office / higher authority from which confirmation regarding issuance of BG may also be obtained as given below:<br><br>"Issuance of this bank guarantee may also be got confirmed from our controlling branch / officer / Higher Authority (Name & Address)" | Yes / No |
| 12 | BG contains the clause for 'Enforceability of the same at Visakhapatnam*' and the address for the same is also specified in the BG.  | Yes / No |
| 13 | Enclosed are the Original confirmation letter from the BG enforcing and paying Bank/Branch at Visakhapatnam in the case BG is issued from a Bank outside Visakhapatnam.  | Yes / No |

**Note: The BGs can be accepted only when reply to all the above are 'Yes'****Signature of the Supplier****Date: .....**



## **ANNEXURE-II OF DRAFT TERMS AND CONDITIONS OF ORDER**

### **INTEGRITY PACT**

**Rashtriya Ispat Nigam Limited (RINL)** hereinafter referred to as “**The Principal**”, And  
..... hereinafter referred to as “**The Bidder/Contractor**”

#### **Preamble**

The Principal intends to award, under laid down organizational procedures, a contract for **(nature of contract, in brief)**. The Principal values full compliance with all relevant laws of the land, rules, regulations, economic use of resources, and of fairness/transparency in its relations with its Bidder(s) and /or Contractor(s).

The Principal will nominate Independent External Monitor(IEM) by name, from the panel of IEMs, at the tender stage, for monitoring the tender process and the execution of the contract in order to ensure compliance with the Integrity Pact by all the parties concerned.

#### **Section 1 – Commitments of the Principal:**

(1) The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:-

- a. No employee of the Principal, personally or through family members, will in connection with the tender or the execution of a contract, demand/take a promise/accept for self or for third person, any material or non material benefit which the person is not legally entitled to.
- b. The Principal will, during the tender process treat all Bidders with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidders the same information and will not provide to any Bidder confidential/additional information through which the Bidder(s) could obtain an advantage in relation to the tender process or the contract execution.
- c. The Principal will exclude from the process all known prejudiced persons.

(2) If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the PC Act/ applicable law, or if there be a substantive suspicion in this regard, the Principal will inform the Chief Vigilance Officer of RINL and in addition can initiate disciplinary action.

#### **Section 2 – Commitments of the Bidder(s)/contractor(s):**

(1) The Bidder/ Contractor commits to take all measures necessary to prevent corruption and commits to observe the following principles during his participation in the tender process/during the contract execution(in case of Bidder to whom the contract has been awarded).

- a. The Bidder/Contractor will not, directly or through any other person or firm, offer, promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or other benefit which he/she is not legally entitled to, in order to obtain, in exchange, any advantage of any kind whatsoever during the tender process or during the execution of the contract or to vitiate the Principal's tender process or contract execution.
- b. The Bidder/ Contractor will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process or to vitiate the Principal's tender process or execution of the contract.
- c. The Bidder/Contractor will not commit any offence under the PC Act/ Applicable law, like paying any bribes or giving illegal benefit to anyone including employees of RINL, to gain undue advantage in dealing with RINL or for any other reason etc. Further, the Bidder/Contractor will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship regarding plans, technical proposals and business details including information contained or transmitted electronically.

d. The Bidder/Contractor of foreign origin shall disclose the name and address of their Agent(s)/representative(s) in India, if any. Similarly the Bidder/Contractor of Indian Nationality shall furnish the name and address of the foreign supplier/contract Agency, if any. Further details, as mentioned in the Guidelines on Indian Agents of Foreign "Suppliers/contract agencies", shall be disclosed by the Bidder/Contractor, wherever applicable. Further, as mentioned in the Guidelines, all the payments made to the Indian agent(s)/representative(s) have to be in Indian Rupees only. Copy of the Guidelines on Indian Agents of Foreign "Suppliers/contract agencies" is enclosed.

e. The Bidder/ Contractor will, when presenting his bid, disclose any and all payments he has made or committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.

(2) The Bidder/Contractor will not instigate third persons to commit offences outlined above or be an accessory to such offences.

### **Section 3 – Disqualification from tender process and exclusion from future contracts:**

(1) A transgression is considered to have occurred, if the Principal after due consideration of the available evidence, concludes that a reasonable doubt is possible.

(2) If the Bidder/Contractor, before award of contract or after award of contract has committed a transgression through a violation of Section 2 above or in any other form such as to put his reliability or credibility in question, the Principal is entitled to disqualify the Bidder from the tender process or to terminate the contract, if already awarded, for that reason, without prejudice to other remedies available to the Principal under the relevant GCC of the tender/contract.

(3) If the Bidder/Contractor has committed a transgression through a violation of any of the terms under Section 2 above or in any other form such as to put his reliability or credibility into question, the Principal is entitled also to exclude the Bidder / Contractor from future tenders/Contract award processes. The imposition and duration of the exclusion will be determined by the Principal keeping in view the severity of the transgression. The severity will be determined by the circumstances of the case, in particular the number of transgressions, the position of the transgressors within the company hierarchy of the Bidder /Contractor and the amount of the damage.

(4) If it is observed after payment of final bill but before the expiry of validity of Integrity pact that the Contractor has committed a transgression through a violation of any of the terms under Section 2 above during the execution of contract, the Principal is entitled to exclude the Contractor from future tenders/Contract award processes.

(5) The exclusion will be imposed for a Period not less than six (6) months and, up to a maximum period of three (3) years.

(6) If the Bidder / Contractor can prove that he has restored/ recouped the damage to the Principal caused by him and has installed a suitable corruption prevention system, the Principal may revoke the exclusion before the expiry of the period of such exclusion.

### **Section 4 – Compensation for Damages:**

(1) If the Principal has disqualified the bidder from the tender process prior to the award in accordance with Section 3 above, the Earnest Money Deposit (EMD)/Bid security furnished, if any, along with the offer as per the terms of the Invitation to Tender (ITT) shall be forfeited. This is apart from the exclusion of the Bidder from future tenders as may be imposed by the Principal, as brought out at Section 3 above.

(2) If the Principal has terminated the Contract in accordance with Section 3 above, or if the Principal is entitled to terminate the Contract in accordance with Section 3 above, the Security Deposit/performance bank guarantee furnished by the Contractor, if any, as per the terms of the ITT/Contract shall be forfeited without prejudicing the rights and remedies available to the Principal under the relevant General conditions of contract. This is apart from the exclusion of the Bidder from future tenders as may be imposed by the Principal, as brought out at Section 3 above.

### **Section 5 – Previous transgressions:**

- (1) The Bidder declares that, to the best of his knowledge, no previous transgression occurred in the last five (05) years with any Company or Organization or Institution in any country or with any Government in any country conforming to the anticorruption approach that could justify his exclusion from the tender process.
- (2) If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process. The contract, if already awarded, can be terminated for such reason.

### **Section 6 – Equal treatment of all Bidders / Contractors / Subcontractors:**

- (1) The Bidder(s)/Contractor(s) undertake(s) to demand from all subcontractors, he desires to appoint, a commitment in conformity with this Integrity Pact, and to submit it to the Principal at the time of seeking permission for such subcontracting.
- (2) The Principal will enter into agreements with identical conditions as this one with all Bidders/ Contractors.
- (3) The Principal will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

### **Section 7 – Criminal charges against violating Bidder(s)/ Contractor(s)/ subcontractor(s) :**

If the Principal obtains knowledge of conduct of a Bidder, Contractor, Sub-contractor or of any employee or a representative or an associate of a Bidder/Contractor/ Subcontractor which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the same to the CVO of RINL.

### **Section 8 – Independent External Monitor(s)(IEM(s)):**

- (1) The Principal appoints competent and credible Independent External Monitor with the approval of Central Vigilance Commission. The IEM reviews independently, the cases referred to him or written complaints with all details received directly by him to assess whether and to what extent the parties concerned complied with the obligations under this Integrity Pact,
- (2) In case of complaint/representations on compliance of the provisions of the Integrity Pact by any person/agency, the complaint/representation can be lodged by the aggrieved party with the Nodal Officer for IP of RINL or directly with the IEM. The Nodal Officer shall refer the complaint /representation so received by him to the IEM for his examination. Similarly, RINL in case of any doubt regarding compliance by any or all the bidders can lodge its complaint / make a reference to IEM through Nodal Officer. For ensuring the desired transparency and objectivity in dealing with the complaints arising out of the tendering process, the matter should be examined by the full panel of IEMs who would look into the records, conduct an investigation and submit their joint recommendations to the Management.
- (3) The IEM is not subject to instructions by both the parties and performs his functions neutrally/independently. The IEM will submit report to the CMD, RINL.
- (4) The Bidder(s)/Contractors(s) accepts that the IEM has the right to access without restriction, to all tender/contract documentation of the Principal including that provided by the Bidder/Contractor. The Bidder/Contractor will also grant the IEM, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his tender/contract documentation. The same is applicable to unrestricted and unconditional access to tenders / contract documentation of Subcontractors also. The IEM is under contractual obligation to treat the information and documents of the Bidder(s)/ Contractor(s)/Subcontractor(s) with confidentiality.
- (5) IEM will have the right to attend any meeting between RINL and Counterparties in respect of the cases falling under the purview of IP.
- (6) As soon as the IEM notices, or believes to notice, a violation of this Pact, he will inform the Principal and request the Principal to discontinue or take corrective action or to take other relevant action. The IEM can, in this regard, submit non binding recommendations. Beyond this, the IEM has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.

(7) The IEM will submit a written report to the CMD-RINL within four (04) to six (06) weeks from the date of reference or intimation to him by the Principal/ receipt of the complaint and, should the occasion arise, submit proposals for corrective actions for the violations or the breaches of the provisions of the agreement noticed by the IEM.

(8) IEM may also submit a report directly to the CVO of RINL and the Central Vigilance Commission, in case of suspicion of serious irregularities attracting provisions of the PC Act/ applicable Law.

(9) Expenses of IEM shall be borne by RINL/VSP as per terms of appointment of IEMs.

(10) The word 'Monitor' means Independent External Monitor and would include both singular and plural.

#### **Section 9 – Duration of the Integrity Pact:**

(1) This Pact comes into force upon signing by both the Principal and the Bidder/Contractor. It expires for the Contractor twelve (12) months after the last payment under the contract, and for all unsuccessful Bidders, six (06) months after the contract has been awarded and accordingly for the Principal after the expiry of respective periods stated above.

(2) If any claim is made/ lodged during the valid period of the IP, the same shall be binding and continue to be valid even after the lapse of this Pact as specified above, unless it is discharged/determined by CMD of RINL.

#### **Section 10 – Other provisions:**

(1) This Pact is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, i.e. Visakhapatnam, State of Andhra Pradesh, India.

(2) Changes and supplements as well as termination notices need to be made in writing. Side agreements to this pact have not been made.

(3) If the Contractor is a partnership firm/ Consortium, this Pact must be signed by all partners/ Consortium members, or their Authorized Representative(s) by dulyfurnishing Authorization to sign Integrity Pact.

(4) Should one or several provisions of this Pact turnout to be invalid, the remaining part of the Pact remain valid. In this case, the parties will strive to come to an agreement with regard to their original intentions.

(5) Wherever he or his is indicated in the above sections, the same may be read as he/she or his/her, as the case may be. Similarly, wherever Counterparty or Bidder or Contractor is mentioned, the same would include both singular and plural.

\_\_\_\_\_  
(For & On behalf of the Principal)

(Office Seal)  
Place -----  
Date -----

\_\_\_\_\_  
(For & On behalf of Bidder/  
Contractor)  
(Office Seal)

Witness 1:  
(Name & Address)

\_\_\_\_\_  
\_\_\_\_\_

Witness 2:  
(Name & Address)

\_\_\_\_\_  
\_\_\_\_\_

## **GUIDELINES FOR INDIAN AGENTS OFFOREIGN “SUPPLIERS/CONTRACT AGENCIES”**

- 1.0 There shall be compulsory registration of Indian Agents of foreign suppliers/contract Agencies with RINL in respect of all Global (Open) Tenders and Limited Tenders. An agent who is not registered with RINL shall apply for registration in the prescribed Application Form.
- 1.1 Registered agent needs to submit before the placement of order by RINL, an Original certificate issued by his foreign supplier/ contract Agency (or an authenticated Photostat copy of the above certificate duly attested by a Notary Public) confirming the agency agreement and giving the status being enjoyed by the agent alongwith the details of the commission/ remuneration/ salary/ retainer being paid by them to the agent(s).
- 1.2 Wherever the Indian representative has communicated on behalf of their foreignsupplier/contract Agency and/or the foreign supplier/contract Agency have stated that they are not paying any commission to their Indian agent(s) but paying salary or retainer, a written declaration to this effect given by the foreign supplier/contract Agency should be submitted before finalizing the contract.

### **2.0 DISCLOSURE OF PARTICULARS OF AGENT(S)/REPRESENTATIVE(S) IN INDIA, IF ANY:**

- 2.1 Bidders of Foreign nationality shall furnish the following details in their quotation/bid:
- 2.1.1 The name and address of their agent(s)/representative(s) in India, if any, and the extent of authorization and authority given to them to commit them. In case the agent(s)/representative(s) is a foreign Company, it shall be confirmed whether it is a really substantial Company and details of the company shall be furnished.
- 2.1.2 The amount of commission/remuneration included in the quoted price(s) for such agent(s)/representative(s) in India.
- 2.1.3 Confirmation of the Bidder that the commission/remuneration if any, payable to his agent(s)/representative(s) in India, may be paid by RINL in Indian Rupees only.

### **3.0 DISCLOSURE BY INDIAN AGENT(S) OF PARTICULARS OF THEIR FOREIGN SUPPLIER/CONTRACT AGENCY AND FURNISHING OF REQUISITE INFORMATION:**

- 3.1 Bidders of Indian Nationality shall furnish the following details/certificates in/alongwith their offers:
- 3.1.1 The name and address of foreign supplier/contract agency indicating their nationality as well as their status, i.e., manufacturer or agent of manufacturer holding the Letter of Authority.
- 3.1.2 Specific Authorization letter by the foreign supplier/contract agency authorizing the agent to make an offer in India in response to tender either directly or through their agent(s)/representative(s).
- 3.1.3 The amount of commission/remuneration included for bidder in the price (s) quoted.
- 3.1.4 Confirmation of the foreign supplier/contract Agency of the Bidder, that the commission/remuneration, if any, reserved for the Bidder in the quoted price (s), may be paid by RINL in India in equivalent Indian Rupees.
- 4.0 In either case, in the event of materialization of contract, the terms of payment will provide for payment of the commission/remuneration payable, if any, to the agent(s)/representative(s) in India in Indian Rupees, as per terms of the contract.
- 4.1 Failure to furnish correct information in detail, as called for in Clause 2.0 and/or 3.0 above will render the bid concerned liable for rejection or in the event of materialization of contract; the same is liable for termination by RINL. Besides this, other actions like banning business dealings with RINL, payment of a named sum etc., may also follow.

## ANNEXURE-III OF TERMS AND CONDITIONS OF ORDER

### DECLARATION REGARDING INCOME TAX

(on the letter head of the party to be submitted along with Techno-Commercial Bid)

To

Rashtriya Ispat Nigam Ltd.,  
Visakhapatnam Steel Plant,  
Visakhapatnam – 530 031  
Andhra Pradesh, India.

Sub: Undertaking for foreign payments towards supply of .....(MATERIAL)

Ref: Acceptance to Tender (Contract) / Purchase Order / Agreement No. #.

\*\*\*

Dear Sirs,

This is to certify that ----- (*Name and Address of the Party*) is a tax resident of -----  
--- (*Name of the country*) in terms of Article ----- of the Double Taxation Avoidance Agreement  
(DTAA) between India and ----- (*Name of the Country*) and as certified by the Tax authorities of -  
----- (*Name of the Country*) in the enclosed Tax Residency Certificate along with self declaration  
Form 10F.

We do hereby also declare that the "Supply of .....(MATERIAL) activity in connection with  
the subject Contract have been / would be entirely executed on the high sea as off-shore supply  
i.e. no portion of the above activity will be executed from any Permanent Establishment" within  
India.

As such, any income arises under the price towards the above functions payable by VSP / RINL  
against the subject contract as mentioned in (ref of relevant clause of price schedule) is subjected  
to Article ----- of India - ----- (*Name of Country*) DTAA, i.e. under the heads "Business Income".

We further declare that no activity is carried out in India in connection with that supply and that no  
Permanent Establishment is existing in India / no role is played by Permanent Establishment if any,  
exists. So as required under Article ----- of DTAA between India and ----- (*Name of the Country*)  
the remittances under the above said supply contract is not chargeable to tax in India. Hence, as  
per Section 195 read with Section 90 (2) of the Indian Income Tax Act 1961, the responsibility of  
withholding tax on such remittance does not arise with RINL. In case it is otherwise proved by the  
Income Tax authorities and any levy of taxes / penalties on RINL, M/s ----- (*Name of the  
Party*) shall indemnify RINL on this account.

Yours faithfully,

(Name and designation of the person on behalf of the Supplier)

# To be Left blank by the Tender, and RINL / VSP will fill up the contract / Acceptance to Tender /  
Agreement number in case of an Acceptance to Tender / Agreement is placed on the tenderer.

**Form No. 10F**  
**[See sub-rule (1) of rule 21AB]**  
**Information to be provided under sub-section (5) of section 90 or sub-section (5) of**  
**section 90A of the Income-tax Act, 1961**

I \_\_\_\_\_ \*son / daughter of Shri \_\_\_\_\_ in  
the capacity of \_\_\_\_\_ (designation) do  
provide the following information, relevant to the previous year \_\_\_\_\_,  
\*in my case/in the case of \_\_\_\_\_ for the purposes of sub-section (5) of  
\*section 90/section 90A : -

| Sl. No. | Nature of information  | Details # |
|---------|--|-----------|
| (i)     | Status (individual, company, firm etc.) of the assessee  |           |
| (ii)    | Permanent Account Number (PAN) of the assessee if allotted   |           |
| (iii)   | Nationality (in the case of an individual)<br>Or Country or specified territory of incorporation or registration (in the case of others)   |           |
| (iv)    | Assessee's tax identification number in the country or specified territory of residence and if there is no such number, then, a unique number on the basis of which the person is identified by the Government of the country or the specified territory of which the assessee claims to be a resident |           |
| (v)     | Period for which the residential status as mentioned in the certificate referred to in sub-section (4) of section 90 or sub-section (4) of section 90A is applicable   |           |
| (vi)    | Address of the assessee in the country or territory outside India during the period for which the certificate, mentioned in (v) above, is applicable   |           |

2. I have obtained a certificate referred to in sub-section (4) of section 90 or sub-section (4) of section 90A from the Government of \_\_\_\_\_  
(name of country or specified territory outside India).

Signature: \_\_\_\_\_  
Name : \_\_\_\_\_  
Address : \_\_\_\_\_

Permanent Account Number: \_\_\_\_\_

### Verification

I \_\_\_\_\_ do hereby declare that to the best of my knowledge and belief what is stated above is correct, complete and is truly stated.

Verified today the \_\_\_\_\_ day of \_\_\_\_\_.

Place: \_\_\_\_\_

Signature of the person providing the  
information

### Notes :

1. \* Delete whichever is not applicable.
2. # Write N.A. if the relevant information forms part of the certificate referred to in sub-section (4) of section 90 or sub-section (4) of section 90A.”.

\*\*\*\*\*



**RASHTRIYA ISPAT NIGAM LIMITED  
VISAKHAPATNAM STEEL PLANT**

Volume-II of tender document downloaded from [www.vizagsteel.com](http://www.vizagsteel.com) by (to be submitted in a sealed cover as per the Instructions to Tenderers)

Messers:

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(Signature and seal of the tenderer)

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**Price Schedule for Sea Water Magnesite**  
**(In case of Imported Supplies)**

|     |  |  |
|-----|--|--|
| 1   | Brand / Name of `Sea Water Magnesite' offered  |  |
| 2   | Country of Origin  |  |
| 3   | Port of loading  |  |
| 4   | Quantity offered in Metric Tonne (MT)  |  |
|     | <b><u>Price</u></b>  | <b><u>(US\$ / EURO in figures as well as in words)</u></b> |
| 5   | Price per MT CFR (Liner Terms) Visakhapatnam with break-up as below (5.1 + 5.2)                |  |
| 5.1 | Price per MT FOB Port of loading named at (3) above (material in bags stuffed into containers) |  |
| 5.2 | Freight per MT   |  |
| 6   | Total CFR value of the quantity offered (4 x 5)  |  |
| 7   | Agent's Commission (if any) per MT included in 5.1 above                                       |  |

.....  
Signature and Seal of the Tenderer

**Price Schedule for Sea Water Magnesite**  
**(In case of Indigenous Supplies)**

|     |  |   |
|-----|--|---|
| 1   | Brand / Name of 'Sea Water Magnesite' offered  |   |
| 2   | Quantity offered in Metric Tonne (MT)  |   |
|     | <b><u>Price</u></b>  | <b><u>(Rupees in figures as well as in words)</u></b> |
| 3   | Price per MT FOR VSP Siding / Stores, Visakhapatnam with break-up as below (3.1 + 3.2 + 3.3 + 3.4 + 3.5) |   |
| 3.1 | (a) Basic Price per MT   |   |
| 3.2 | Excise Duty (@ ____ %)   |   |
| 3.3 | Education Cess per MT  |   |
| 3.4 | Sales Tax (CST/APVAT) (@_____%)  |   |
| 3.5 | Freight per MT   |   |
| 4   | Total FOR Value of the quantity offered (2 x 3)  |   |
| 5   | Excise Assessable Value *  |   |

\* In case Excise Assessable value is not mentioned in the price bid, basic unit price quoted for such item(s) shall be considered as Excise Assessable value and the offer shall be evaluated accordingly. Kindly refer Clause 5.2.1 of Part-I of tender documents.

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Signature and Seal of the Tenderer