

**RASHTRIYA ISPAT NIGAM LIMITED
VISAKHAPATNAM STEEL PLANT
BRANCH SALES OFFICE-CHENNAI**

(To be filled by the tenderer)

The Earnest Money Deposit (EMD) is remitted in the form of DD/PO_____ dated_____ on _____.

(Signature of the Tenderer)

APPOINTMENT OF CONVERSION AGENT AT BSO CHENNAI FOR PROCESSING OF SEMIS (BLOOMS / BILLETS) INTO STRUCTURALS.

This Tender document consists of:

- 1) Notice Inviting Tender
- 2) Instructions to Tenderers
- 3) Blank Format of Price Bid
- 4) Form of Agreement
- 5) No Claim Certificate
- 6) Terms and Conditions of Contract
- 7) Integrity Pact
- 8) BG format for SD
- 9) BG format for Financial arrangement

Head Office
Marketing Department
C-Block, 1st floor,
Main Administration Building
Visakhapatnam Steel Plant
Visakhapatnam - 530 031
Phone: 0891-2753916/2519270
Fax: 0891-2518316 /2518025

Regional Office

Regional Office: Chennai
Visakhapatnam Steel Plant

Address:
Regional Manager (South)
Rashtriya Ispat Nigam Ltd
Visakhapatnam Steel Plant
Rashmi Tower 4th Floor,
No.1, Village Road, Nungambakkam,
Chennai-600034.
Phone no. : 044-28240557

Branch Office

Branch Sales Office: Chennai
Visakhapatnam Steel Plant

Address:
Sr. Branch Manager
Branch Sales Office- Chennai
Visakhapatnam Steel Plant
Rashmi Tower 4th Floor,
No.1, Village Road, Nungambakkam,
Chennai-600034.
Phone no. 044-28240567

NOTICE INVITING TENDER

RASHTRIYA ISPAT NIGAM LIMITED
VISAKHAPATNAM STEEL PLANT
(A Govt. of India Enterprise)
BSO CHENNAI
Rashmi Tower, 4th Floor, No.1, Village Road
Nungambakkam, Chennai-600034

Visit us at www.vizagsteel.com

OPEN TENDER NOTICE NO.VSP/MKTG/BSO-CNI/CONV.AGENT/ OF 2016-17 /01
DT. 17.06.2016

Sealed tenders in the prescribed form are invited from experienced / established agencies for Appointment as Conversion Agent at BSO Chennai for processing of Semis [Gr-II (Blooms of sizes 150x150mm and/or /200x200mm into Structural .

The details are given below:

Availability of tender document: The tender documents shall be available at Rs 500/- at the RINL's BSO at above address and the same shall also be available on RINL's web site and the same can be down loaded from www.vizagsteel.com>tenders>mktg. The down loaded tender documents should be enclosed with the pay order/DD of value equivalent to cost of tender document. It may be noted that the detailed NIT can be viewed from the company website.

1. RINL 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. Any alteration or modification or imposition by the tenderer that are in deviation to the terms and conditions prescribed by RINL in tender papers shall be ignored.
2. Cost of Tender Document: Rs 500/-.
3. Last date and time for submission of tenders and scheduled time of opening:
 - i) Tender documents duly filled in and signed by an authorized person can be submitted up to 03.00 PM on 23.07.2016 in the BSO of Chennai at the above address. The following designated officers of BSO Chennai may be contacted for acknowledgement of the offers.
(An Authorization letter from the Company/firm authorizing the person to sign the tender form may be enclosed)

Smt Chitra Venkatesan
Sr. Branch Manager

Shri N Sarath C Govind
AGM(Mktg)

- ii) Tenders can also be submitted by Post/ Courier and should reach the above address by the stipulated date and time mentioned above. RINL will not be responsible for any postal/courier delay or non receipt of the same.
- iii) The tenders shall be opened immediately thereafter, in the presence of such tenderers who may wish to be present.
- iv) Tender is to be submitted in the manner as specified in the Instructions to the Tenderers (ITT).

4. Contract Period: 2 (Two) years with a provision for extension by another 6 (Six) Months with mutual consent with same terms and conditions and rates.
5. Special conditions:
 - i) The tenderers should be re-rollers having Own Rolling Mill(s) (Leased units not eligible) of a minimum capacity of 36000 TPA with available facilities for processing of Semis into Structural . RINL shall supply semis Gr-II(Blooms of sizes 150x150mm and/or 200x200mm for conversion. *{Standard Indicative quantities are 3000MT/Month for different sizes of Structural. However, the quantity indicated in NIT shall be based on the orders/expected orders and can vary to any extent. Also, the quantities eventually converted can further vary from those indicated in NIT. }* No claims whatsoever on this account will be entertained by RINL/VSP.
 - ii) **The tenderers are required to have valid BIS License for respective products for which they are submitting their Tender.**
 - iii) The tenderers are required to be registered with Central Excise and Sales Tax Authorities / Departments and Service Tax Authorities.
6. EMD: The tender document should be submitted with necessary EMD as detailed in the Instructions to Tenderers. EMD shall be Rs. 17,50,000/-(Rupees Seventeen Lakhs Fifty Thousand only)
7. The tenderer should submit the documents as per details given in the tender document along with the tender.
8. It may be noted that by merely inviting the tenderer to submit the tender, there is absolutely no commitment, implied or otherwise, at this stage from RINL' side as to award of actual contract and no correspondence in this regard will be entertained by the RINL. RINL shall also not be liable in any manner whatsoever, for costs and expenses etc. incurred in responding to this invitation.
9. RINL reserves the right to accept or reject any one or all the tenders in part or in full or to accept more than one tender or to cancel the total tender process without assigning any reason thereof and without any liability to RINL.

SENIOR BRANCH MANAGER

RASHTRIYA ISPAT NIGAM LTD
VISAKHAPATNAM STEEL PLANT

INSTRUCTIONS TO TENDERERS (ITT)

Appointment of Conversion Agent at BSO Chennai for processing of semis (Blooms) into Structural .

1. The tenderer should duly sign on every page of the tender documents including the Notice Inviting Tender, Instructions to tenderers, Form of Agreement, Terms and Conditions of Contract along with the rubber seal of the Company/Firm, indicating the name and the status of the signatory.
2. RINL/VSP may supply Semis Gr-II (Blooms of size 150x150 and/or 200x200mm. Standard Indicative quantities are 3000MT/Month for Structural. These are the indicative quantities and projected only to enable the tenderer to assess and in arriving at the value of the tender and the approximate facilities required to be provided by him. RINL will not be liable in any way if the actual quantities supplied, vary from the above. RINL also reserves the right not to supply any material in a particular month. **As the conversion is on the basis of Market Demand / Orders / Availability, RINL reserves right not to convert. No claims whatsoever on this account will be entertained by RINL/VSP.**
3. Tenders should be accompanied by Earnest Money deposit (EMD) of an amount of Rs. 17.50 lakh in the form of account payee Demand Draft / Pay Order drawn in favour of Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant on any Scheduled Bank (excluding Co-operative Banks) payable at Chennai. Tenders without EMD shall be summarily rejected and PART B shall be returned unopened. The successful tenderer shall submit required security deposit for an amount as detailed in the terms & conditions of the contract in the form of BG as per the prescribed format enclosed. In the case of the successful tenderer, the Earnest Money Deposit shall be retained by the company till Security Deposit as stipulated in the Contract is submitted. In case the tenderer fails to submit the SD within 30 days from the date of issue of LOA, EMD shall be forfeited. In case of the unsuccessful tenderer, EMD shall be refunded as early as possible. No interest shall be paid on the EMD.
4. **Tenderers shall have minimum annual Turnover of Rs. 623 lakh in any one of the immediate past three financial years. The figure indicated should be supported with necessary documents. (Audited Accounts/CA Certificate stating the turnover).**
5. The successful tenderer shall be required to conclude a formal agreement with the company in the prescribed Format on a non-judicial stamp paper of Rs.100/- purchased in the respective location after the Company conveys acceptance of the tender.
6. The tender submission shall be as follows:
 - a) PART A in a sealed 1st envelope which shall contain the following:
 - i) Covering letter

- ii) EMD in the form of DD/PO.
 - iii) Tender document or downloaded from VSP's website containing all the pages shall be duly signed by the tenderer including the Terms and Conditions of Contract as a token of acceptance.
 - iv) Details of the tenderer's Rolling Mill including all facilities, testing facilities etc and its capacity.
 - v) Valid BIS license **along with details of BIS license possessed.**
 - vi) Details of Annual Turnover as mentioned at para-4 above. (Copies of audited accounts / CA certificate stating the turnover for the last three years.)
 - vii) **Duly signed undertaking on Process Controls as per format under Annexure E1 / E2 enclosed to the ITT.**
- b) PART B in a sealed 2nd envelope which shall contain the following:
- (i) Price Bid indicating the Conversion charges per tonne strictly as per the format enclosed. No modifications to the price-bid format are allowed. The envelope containing the above PART A & PARTB shall be kept in a 3rd envelope super scribed with "Tender for appointment of Conversion Agent at BSO Chennai". Tender reference No. and Tender Submission Date shall also be mentioned on the envelope.
 - c) The tenderer should not alter the Terms and Conditions of Contract and other documents forming part of the Tender Document issued by RINL/VSP or downloaded from the website of RINL/VSP.

Conditional Offers shall not be entertained.

7. RINL/VSP reserves the right to accept/reject any or all tenders either in part or in full or to accept more than one tender or to cancel the tender process without assigning any reason thereof and without any liability to RASHTRIYA ISPAT NIGAM LIMITED.
8. Tenders should be kept valid for **120 days** from the date fixed for opening of the tender.
9. Evaluation of the Tender/L-1 rates:
 - I. Initially PART-A contained in 1st Envelope will be opened. Subsequently after technical evaluation of PART A, PART-B contained in 2nd envelop of those tenderers who are qualified in PART-A requirements shall be opened on a subsequent date under information to all such tenderers. RINL's decision in this aspect is final.
 - II. The tenderer shall quote their rate (in words and figures) for conversion charges per tonne inclusive of transportation of semis from the nearest stock yard and loading of finished products on to Customer/RINL vehicles(in words and figures).. In case of any discrepancy between rate quoted in figures and words, the rate quoted in words shall prevail.

- III. A comparative statement shall be made by indicating the rates quoted by various tenderers as at 9(I) above, based on which the status of tenderers shall be arrived at and contract shall be awarded to L-1 Tenderer.
 - IV. The price bid evaluation will be on the basis of total value of conversion cost of all items given in NIT.
 - V. **Only those offers which quote for all items in the NIT will be considered. Offers quoting rates for select items (and not all items) will not be accepted and EMD will be forfeited in such cases.**
 - VI. In case the NIT mentions only the total indicative quantity (say 3000 MT /month for Structural) and does not give size-wise breakup, in such case, each item (size) will be considered in equal proportion for evaluation purposes.
 - VII. The rates quoted above would be inclusive of all taxes and duties including service tax, if any and transportation from RINLs yard to CAs premises and loading of finished products on to customer / RINL's vehicles as the case may be. However, the differential Excise Duty shall be reimbursed by RINL. Refer clause no. 10.0 of Terms and Conditions of the Contract.
 - VIII. In case of any discrepancy in the Unit rate and total value quoted by the tenderer, the Unit rate quoted shall be final and total value shall be worked out based on the Unit rate quoted against the respective indicative quantities. In case of any discrepancy in the unit rates quoted in figures and words, the rates quoted in words shall be final.
10. Tenderers shall comply with all statutory provisions as required by the state and central Govt's w.r.t taxes, duties, labour, safety and other relevant aspects. RINL/VSP shall not take any responsibility for any default by the tenderer regarding these aspects. The tenderers shall indemnify and keep indemnified RINL regarding this.

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Annexure-3**INTEGRITY PACT FORMAT**

Rashtriya Ispat Nigam Limited (RINL) hereinafter referred to as “The Principal”,
And

..... hereinafter
referred to as “**Conversion Agent/Bidder**”

Preamble

The Principal intends to award, under laid down organizational procedures, a Conversion contract for converting of Semis into finished products such as Structural at BSO Chennai of RINL against NIT Ref No. VSP/MKTG/BSO-CNI/CONV.AGENT/ OF 2016-17 /01 DT.17.06.2016. 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 Conversion Agent.

The Principal will nominate an Independent External Monitor(s) (IEM(s)) by name at the tender stage/will appoint in case of receipt of any reference, from the panel of IEMs, 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:

- 10 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 for, or the execution of a contract, demand, take a promise for or 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 IPC/ PC Act, or if there be a substantive suspicion in this regard, the Principal will inform Chief Vigilance Officer of RINL and in addition can initiate disciplinary action.

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

- 1 The Bidder(s)/ Contractor(s) commits to take all measures necessary to prevent corruption. He commits to observe the following principles during his participation in the tender process and during the contract execution.

- (a) The Bidder(s)/Contractor(s) 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(s)/ Contractor(s) 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(s)/Contractor(s) will not commit any offence under the IPC/ PC Act; further the Bidder(s)/Contractor(s) 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(s)/Contractor(s) of foreign origin shall disclose the name and address of the Agent(s)/representative(s) in India, if any. Similarly the Bidder(s)/Contractor(s) 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(s)/Contractor(s) 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(s)/ Contractor(s) 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(s)/Contractor(s) 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(s)/Contractor(s), 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(s) 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 minimum period of six (6) months and 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 disqualification of the Bidder 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 disqualification of the Bidder, 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 anti-corruption 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) undertakes to demand from all his subcontractors a commitment in conformity with this Integrity Pact, and to submit it to the Principal before seeking permission for such subcontracting.
- (2) The Principal will enter into agreements with identical conditions as this one with all Bidders and 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, Subcontractor 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 CVO of RINL.

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

- (1) The Principal appoints competent and credible Independent External Monitor(s) with clearance from Central Vigilance Commission & Transparency International (India). The IEM(s) reviews independently, the cases referred to him/them to assess whether and to what extent the parties concerned comply with the obligations under this Integrity Pact.
- (2) In case of noncompliance of the provisions of the Integrity pact, the complaint/noncompliance is to be lodged by the aggrieved party with the Nodal Officer only appointed by CMD/RINL. The Nodal Officer shall refer the complaint / non compliance so received by him to the IEM, already appointed or to be appointed for that case.
- (3) The IEM is not subject to instructions by both the parties and performs his functions neutrally and independently. The IEM(s) 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 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) The Principal will provide to the IEM sufficient information about all meetings among the parties related to the tender/contract for the cases referred to IEM, provided such meetings could have an impact on the contractual relations between the Principal and

the Contractor. The parties offer to the IEM the option to participate in such meetings.

- (6) As soon as the IEM notices, or believes to notice, a violation of this pact, he will so 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 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 IPC/ PC Act.
- (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 agreement 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 agreement must be signed by all partners/ consortium members, or their Authorized Representative(s) by duly furnishing Authorization to sign Integrity Pact.

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

(For & On behalf of the Principal)

(For & On behalf of Bidder/Contractor)

(Office Seal)

(Office Seal)

Place

Date

Witness 1:

(Name & Address)

Witness 2

(Name & Address)

**GUIDELINES FOR INDIAN AGENTS OF FOREIGN
“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 along with 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 foreign supplier/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.

1.0 DISCLOSURE OF PARTICULARS OF AGENT(S)/REPRESENTATIVE(S) IN INDIA, IF ANY:

1.1 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.

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/along with 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 para 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.

Note: The following persons have been appointed as Independent External Monitors (IEMs) to oversee the implementation of 'Integrity Pact' in RINL.

1. Sri Venugopal Nair, IPS &Ex CVO-SAIL(Retd)
2. Sri SP Rao, Ex.MD, SAIL

(For details please see our website www.vizagsteel.com)

Annexure-4

Price Bid Format

Conversion of the semis Gr-II (Blooms of sizes 150x150mm and/or 200x200mm)

(1)	(2)	(3)	(4)
Description of the item* <i>{Converted products to be decided by the branch floating NIT and only those products to be indicted here}</i>	Indicative Quantity per annum (T)	Rate quoted for conversion charges per tonne of converted product inclusive of transportation of semis from RINL's stockyard / plant (in case of Visakhapatnam) to the Conv. Agent premises and loading of finished products on to customer / RINL vehicles, as the case may be (in Rs pmt)	Value of Conversion Cost (Rs.) = Indicative Qty at Column (2) x Rate Quoted at Column (3)
Angle 110x110x10/12mm	1800	Rs. (In Words Rs.)	
130x130x10/12mm	1800	Rs. (In Words Rs.)	
150x150x10/12mm	1800	Rs. (In Words Rs.)	
Channels ISMC 250mm	9000	Rs. (In Words Rs.)	
ISMC 300mm	9000	Rs. (In Words Rs.)	
Beams ISMB 200mm	12000	Rs. (In Words Rs.)	
ISMB 250mm	12000	Rs. (In Words Rs.)	
ISMB 300mm	12000	Rs. (In Words Rs.)	
ISMB 400mm	1200	Rs. (In Words Rs.)	
ISMB 500mm	1200	Rs. (In Words Rs.)	
Total value of conversion cost (Rs.)	In Figures (Rs.)		
	In Words (Rs.)		

Specific Length Charges for all items (ref. cl. no. 7.0 of terms & conditions): Rs. 500/- PMT

Note:

- The price bid evaluation will be on the basis of **total value of conversion cost** of all items given in NIT.
- Only those offers which quote for all items in the NIT in the NIT will be considered. Offers quoting rates for select items (and not all items) will not be accepted and EMD will be forfeited in such cases.
- In case the NIT mentions only the total indicative quantity (say 3000 MT/month for Structurals) and does not give size-wise breakup, in such case, each item(size) will be considered in equal proportion for evaluation purposes.
- The rates quoted above would be inclusive of all taxes and duties including service tax, if any and transportation from RINLs yard to CAs premises and loading of finished products on to customer / RINL's vehicles as the case may be. However, the differential Excise Duty shall be reimbursed by RINL. Refer clause no. 10.0 of Terms and Conditions of the Contract.
- In case of any discrepancy in the Unit rate and total value quoted by the tenderer, the Unit rate quoted shall be final and total value shall be worked out based on the Unit rate quoted against the respective indicative quantities. In case of any discrepancy in the unit rates quoted in figures and words, the rates quoted in words shall be final.

RASHTRIYA ISPAT NIGAM LTD.
VISAKHAPATNAM STEEL PLANT

FORM OF AGREEMENT

This Agreement made this..... day of Two Thousand between Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant, a Company registered under the Companies Act 1956 having its registered office at Main Administration Building, Visakhapatnam-530031 (AP), hereinafter called the "Company" (which expression shall, unless excluded by or repugnant to the context, include its successors and assigns) of ONE PART and M/s.....an existing Company or a Company registered under the Companies Act 1956 or a firm / partnership firm having its registered office at..... hereinafter called the "Conversion Agent" (which expression shall, unless excluded by or repugnant to the context, include its successors or assigns) of the OTHER PART.

Whereas pursuant to the Company's advertisement inviting offer for conversion of semis into Structurals the Conversion Agent vide his letter no _____ dated. _____ offered to do the job. And whereas by its letter no. _____ dated. _____ the Company accepted the offer of the Conversion Agent and whereas it is necessary and expedient to set out the terms and conditions of appointment in an instrument in writing.

NOW THESE PRESENTS witness and it is hereby agreed to and declared by and between the parties as follows:

1. In consideration of the payments to be made at the time and upon the terms and conditions as hereinafter mentioned, the Conversion Agent covenants and agrees with the Company that the Conversion Agent shall undertake the job of converting the Semis into Structurals on the terms, stipulations and conditions and in such manner and in all respects as are mentioned in the annexure hereto and the Conversion Agent agrees to do and perform all such acts, works or jobs as are mentioned or described in the said annexure or as may be reasonably necessary or incidental for completion of such acts, works or jobs in accordance with the true intent and meaning thereof in the manner and subject to the terms and conditions and stipulations as herein mentioned.
2. The documents set out below and hereto annexed marked respectively Annexure 1 to 5 shall form part of the Contract for the purpose of construction, interpretation of the effect and scope of the Contract Terms and Conditions.
 - i. Letter of Acceptance No..... Dated..... from the company.....
.....
 - ii. Letter no.....Date.....from M/s.....
 - iii. Notice Inviting Tender at Annexure-1
 - iv. Instructions to tenderers at Annexure-2
 - v. Integrity Pact format at Annexure-3

- vi. Price Bid at Annexure-4
 - vii. Terms & Conditions at Annexure-5
3. In consideration of the due performance, execution and completion of the works covered by this Agreement the Company covenants and agrees to pay the Conversion Agent at the agreed rates as aforesaid but subject in all respects to the Conditions of Contract contained herein and the documents/annexures as detailed at para.2.
 4. The contract shall be effective from and shall remain in force for a period of Two year with a provision for extension by another 6(six) months on mutual consent on the same terms and conditions and rates.
 5. The contents of the correspondence between the parties hereto in respect of the contract except in so far as they have been specially incorporated in the Annexure hereto shall not in any way affect this Agreement which will in all respects be governed by the provisions contained herein and the Annexure hereto. There is no other Agreement or understanding between the parties in respect of anything said or done in connection with the Agreement apart from the contents of these presents or the said Annexure hereto.
 6. No modification or amendment of this Agreement shall be valid and binding between the parties unless the same is made in writing and is signed by the parties and termed as amendment to this Agreement.
 7. Failure to enforce any of the terms and conditions contained in this Agreement shall not operate as a waiver of the terms or breach thereof.
 8. In case of any conflict between the Annexure-1 to 5, the Terms and Conditions of Contract at Annexure-5 will prevail. Mutually agreed deviations to the terms and conditions as contained in Letter of Acceptance shall prevail over Annexure-1 to 5.
 9. All disputes arising out of or in any way connected with the Agreement shall be deemed to have arisen in Chennai, Tamilnadu and only the Courts at Chennai, Tamilnadu shall have jurisdiction to determine the same.

IN WITNESS WHEREOF both parties have set their hands and subscribed their signature to this instrument after fully going through the contents hereof and after fully understanding the implications and significance.

Signed, Sealed and Delivered for and on behalf of Rashtriya Ispat Nigam Limited at

Witness:
Name and Address

Signed, Sealed and Delivered for and on behalf of M/s.

Witness:
Name and Address

Annexure-A

**(ON NON JUDICIAL STAMP PAPER OF Rs 100/ PURCHASED IN THE NAME OF
EXECUTING BANK)
PROFORMA OF BANK GUARANTEE TOWARDS PERFORMANCE GUARANTEE
(FROM ANY SCHEDULE BANK EXCEPT GRAMEEN/COOPERATIVE BANKS)**

Name & Address of the Bank:

Bank Guarantee No. & Date:

Date of expiry:

Limit of liability:.....

Ref: VSP's Letter of Acceptance Ref No:.....

For Conversion of Semis (Blooms / Billets) of RINL into Structural .

Subject: Security Deposit

To

Rashtriya Ispat Nigam Limited
Visakhapatnam Steel Plant
Visakhapatnam- 530031

In consideration of Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant, a Government Company incorporated under the Companies Act, 1956 having its registered office at Main administrative Building, Visakhapatnam Steel Plant, Visakhapatnam-530031 and having one of its Branch Sales Office at Chennai(hereinafter called the Company) having agreed to accept this Bond towards the Security Deposit of Rs.(Rupees only) under the terms and conditions of the contract awarded vide Letter of Acceptance No._____ dated _____ (hereinafter called 'the said Agreement') made between _____ the _____ Company and M/s_____

_____ (hereinafter called "the Conversion Agent (CA) for conversion of Semis Gr-II(Blooms of size 150x150mm and/or 200x200mm into Structural covered under the said agreement as a guarantee for the security of materials dispatched to the said Conversion Agent in terms of the said agreement as also for the due fulfillment of all the terms and conditions contained in the said agreement, on furnishing of a Bank Guarantee for Rs.....(Rupees only), we _____(Name of the Bank) _____ (hereinafter referred as the said Bank) do hereby covenant and agree with you as under:

1. We undertake to indemnify you and keep you indemnified from time to time to the extent of Rs.(Rupees only) against any loss or damage or costs caused to or suffered by or that may be caused or suffered by you by reason of any breach or breaches on the part of the Conversion Agent of any of the terms and conditions contained in the said agreement and in the event the Conversion Agent shall make any defaults in carrying out any of the works under the said agreement or otherwise in the observance and performance of any of the terms and conditions relating thereto, we shall forthwith without any protest or demur pay to you such sum or sums not exceeding in total the said sum of Rs.(Rupees

only) as may be claimed by you as your losses and/or damages, costs, charges or expenses by reason of such default / defaults on the part of the Conversion Agent.

2. Notwithstanding anything to the contrary, your decision as to whether the Conversion Agent has made any such default or defaults and the amount or amounts to which you are entitled by reason thereof shall be binding on us and we shall not be entitled to ask you to establish your claim under this Guarantee but will pay the same on demand from you without any objection.
3. The Company shall have the fullest liberty to claim payment of the amount or amounts from time to time under this Guarantee subject to the ceiling limit of Rs.....(Rupees only) as referred to above and this Guarantee shall not become invalid or infructuous because of the partial demands made by the Company upon us for payment under the circumstances stipulated hereinabove and this guarantee shall hold good in favour of the Company to the extent of the balance amount covered under this Guarantee.
4. This Guarantee shall continue and hold good until it is released by you on the application by the Conversion Agent after the Conversion Agent had discharged all its obligations under the said contract and produced a certificate of the due completion of the work under the said contract and submitted a No Demand Certificate. Should it be necessary to extend this Guarantee beyond the said date on account of any extension of time being granted by you to the Conversion Agent under the said contract or otherwise we undertake to extend the period of this Guarantee and confirm to you in writing the extension of time on your request till such time as may be required.
5. You will have the fullest liberty without our consent and without affecting this guarantee from time to time to vary any of the terms and conditions of the said agreement or extend time of performance of the Conversion Agent or to postpone for any time or from time to time any of your rights or powers against Conversion Agent and either to enforce or forbear to enforce any of the terms and conditions of the said contract and we shall not be released from our liability under this Guarantee by the exercise of your liberty with reference to matters aforesaid or by reason of any time being given to the Conversion Agent or any other forbearance, act or omission on your part or any indulgence by you to the Conversion Agent or by any variation or modification of the said contract / or by any other act matter or thing whatsoever which under the law relating to sureties would but for the provisions hereto have the effect of so releasing us from our liability hereunder provided always nothing herein contained will enlarge our liability herein beyond the limit of Rs.(Rupees only) as aforesaid or extend the period of Guarantee beyond the said day of20.... unless expressly agreed to by us in writing.
6. This guarantee shall not in any way be affected by your taking or varying or giving up any sureties from the Conversion Agent or any other person, firm or company on its behalf or by the winding up, dissolution, insolvency reconstruction, or death as the case may be of the Conversion Agent.
7. In order to give full effect to the guarantee herein contained you shall be entitled to act as if we were your principal debtors in respect of all your claims against the Conversion Agent hereby guaranteed by us as aforesaid and we hereby expressly waive all our rights of surety ship and other rights, if any, which are in any way inconsistent with the above or any other provisions of this guarantee.

8. Subject to the maximum limit of our liability as aforesaid this guarantee will cover all your claim or claims against the Conversion Agent from time to time arising out of or in relation to the said Contract and in respect of which your demand or notice in writing is received by us.
9. This guarantee and the powers and provisions herein contained are in addition to and not by way of limitation of our substitution for any other guarantee or guarantees thereto given to you by us (whether jointly with other or alone) and now existing uncanceled and that this guarantee is not intended to and shall not revoke or limit such guarantee or guarantees.
10. This guarantee shall not be affected by any change in the constitution of the Conversion Agent or us nor shall it be effected by any change in your constitution or by any amalgamation or absorption or reconstruction thereof or therewith but will ensure for and be available to and enforceable by the absorbing or amalgamated reconstructed company or concern.
11. This guarantee during its currency shall not be revocable by us except with your previous consent in writing.
12. The bank shall extend the BG for a suitable period at the request of VSP.
13. It shall not be necessary for you to proceed against the Conversion Agent before proceeding against us and the guarantee herein contained shall be enforceable against us, notwithstanding any security which you may have obtained or obtain from Conversion Agent at any time or when proceedings are taken against us hereunder be outstanding or realised.
14. We (mention the name of the Bank), hereby agree that any claim due and arising under this guarantee shall be enforceable against our Bank's Branch --- (mention the name and address of the Branch) at Chennai and they shall honour such demand in any case not later than next working day.
15. Issuance of this Bank Guarantee may also be got confirmed from our controlling branch/ office/higher Authority as per the name & address mentioned below:

Yours faithfully,

ANNEXURE A1

**PROFORMA OF BANK GUARANTEE (Financial Coverage) FOR Conversion Agency CONTRACT (On
non- judicial stamp paper of appropriate value from a Scheduled Bank)
(to be vetted by Finance of Branch Sales Office)**

To
BSO
Address

1. In consideration of Rashtriya Ispat Nigam Limited, a government Company incorporated under the Companies Act, 1956 having its registered Office at Administrative Building, Visakhapatnam Steel Plant, Visakhapatnam 530 031 also having inter alia, one of its Branch Sales office at Chennai (hereinafter called 'the Company') having agreed to accept this Guarantee for due security and safe custody of the materials dispatched to M/s.....(herein after called CA) for Conversion of Semis supplied by RINL under the LOA dated..... (hereinafter called 'the said Agreement' which expression shall include any formal agreement entered into subsequent thereto or in suppression thereof and all modifications to and amendments in the said Agreement) made between the Company and the said CA for conversion of the Steel materials covered under the said Agreement on furnishing a Bank Guarantee for Rs (Rupees Lakh) only, we _____ (Name of the Bank) ... (hereinafter referred to as 'the Bank') do hereby undertake to pay to the Company an amount not exceeding Rs.....(Rupees) only against any shortage, loss or damage or deterioration caused to or suffered by or would be caused to or suffered by the company in respect of the said materials by reason of any breach(es) of any of the terms and conditions contained in the said Agreement, or for any reason whatsoever.
2. We do hereby undertake to pay (name of the Bank) the amount or amounts due and payable under this Guarantee from time to time up to the extent of Rs (Rupees) only without any demur / protest / question, merely on receipt of a demand from the Company stating that the amount (s) claimed is / are by way of loss or damage caused to / suffered by or would be caused to or suffered by the Company in respect of the said materials by reason of any breach of any of the terms and conditions contained in the said agreement by reason of the CA's failure to perform the said agreement or for any reason whatsoever. Any such demand made on the Bank shall be conclusive as regards the amount or amounts due and payable by the Bank after this Bank Guarantee.
3. It is hereby expressly agreed and declared that the Company shall have the fullest liberty to claim payment of the amount or amounts from time to time under this Guarantee subject to the ceiling limit of Rs (Rupees) only, as referred to above and this guarantee shall not become invalid or in fructuous because of the partial demand(s) made by the company upon us for payment under the circumstances stipulated hereinabove and it is further declared that this Guarantee shall hold good in favour of the Company to the extent of the balance amount covered under this guarantee. It is further agreed and declared that the Company shall be the sole judge of and as to whether the said CA has committed any breach or breaches of any of the terms and conditions of the said agreement the extent of loss and damage, caused to or suffered by or that may be caused to or suffered by the Company on account thereof and the decision of the Company that the said CA has committed such breach or breaches and as to the amount or amounts of loss and damages shall be final and binding on us. Any such demand or demands made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this Guarantee. However, our liability under this guarantee shall be restricted to an amount, not exceeding Rs (Rupees) only.
4. We, the said Bank, further agree that the Guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said agreement and that it shall continue to be enforceable till all the dues of the Company under or by virtue of the said agreement have been fully paid and its claims satisfied or discharged or till the Company certifies that the terms and conditions of the said agreement have been fully and properly carried out by the said CA and accordingly discharges this guarantee. Unless a demand or claim under this guarantee is made on us in writing on or before the (i.e. six months after the date of expiry of the said Agreement) and payment is made by us, we shall be discharged from our liability under this guarantee thereafter.
5. We, the said Bank, further agree that the Company shall have the fullest liberty, without our consent and without affecting any manner our obligations hereunder contained to vary / modify any of the terms and conditions of the said agreement or to extend time of performance from time to time or to postpone for any time or from time to time any of the powers exercisable by the Company against the said CA

and to forbear or enforce any of the terms and conditions relating to the said agreement and we shall not be relieved of our liability by reason of any such variation / modification or extension being granted to the said CA or for any forbearance, act or omission on the part of the Company or any indulgence by the Company to the said CA or by any such matter or thing whatsoever which under the law relating to sureties would but for this provision have effect of so relieving us.

- 6. We (name of the Bank) agree and declare that this Guarantee will be valid and effective for a period of thirty six months from the date of its issue and we further agree that the Guarantee herein contained shall not be affected by any change in the constitution of the said CA . Should it be necessary to extend this guarantee beyond the said date on account of any extension of time being granted by you to the CA in respect of completion of work in the said contract or otherwise we undertake to extend the period of this Guarantee and confirm you in writing, the extension of time, on your request till such time as may be required. We undertake to extend the BG for a suitable period at the request of RINL.
- 7. We, the said Bank, lastly undertake not to revoke this Guarantee during its currency except without the previous consent of the Company in writing.
- 8. We (mention the name of the Bank), hereby agree that any claim due and arising under this guarantee shall be enforceable against our Bank's Branch — (mention the name and address of the Branch) at and they shall honour such demand in any case not later than next working day.
- 9. Issuance of this Bank Guarantee may also be got confirmed from our controlling branch/ office/higher Authority as per the name & address mentioned below:

Yours faithfully,

Designated Officer of Bank with Seal

Dated :day of (month)..... (year)

for _____

(Name of the Bank)

ANNEXURE-B

PROFORMA FOR NO-CLAIM CERTIFICATE

To,

Sr. Branch Manager
Rashtriya Ispat Nigam Ltd
Visakhapatnam Steel Plant
Rashmi Tower 4th Floor,
No.1, Village Road, Nungambakkam,
Chennai-600034.
Phone no. : 044-28240557

Dear sir,

Sub: No claim certificate

I/We hereby certify that, except for the unpaid bills mentioned hereunder for work done as per our Contract No..... dated..... with you for Conversion of Semis in to Structurals. I/WE have no claims against your company.

Bill No.	Date	Amount
----------	------	--------

Date:

(Signature of the Conversion Agent)

Place:

Name of the signatory:

Seal of the Company:

ANNEXURE-C

Tender for Conversion Agent at Chennai

Ref.No.

Dt.

COVERING LETTER FOR SUBMISSION OF TENDERS

To,
The Sr Branch Manager,
Branch Sales Office , Chennai
Rashtriya Ispat Nigam Limited,
Visakhapatnam Steel Plant

Dear Sir,

Sub: Tender for entering into contract as Conversion Agent of Rashtriya Ispat Nigam Limited for Conversion of Structural at Chennai.

1. Subject to the instructions and conditions given in the tender document, terms and conditions of contract and draft agreement annexed thereto, I/We hereby tender for the contract for working as Conversion Agent for Rashtriya Ispat Nigam Ltd. I/We hereby certify that I/We have examined and am/are familiar with all the provisions of this tender document and agree to abide by all the terms and conditions laid therein.
2. The following certificates/documents are enclosed:

Self declaration stating that I have the resources to undertake the Conversion job envisaged in the tender.

Self Declaration as to whether I have any relative within the meaning of Section 6 read with Schedule 1A of the Companies Act 1956, employed in any capacity in RINL. This tender document with all pages intact and duly signed by the authorized person.
3. A sum of Rs.17.50 lakh (Rupees Seventeen Lakh Fifty Thousand) only is forwarded herewith as Earnest Money in the form of demand draft / PO / Banker's Cheque No. _____ drawn on.....in favour of Rashtriya Ispat Nigam Ltd payable at
4. I/We agree to keep this tender open for a period of 120 (One Hundred Twenty) days from the date fixed for opening and the same cannot be withdrawn from the said period of 120 (One hundred Twenty) days.
5. I/We do hereby declare that the entries made in the tender document and the annexures /appendices attached there are true.

Yours faithfully,
Signature of authorized representative of
Tenderer
(Name of the authorized signatory):

Tenderer's address:
Address:
Telephone No
E-mail address

Signature of Witnesses
Address of Witnesses

1. _____

ANNEXURE-D

Rashtriya Ispat Nigam Limited
Visakhapatnam Steel Plant
(A Govt. of India Enterprise)
Branch Sales Office Chennai
Rashmi Tower 4th Floor, No.1, Village Road, Nungambakkam,
Chennai - 600034

Tender for Conversion Contract at CHENNAI

Ref.No.....

Dt.....

LETTER OF ACCEPTANCE (LOA)

To
M/s. _____

Dear Sir,

Sub: Our Tender Notice No Dt.....for conversion of Structural
under Conversion Agent Contract at

Ref: Your Tender Quotation no.dt..... in response to the subject Tender
Notice (All other relevant references)

- 1 Please refer to your above Tender Quotations opened on.....and also (strike out
whatever is not applicable) the subsequent negotiation held on and/ or your
correspondence dated
- 2 We have the pleasure to inform you that your above tender has been accepted by us. You are,
therefore, requested to submit BG towards Security Deposit for performance of the contract for
Rs to us on or before , the following documents, amongst others, as already
stipulated in the Tender Terms.

Any other documents necessary as per the local conditions.

3. In the event of your failure to submit the above document(s) as specified at para 2 above within
the prescribed time, the acceptance of your tender shall be withdrawn and the EMD deposited
by you shall be liable for forfeiture /encashment by the company.
4. On your compliance of the above within the time and prescribed herein, we shall issue you a
Work Order enabling you to commence Conversion work envisaged under the contract awarded
to you. Issue of Conversion Work is solely at the discretion of RINL.

Till the date of signing the agreement, this LOI along with Tender, NIT, ITT, Terms and conditions,
all other Annexures and the letters under reference shall be considered as contract.

Please acknowledge receipt.

Thanking you,
Yours faithfully,
For Rashtriya Ispat Nigam Limited

Regional manager

ANNEXURE 'E-2'**Undertaking on Process Controls****For Structural (Angles, Beams, Channels)**

We hereby undertake to follow the process parameters as given herein in case we are appointed as the Conversion Agent by M/s. RINL at Chennai. We also understand that the finished product have to conform to IS: 2062:Latest version after every revision and the Quality parameter prescribed therein.

Area	Sl.No	Quality Attribute	Inspection Procedure	Frequency	Remarks
Bloom/ Billet Yard	1.0	Traceability & Stacking	Heat Identity: TC vis-à-vis the Bloom/ Billet (Physically).	Random Five Bloom/ Billet	Bloom/ Billet with deviation to be segregated & informed to VSP. Small Bloom/ Billet cut as per required lengths to be identified with heat number and stacked heat wise.
	1.1	Bloom/ Billet Condition	Surface: Gross defects like double pour, deep slag patch, Cracks etc.	----Do-----	Data to be kept as Quality Record.**
Furnace	2.0	Bloom/ Billet Charging	Cast/lot wise	Every Bloom/ Billet	Accountability of Blooms/ Billets must be available. Segregated Blooms/ Billets with deviation to be charged & rolled as a 'Lot' as instructed by VSP.**
	2.1	Furnace Temperature	Check against the standard Soaking Temp. The zone wise std. temp of heating and soaking are to be provided by Tenderer	On hourly basis.	Data to be maintained as a Quality Record. Effort to be made to maintain required temp. consistent for Satisfactory rolling.
	2.2	Excess O2	Aim ~2.5%	Once/shift	Data to be kept as a Quality Record.
Rolling	3.0	Cobbles	Number/Shift	Date & shift wise.	Cause-wise analysis for Corrective & preventive action.
Cooling Bed	4.0	Movement of Structural	To achieve uniformity in Cooling		Straightness (3 mm/M) of bars needs to be ensured.
	4.1	Sampling (Regular & for Standardization)	Sample should be ~1.0 Meter in length for carrying out all Relevant tests.	For Every 25 to 30 Blooms/ Billets	For uniformity in the Product Quality, samples from front, back & middle need to be collected for a cast / heat for tensile testing & this should be a Quality Record.
Inspection & Testing	5.0	Surface	Rolling defect viz. Lap, Fin, Rough Surface, Shearing, twist, waviness, OT, Out of squareness & guide mark etc.	Along with the sampling	In case of defect, source need to be identified & corrective action to be taken & this should be a Quality Record.
Area	Sl.No	Quality	Inspection Procedure	Frequency	Remarks

		Attribute			
Inspection & Testing	5.1	Dimensions (as per IS 808 Latest version after every revision), sections & masses	Appearance, Leg dimensions (length & thickness), flange (width & thickness) web(height & thickness), Wt/Meter**&clarity of Branding	As per IS 2062: Latest version after every revision (Scheme of Testing & Inspection)	Dimensional tolerance shall comply to IS:1852 (Latest version). Attempt should be made to roll 100% bars in lighter side* (between nominal wt & 3% less (for angles), 2.5% less (for beams/ channels)& this should be a Quality Record.
	5.2	Mechanical	Tensile**, Bend	----DO----	Aim shall be to achieve 1. YS > 250 MPa 2. UTS > 410 MPa 3. Uniform El % > 23for E250A. Actual values for the above parameters are to be maintained as a Quality Record.
Product Certification	6.0		Issue of Certificate after checking all relevant data conforming to IS 2062 (Latest version) and STI requirements and conversion Agreement.		
Storage	7.0		The finished / despatchable material should be protected from rain, dew, underground water etc. so that the same does not get rusted / damages.		

➤ **Note:**

- Each bundle has to bear Two metallic identification tags securely tied, so as to withstand normal wear & tear of multiple handling up to the point of final use. The tag must have the following details legibly embossed or imprinted:
- Name of the VIZAG STEEL, Grade, Heat/lot No, Section, Bundle No. (Serial), ISI mark.
The party has to maintain adequate documentation so that the tag can be traced back to the exact period of rolling and inspection to enable implementation of corrective / preventive actions when needed based on user's feedback.
- Auditing (including Quality Records) by VSP will be done frequently (At least once / month.)
- *Weekly Report by 'Conversion Agent' should mention these attributes.
- ** To prepare Trend/Control Chart for Wt/meter, YS, UTS, %El variations etc for product consistency and control purpose – To be reported monthly basis by the party.
- The party should carry out sampling on regular intervals as per IS standard or as specified by VSP to check for mechanical properties, weight and dimensional tolerances, surface quality, bend/re-bend test etc. The party also should be in position to carry out product analysis in case of any requirement.
- Disposition of sub-standard or defective Structurals should meet the latest version of Steel & Steel products (Quality control) Second order 2008 and Steel & Steel products (Quality control) second (Amendment) order 2014.
- The party shall have an exclusive storage area for VSP material with clear demarcation of space for receiving, inspection and stacking of input blooms/billets and maintain separate

stack as per heat/lot numbers. It is desirable that the party maintains covered storage area to the extent possible for size wise and grade wise stacking of Structurals to ensure that there will be no mix up of material at any stage of processing. However, the same is not mandatory. The storage of input CC blooms/billets and output materials should meet the requirement of traceability as per Scheme of testing and inspection for certification of hot rolled medium and high tensile structural steel according to IS2062: latest version.

- The party shall have suitable computers and also make arrangements for internet connection for availing connectivity to VSP's ERP system.
- The draft format of TC to be provided to VSP before getting approval of the same from BIS as per jurisdiction of the marks division of BIS.

(Signature and Seal of the Tenderer)

Annexure-5

**RASHTRIYA ISPATH NIGAM LIMITED,
VISAKHAPATNAM STEEL PLANT**

TERMS & CONDITIONS OF THE CONTRACT FOR CONVERSION OF SEMIS Gr-II (Blooms of size 150x150mm and/or 200x200mm INTO STRUCTURALS AT LOCATION BSO CHENNAI.

1.0 DEFINITIONS:

The following words and expressions used in this Contract shall have the meaning assigned to them except where the context otherwise requires.

The '**Company**' shall mean Rashtriya Ispat Nigam Limited (RINL) with its Registered Office at Administrative Building, Visakhapatnam 530 031. And also having one of its Branch Sales Office at CHENNAI

'**Regional Manager**' shall mean the Head of the Region or any other Officer of the Company for the time being, in-charge of the Region.

'**Sr Branch Manager**' shall mean the Branch Manager of the Concerned Branch under whose jurisdiction the premise of the Conversion Agent is situated or any other Officer of the Company for the time being in charge of the Branch.

'**Tenderer**' shall mean the person, firm/ company or corporation/Rolling Mills submitting a tender against the Invitation to Tender and shall include his / its successors and assigns approved by the 'Company'.

'**Conversion Agent (CA)**' shall mean the tenderer whose tender has been accepted by the "Company" and shall include CA's successors and assigns approved by the Company.

'**Contract/Conversion Contract**' shall mean and include the Agreement between the Company and the CA duly signed by the parties thereto for the execution of the work together with all documents annexed / attached therewith or referred to therein.

'**Public Railway Siding**' shall mean the Railway Goods shed where Railway wagons are placed for unloading and / or booking of goods including Iron & Steel materials (This goods shed may not be a public booking point in the strict literal sense).

'**Private Siding**' shall mean the Railway siding as defined in the siding agreement with the railways inside the CA's Yard and where railway wagons are placed for unloading and / or booking of Iron & Steel materials.

'**Company's Materials/Raw Materials/Materials**' shall mean Iron and steel materials dispatched from the Company's Plant at Visakhapatnam/materials from Company's stockyards/other locations or other Iron and Steel materials received from time to time by CA on Company's account.

'**Excepted Matters**' mean those matters in respect of which decision of the Company shall be final and binding upon the successful tenderer/CA.

2.0 PRODUCTS TO BE CONVERTED AND FINISHED PRODUCTS**2.1 RAW MATERIALS (SEMIS)****CONVERSION OF SEMIS:**

Gr-II (Blooms of sizes 150x150mm and/or 200x200mm

INTO

STRUCTURALS

- 2.2 Only those Re-rollers having Own Rolling Mill(s) (Leased units not eligible), who are having valid BIS License for respective products for which they are submitting their Tender, shall only be considered for appointment as conversion agents. Re-Roller should be registered with central excise, sales tax and service tax departments and should fulfill the related statutory requirements.
- 2.3 The CA for Rebars shall possess any of the following technologies: Turbo-Quench, Thermax, Tempcore, Stelmor processes or Evcon processes of Rebars. A documentary proof shall be provided.
- 3.0 PERIOD: The Contract is for a period of 2 (Two) years from the date of Letter of Acceptance (LOA). However, it can be extended for another 6(Six) Months at the option of RINL on same terms and conditions and rates of the contract.
- 4.0 TEST CERTIFICATE: While issuing raw materials, Test Certificate will be issued to the CA and basing on the chemistry of the material, the CA has to issue Test Certificate in respect of finished products including mechanical properties as per proforma given by the Company. However, the Company shall have the right to re-test the material in case of any requirement and the CA has to abide by the decision of the Company.
- 5.0 (i) On appointment, CA shall apply to the BIS to obtain permission for allowing issuance of Test Certificate in the name of the Company. For this purpose, a copy of the agreement between the Company and CA shall be provided by the CA to the BIS unit which grants licenses to the re-rollers.
- ii) Test Certificate shall incorporate the following in addition to the regular information:
- Name, address of the re-rollers, ISI mark and their BIS license number.
 - RINL logo and the brand name* " _____ " for Structurals.
 - The draft format of TC to be provided may be got approved from BIS, as per Jurisdiction of the marks area of BIS.
- *Brand name shall be indicated later after due approval of Competent Authority.*
- iii) Holding of a valid BIS License **for respective products for which they are submitting their Tender** is a requirement of the contract. Therefore, if the BIS License has been suspended by the concerned authorities, the same shall be intimated by the CA to Sr BM. Then the Company shall suspend supply of input materials (viz. Semis) and the rolling operation is also to be suspended until the license is reinstated. In case there is a delay of more than 30 days in revoking of the suspension, action may be taken for removal/disposal of the inventory of semis and finished products by the Company from the premises of the CA at the cost of CA.
- The CA would also be liable for any losses on account of non-certified (BIS) finished materials, if any and will indemnify and keep indemnified the Company regarding this. After due review by and written clearance from the Company, the activities can be resumed by the CA.
- 6.0 SECURITY DEPOSIT (SD) (towards performance of contract): The CA shall have to submit security deposit in the form of Bank Guarantee OR A/c Payee DD / Pay Order drawn in favour of Rashtriya Ispat Nigam Limited, Visakhapatnam on any Scheduled Bank (excluding Co-operative Banks) payable at Chennai for an amount of Rs 104.00 lakhs.

- 6.1 CA shall be required to furnish SD for the aforesaid amount by way of Bank Guarantee in the format enclosed at Annexure-A issued by a scheduled Bank for performance of his obligations under this contract within 30 (thirty) days from the date of issue of LOA. BG shall remain valid for a period of **Three years** and subsequently shall be extended for **6 months** if the contract is extended. CA may furnish one or more BGs. The SD shall not carry any interest.
- 7.0 SPECIFIC LENGTHS: In case of requirement of specific lengths of the finished products, the CA has to arrange for the same as per instructions of the Company. Specific length charges as specified in the NIT shall be payable to the CA for the actual quantity delivered over & above conversion charges.
- 8.0 CONVERSION CHARGES:
The conversion charges will be deemed to include:
- I. Cost of transportation of semis from Company's stock yard/ premises and unloading at CAs premises.
 - II. Conversion cost for finished products
 - III. Storage / stacking charges
 - IV. Bending , Bundling & Metal Tagging
 - V. Weighing charges
 - VI. Testing & Inspection charges
 - VII. Handling expenses for loading onto customers/RINL vehicles
 - VIII. Expenditure towards stock verification
 - IX. Taxes and duties including Service Tax, if any other than Excise Duty (as detailed in Clause no.10)
 - X. Profit Margin of CA.
- 9.0 The CA shall be paid conversion charges per tonne of Converted Products on monthly basis. CA shall be allowed a burning/metal loss of 2% in case of rolled input material (billets -all sizes) and 4% in case of cast input material (Blooms-all sizes) on the weight of input material issued for Conversion into Rebars. CA shall be allowed a burning/metal loss of 2% in case of rolled input material (billets -all sizes) and 5% in case of cast input material (Blooms-all sizes) on the weight of input material issued for Conversion into finished products other than Rebars.
- 9.1 CA will be compensated for burning/metal loss to the extent of 2% of quantity for rolled Billets. In other words, for every tone of rolled Billets supplied, CA shall return 0.98 tonnes of finished products (Yield). CA will be compensated for burning/metal loss to the extent of 4% of the quantity for cast Blooms supplied for conversion into Rebars and for every tonne of cast Bloom supplied, CA shall return 0.96 tonnes(Yield) of the finished products(Rebars). CA will be compensated for burning/metal loss to the extent of 5% of the quantity for cast Blooms supplied for conversion into finished products other than Rebars and for every tonne of cast Bloom supplied, CA shall return 0.95 tonnes(Yield) of the finished products(other than Rebars).
- 9.2 No shortage allowance/any other allowance excepting the burning/metal loss will be given to the CA.
- 9.3 In case CA fails to supply 98% / 96% / 95% (as the case may be) of the input as finished products as specified at clause 9.3 below, then RINL shall recover 110% value of such shortage of finished products at the prevailing selling price of RINL at the rate of the items having the highest selling price in the contract. The prevailing selling price is SO

stage price applicable to Retailers of RINL Chennai in case of RINL range of Products and Selling Price of RINL Chennai in case of other than RINL range of Products.

9.4 Out of Converted finished Products delivered by conversion agent, minimum 95% of Products shall be in 12 Mtr lengths only. Short lengths subject to a minimum of 6 Mtrs length shall be accepted up to 5%.

9.5 The total calculations are on monthly basis and recoveries for shortages if any shall be effected from the monthly bills of the CA. Final accounting of the material shall be done on Stock Verification to Stock Verification basis and adjustments required if any shall be effected in the subsequent bill. Decision of the Company shall be final and binding in this regard.

10.0 TAXES AND DUTIES:

- a) The CA shall, in accordance with prevailing procedure prescribed by VAT/Sales Tax and Excise Authorities, comply with all necessary formalities such as Registration with VAT/Sales Tax; Excise Dept, etc. and also shall undertake the documentation and timely furnishing of return as stipulated by Excise Authority.
- b) The CA shall ensure that the delivery of converted/finished products is made after payment of the excise duty as applicable. The CA shall ensure that the applicable excise duty is paid within due date as per Excise law on delivery of converted/finished products.
- c) The CA shall be reimbursed the differential Excise Duty between the ED paid on the finished products and the ED as mentioned in the challans / invoices towards the supply of the raw materials subject to Excise law in force upon submission of proof of payment along with the bills.
- d) The conversion charges are paid towards conversion of semis into finished products. This conversion process falls into the manufacturing category. As per clause (f) of Sec.66 (D) of Finance Act, 1994 any process amounting to manufacture or production of goods is exempted from payment of service tax. Hence, no service tax is applicable and payable on the conversion charges quoted by the tenderers.
- e) All other relevant and applicable taxes and duties including Service Tax, if any, are to be borne by the CA and the Company will have no liability regarding this. However, any new taxes and duties after the date of tender opening/date of negotiation (as the case may be) shall be reimbursed to the CA by RINL with documentary evidence. Likewise any reduction in the taxes and duties after the date of tender opening/date of negotiation (as the case may be) shall be reimbursed by the CA to RINL, if applicable, with documentary evidence.
- f) Any new change/legislation which enables RINL to obtain credit of any of the taxes and duties etc, during the operation of the contract shall be enabled by the CA by providing required documents and complying with such legislation.

11.0 QUALITY COMPLAINTS: The CA shall be responsible for all quality complaints of the converted products and have to bear all the losses, if any, suffered by the Company in this regard. The CA will indemnify and keep indemnified the Company regarding this. No conversion charges shall be payable for such returned quantity, returned due to quality complaints.

11.1a) CA shall be responsible for all the losses/damages and deterioration caused to materials while these are in the custody of CA. The materials shall be deemed to be in the custody of the CA as soon as the Stock Transfer Challans are handed over to CA. Such loss/damage/deterioration and/or pilferage in the CA's premises/custody will be compensated in full by the CA. Assessment of loss made by the Company on damage/deterioration to the materials in the custody of the

CA shall be final and binding on the CA. The STC weight is final for the receipts of semis to CA.

- b) The CA shall be informed about the quality complaints in writing or over phone (later on to be confirmed in writing) by the Company. Any quality complaint received from the customers for converted products supplied by CA shall be inspected by the Company and the Company's decision on the matter will be final and binding on the CA.
- c) Converted products returned under quality complaint shall be disposed off by the Company in accordance with the Steel and Steel Products (Quality Control) Order, 2008 (as amended upto date) and CA will be responsible for compensating to the Company the loss in realization on account of such disposals.
- d) In case of any rejection of finished products by RINL's authorized employee or after 3rd party inspection, such materials will be taken back by the Company for disposal. The loss in realization and transportation cost, handling charges at RINL stockyard, local taxes, if any, incurred for taking back such materials shall have to be borne by the CA.
- e) CA will have to settle the loss on account of quality complaints /materials rejected by RINL/ 3rd party inspection agency within seven days of the intimation by the Company of such loss. In case of failure, the same shall be recovered from the pending /forthcoming bills of the CA. The Company shall also have the right to recover any amount due from the CA under any of the above heads from the BG submitted by the CA.

12.0 EMBOSSING:

- a) All converted products produced from RINL billets by CA will be 100% embossed as per RINL specification i.e. "_____ " for Structurals or as decided by RINL officials from time to time.
- b) The CA shall have to undertake 100% embossing of the converted materials as per design and direction given by RINL.
- c) To have embossing of Structurals for branding purposes the rolls will have to be cut as per RINL design by machines like SPARKONIX by the CA.
- d) The RINLs embossing should not be used for any other products produced by CA. If any such case is noticed CA shall be held responsible for all the losses due to such duplication and same shall be recovered from CA. The CA will indemnify and keep indemnified RINL against any losses/ damages/ claims regarding this.
- e) After completion of the contract period / termination/short closing the emboss on existing rolls with CA should be removed in presence of RINL officials.
- f) In the event of misuse of RINL's embossing for any other product either during the period of contract or even at a later date is found, RINL reserves the right to debar the CA for a period of Five Years for participation of any conversion tenders apart from initiation of criminal proceedings against CA.

13.0 TRANSPORTATION:

13.1 Transportation of the materials from the nearest stockyard (from the plant in case of Visakhapatnam) is to be arranged by the CA and at the time of submission of the tender, the CA has to quote a rate for conversion charges including transportation charges. The CA has to refer the Price Bid format and quote the rates accordingly.

13.3 **Loading of input material (semis) into Conversion Agent's vehicles** at the Company's Stock yard/ Plant shall be done free of cost by the Company. CA shall have to make their own arrangements for unloading the material at its premises. **CA shall also make**

their own arrangements for loading of finished products on to Customer/VSP vehicles.

13.4 The weight at Company's weighbridge shall be final & no allowance shall be allowed on transit or weighbridge tolerance and no dispute in this regard shall be entertained.

14.0 Bank Guarantee for financial coverage (towards value of the raw materials): Besides the performance Security Deposit, the successful tenderer shall submit one more BG (as per the format provided at Annexure A1) before commencement of operations, for covering the value of raw materials to be supplied by RINL for conversion. At any point of time the prevailing value of the material at the time of issue held by the CA should not exceed the amount of BG submitted by CA. Conversion Agent shall submit additional BG to cover additional material for conversion when ever required or any shortfall in the SD amount in case of any recovery.

14.1 Recovery of amount in case of non performance/ non- compliance of contractual Obligations

a) If the Company suffers any losses or damages due to any negligence and / or non-performance of any of the obligations under the contract by the CA, the Company may without notice and without prejudice to any other right, recover the amount(s) and appropriate the same from the Security Deposit BG and/ or the Financial Arrangement BG towards the settlement of all loss or damage.

b) However, the Company reserves the right to recover such losses and/ or damages by enforcing the Bank Guarantee and/ or by deduction from any of the CA's Bills pending for payment with the company regarding this or any other contract without prejudice to any other legal remedies / recourse available to the Company to proceed against the CA for recovering such losses / damages.

c) The decision of the Company as to the amount of loss(es) / damage(s) suffered by the company shall be final and binding upon the CA.

d) In the event of BGs being inadequate or fully encashed, the balance of the total sum recoverable shall be deducted from any sum due to the CA under this or any other contract with the Company. Should such sum also be not sufficient to cover the full amount recoverable, the CA, on demand, shall pay to the Company the balance due.

e) Wherever the BGs fall short of the amount specified in clauses above by the virtue of any recoveries made by the Company, the CA shall enhance the value of BGs within 15 days so that the total amount of security shall not at any time be less than the specified amount.

f) The Security Deposit will be released to the CA on termination/expiry of the contract on his production of:-

No pending demands from statutory authorities like Income-tax etc. No claim certificate in favour of the Company.

15.0 CONVERSION CYCLE :

15.1 The conversion cycle (issue of raw materials to removal of finished products from the CA premises) should be completed generally within 30 days.

15.2 If the material is not converted as required by the Company within 30 days, CA has to pay liquidated damages of Rs.100/- per tonne per day of input material (Semis) after the 30th day from the date of issue of the raw material.

16.0 MATERIAL RETENTION:

- 16.1 CA is responsible for retention of the raw material and also finished products while in transit and in their premises. Any damage or loss of material shall be the responsibility of CA. The Company will have the right to recover the losses due to damage or lost material from CA in all means. The decision of the Company will be final and binding on the CA. For any loss/damage/shortage of material 110% of value of material on the basis of prevailing branch SO Stage price applicable to Retailers of RINL shall be recovered from CA.
- 16.2 After carrying out conversion in the mill of CA, the finished products may be directly delivered to the customers or transferred to the stock yard of the nearest branch or other branches of the Company on stock transfer basis for sale to customers against the orders or normal sales as per the instructions of the Company. Until the delivery; the responsibility of the custody of material will be with CA.
- 16.3 Normally, the CA shall supply converted products to the customers of the Company against valid Sale Order (SO) from CAs premises. However, if a customer prefers to take door delivery at their premises, then Branch Sales Office of the Company shall provide door delivery for all converted products from the CA's premises through the transporter appointed by the Company for the purpose. Weight is to be recorded at CA's weighbridge. Transport contractor shall be held responsible for any shortage with reference to CA weighment.
- Converted product may also be brought to the Stockyard of the Company by authorized transporter of the Company for onward delivery to the customer.
- In case of stock transfer of converted products from CA's premises to any of the Company's stockyards the weight will be recorded at CA weighbridge and Transport contractor shall be held responsible for any shortages with reference to CA weighment.
- The Company reserves the right to go for re-weighment of the converted products and in case of re-weighment, the weight determined by the the Company will be final and binding. In case of any discrepancy, the CA will be liable.
- 16.4 The CA shall have a weigh-bridge at their premises, preferably an electronic weighbridge with printout facility of 60 Mts capacity or more, with a 60 ft platform along with a calibration certificate issued by weights & Measures Dept. The CA shall have an AMC to ensure that the weigh-bridge at their premises is kept in order.
- 17.0 MONITORING: The Company shall closely supervise the operations of the CA with regard to receipt of materials, conversion, sales/delivery, stock, regulation of Bank Guarantee etc on continuous basis.
- 17.1 The Company may at its sole discretion post its employee(s) or appoint a 3rd party inspection agency in the premises of CA to oversee the conversion activities and it will be the responsibility of the CA to provide all the necessary help, support and infrastructural and co-ordination facilities regarding the same. However, this will not dilute the responsibility of the CA to ensure proper utilization of input material (semis) supplied by RINL for conversion, process, inspection including sample testing, and quality control of converted materials. Visits, inspections etc. by the Company's technical staff/ employees/representatives / 3rd Party Inspection Agency shall also be undertaken, as per requirement. CA shall provide all the required help, assistance etc. during the visit, inspection etc. of the Company's technical staff / employees/representatives. Third party inspection agency would also inspect the process activities, as and when required by RINL. The charges for 3rd Party inspection agency shall be borne by RINL. The conversion details on weekly basis shall be submitted by CA to the Company.
- 18.0 CA shall have to submit weekly reports regarding receipts / conversion / delivery and stock item wise to the controlling branch of the Company. In addition to this, in case

any information is required by the Company at any time, CA shall have to provide the same.

18.1 Reports & Returns:

- a) The CA shall keep proper daily account of the converted or finished products viz. quality, size, quantity, length of semis rolled, actual size, quality, quantity of converted /finished products, actual yield test results, inspection notes etc. and arrange for delivery of material against original delivery orders issued to company's customers or their representatives against proper letter of authorization, the copy of which are to be properly retained.
- b) The CA shall keep delivery order register indicating therein company's delivery order(s) number and date, names and addresses of company's customers, size, quality and quantity of materials indicated on the delivery orders, as also the size, quality and quantity of the materials actually delivered to company's allottee(s) against specific challan number and date.
- c) The CA shall, for every delivery to the customers, raise four copies of invoices meant for following purposes:
 - The original being marked as ORIGINAL FOR BUYER shall be handed over to the customer
 - The duplicate copy being marked as DUPLICATE FOR TRANSPORTER shall be handed over to the transporter of finished goods
 - The triplicate copy being marked as TRIPLICATE FOR ASSESSEE shall be retained by the CA.
 - The fourth copy being marked as 'NOT FOR CENVAT PURPOSES' shall be sent to the concerned branch.
 - Every invoice shall clearly indicate the amount of excise duty paid.
 - Every invoice shall invariably bear signature of CA or his duly authorized representative (for which he will attest the signature) as also the signature of the authorized representative of company's Customer. The details of the invoices shall be entered on the reverse side of the delivery order immediately on each delivery.
- d) The Tax Invoice (Not for CENVAT) shall also be generated by the CA in three copies on the stationery of RINL through the ERP connectivity provided to it by RINL. For this purpose the CA shall be required to own suitable computers and also make arrangement for Internet Connectivity for availing connectivity to RINLs ERP System. In the Tax Invoice Just below the word "TAXINVOICE", the Words "NOT FOR CENVAT PURPOSES" shall be printed in bold letters.
 - The original copy of Tax Invoice being marked as "ORIGINAL -BUYER'S COPY" shall be handed over to the customer
 - The next copy being marked as "SELLER'S COPY" shall be sent to the concerned Branch.
 - The extra copy being marked as "EXTRA COPY" shall be retained by the CA.
- e) The CA shall, on completion of delivery against each delivery order, return executed delivery order(s) along with a copy of the related invoice to the concerned branch.

19.0 PAYMENTS:

19.1 For payment of bills for conversion charges the CA shall submit:

- a) Bills of conversion charges based on quantity mentioned in the Delivery Challans
- b) Copies of Delivery Challans.
- c) Copies of Excise Invoices issued under extant excise rules pertaining to 19.1(b) above
- d) Bills for differential Excise duty
- e) Test certificates pertaining to 19.1(b)

19.2 CA shall submit bills on fortnightly basis with all relevant documents and payment shall be made by the Company within 30 days from the date of submission of bills with all required documents.

20.0 EXPIRY / SHORT CLOSURE/ TERMINATION OF THE CONVERSION CONTRACT:

20.1 In case the CA does not perform his duty as per the terms and conditions of the contract or the performance is not found to be satisfactory of the Company, the contract shall be terminated by giving one month notice. In case the Company is not in a position to supply the material to the CA due to its internal exigencies, the contract can be short closed after giving one month notice without giving any reason. The Company also reserves the right to get the conversion jobs done at the risk and cost of the CA and the CA will be liable to reimburse all the additional expenditures, losses etc. to the Company if CA fails to do the conversion job as required by the Company.

20.2 Before termination /short closure /expiry of the contract and/or immediately after termination/short closure/expiry of the contract, the stock from the CA's premises shall be cleared (delivered to the customers or transferred to the nearest stockyard of the Company) by the CA as per the written direction of the Company. CA should return both raw material / converted material lying in his premises and submit total accounts to the Company.

20.3 Liabilities / Obligations on Expiry / Terminations:

Notwithstanding the expiry / termination of the contract the liabilities and obligation of both the Company and the CA as set out herein will continue to be in force, until all the materials supplied / despatched by the Company to the CA up to the date of the said expiry /termination are delivered by the CA. After termination /expiry of the contract, the materials if any, lying in the CA's yard shall be cleared by the CA and delivered to the company within two months from the date of the termination/expiry of the contract and the CA shall be responsible to arrange delivery of the materials as directed by the Company for which the CA shall be entitled to claim remuneration as is due to him under the provisions of the contract.

21.0 ARBITRATION: Any Matters in question, disputes or differences other than the excepted matters arising out of this contract shall be referred for arbitration by a Sole Arbitrator to be appointed by the Chairman-cum-Managing Director of RINL, VSP. The provisions of the Arbitration and Conciliation Act, 1996 will apply to the said arbitration. The decision of the Sole Arbitrator will be final and binding on both the parties. The venue of the arbitration will be at Chennai, Tamilnadu.

22.0 The Courts at Chennai, Tamilnadu shall only have jurisdiction regarding this contract.

23.0 GENERAL CONDITIONS:

- a) Proper security arrangements shall have to be made by CA at their costs for the safe custody of materials supplied by the Company. Any loss, damage or deterioration whatsoever and/or pilferage in premises /custody of CA shall be solely to the account of CA who will be bound to compensate the Company suitably for such losses, damages, expenses and/or deterioration. The decision of the Company regarding this will be final and binding on the CA.
- b) At the end of contract period the rolls are to be disfigured in front of the authorized executive of the Company to erase impression of embossing and refund / return of Security deposit and BG/ Custody & indemnity bond shall be dependent on the Company satisfying itself about such defacement.

- c) CA shall not receive or accept any payment from customers of the Company.
- d) All the information provided by the Company to the CA regarding or in connection with this contract is to be treated as confidential information and it is the sole responsibility of the CA to ensure the confidentiality of all such information. No such information is to be given / passed on to any third party without written consent of the Company.
- e) The Company reserves right not to supply any material during any month based on exigencies.
- f) CA shall be responsible for any losses incurred by the Company in case CA's failure in making conversion products as required by the Company. The losses shall be recovered from CA from his pending bills / BG and any other means. Recovery of any amounts due from the CA can be made from pending bills / BG of present contract or any other contracts.
- g) CA shall comply with all rules and regulations of the Company at the time of lifting material including safety rules of the Company. The CA will be solely responsible towards the safety of its equipment, vehicles, employees etc. engaged by the CA in its as well as the Company's premises and the Company will have no liability whatsoever.
- h) CA shall comply with all statutory requirements of Central, State and local authorities including all tax related statutory requirements, obligations applicable labour laws etc. and the Company will not have any liability whatsoever.