

**PAPER ADVERTISEMENT INVITING APPLICATIONS FOR
EXPRESSION OF INTEREST**

1. Applications are invited from interested Cement plants/Actual users to enter into Long Term Agreement (LTA) with RINL/VSP for purchase of Blast Furnace Granulated Slag (BFG slag) and Fly Ash for a period of Minimum 5 years and maximum 30 years. LTA period shall be Minimum 5 years with preference for longer period and tie-up for Fly ash.

2. Last date and time for submission of applications: Up to 4 pm on 15-11-17 at the following address:

Sri GS Reddy, Regional Manager (By Products)
Room No 49 , Project office complex
Visakhapatnam Steel Plant
Visakhapatnam – 530 031
Phone no : 0891-2421147

3. For further details may please contact the following

<u>Name</u>	<u>Design</u>	<u>Mobile No</u>	<u>E-mail id</u>
G. Sundar Reddy	Regional Manager (By Products)	8886577789	sundar_reddy@vizagsteel.com
P. Venkata raju	Sr B M (By Products)	7893082424	venkatarajup@vizagsteel.com mktg_bp@vizagsteel.com

4. Interested parties can visit our website www.vizagsteel.com for details of Application/EOI, selection criteria, Terms and Conditions of Long Term Agreement.

SELECTION /EVALUATION CRITERIA

1 Selection/Evaluation criteria:

- 2** If the requisitions are received for the total quantity of up to 5 lakh tones per annum, allocations shall be made to all the applicants for the periods as requested by them subject to contract period of minimum 5 years.
- 3** In case, the total requisitioned quantity for BFG Slag is more than 5 lakh tones per annum, the following criteria shall be followed while allocating the quantities.
- 4 Preference for longer period:**

The weightage points shall be given as per the contract period as below:

Contract Period	No. of points
For 5 years	1
>5 years up to 10 years	2
>10 years up to 15 years	3
>15 years up to 20 years	4
>20 years up to 25 years	5
>25 years up to 30 years	6
For 30 years	7

Preference for Tie-up with Fly Ash:

% of Fly Ash per Annum	No. of points
10% to 30% of slag quantity	1
Above 30% upto 60% of slag quantity	2
Above 60% upto 100% of slag quantity	3
Above 100% of slag quantity	4

- 5** After receiving the requests/applications from the prospective buyers, total no. of points obtained for each applicant shall be based on the criteria mentioned at Sl.No.4.2.1.and 4.2.2 above. Ranking shall be given to the applicants based on the total no. of points obtained (Applicant who got highest no. of points shall be in 1st Rank). If two or more applications get the same no. of points, quantities shall be distributed in the equal ratio subject to availability
- 6** LTA Quantities for BFG Slag and Fly Ash shall be allocated on the order of ranking i.e., Applicant who got 1st rank shall be allocated their requisitioned quantity of BFG Slag and Fly Ash.

2nd Rank Applicant shall be allocated up to their requisitioned quantities subject to availability.

The same order shall be continued till the Total quantity earmarked for LTA is exhausted. However there is no restriction on the allocation of Fly Ash since there is huge stock availability.

- 7 Applicants should have positive net worth.
8. Terms and conditions of the proposed LTA are mentioned at Annexure-1.
- 9 Application to be submitted in the pro-forma placed at Annexure-2 at the following address before 4.00 pm on 15-11-17
Sri GS Reddy,
Regional Manager (By Products)
Room No 49
Project office complex
Visakhapatnam Steel Plant
Visakhapatnam – 530 031
Phone no : 0891-2421147
Alternatively applications /EOI can be submitted by e-mail to
sundar_reddy@vizagsteel.com or mktgbp@vizagsteel.com or venkatarajup@vizagsteel.com

ANNEXURE-1

LONG TERM AGREEMENT FOR SALE OF BFG SLAG/FLY ASH

LONG TERM AGREEMENT NO _____ DTD. _____

This Agreement made this _____ day of _____, 2017

Between

Rashtriya Ispat Nigam Limited, a Company registered under the Companies Act 1956 and having its registered office at Visakhapatnam Steel Plant, Visakhapatnam – 530031, herein after referred to as the “SUPPLIER” (Which expression shall, unless excluded by or repugnant to the context to be deemed to include its Successors, assigns) of the one part,

And

M/s. _____, a Company registered under the Companies Act 1956 and having its registered office at (ADDRESS) _____ herein after referred to as the “PURCHASER/LTA Customer” (which expression shall, unless excluded by or repugnant to the context to be deemed to include its Successors, assigns) on the other part.

WHEREAS the PURCHASER has agreed to enter into a Long Term Agreement (LTA) for their captive consumption with the SUPPLIER for the purchase of Blast Furnace Granulated Slag/Fly Ash during the period from xxxxx to xxxxx on the following terms and conditions, which are agreed and reduced into writing.

Now these presents witnesseth and it is hereby agreed and declared by and between the parties hereto as follows:

1.0 DEFINITIONS:

In this agreement, unless there is anything repugnant in the subject or context,

“Calendar Year” shall mean full period of twelve calendar months starting from January to December.

“Year”, “Financial Year” shall mean full period of twelve months commencing from 1st April of a calendar year and ending on 31st March of the immediately succeeding calendar year. Even a part of a year/Financial Year which may occur during the first year of operation of the agreement/contract shall be considered as full year in operation for all purposes.

“Quarter” shall mean a period of three successive calendar months starting from April, July, October and January respectively.

“Month” shall mean Gregorian Calendar month commencing from the first of the month.

“Granulated Slag”, “GBF Slag”, “Slag”, “Fresh Slag” shall mean Blast Furnace Granulated Slag (from Slag Storage Yard (SSY)/BF-3 area).

“Dump Slag” shall mean Blast Furnace Granulated Slag stored at Dump Yard.

Fly Ash shall mean Fly ash generated at Thermal Power Plant/Fly ash stored at Ash Pond or any other location in the plant area.

“Material” shall mean BFG Slag from both SSY,BF-3 area and Dump Yard.

Fly ash from TPP/Ash pond or any other location in the plant area.

“Annual Quantity” , “Annual LTA Quantity” shall mean the quantity of material committed to be lifted by the PURCHASER in a Financial Year.

“Quarterly Quantity”, “Quarterly LTA Quantity” shall mean the quantity of material committed to be lifted by the PURCHASER in a quarter arrived on pro-rata basis from the prevailing Annual Quantity.

“Monthly Quantity”, “ Monthly LTA Quantity” shall mean the quantity of material committed to be lifted by the PURCHASER in a Month arrived on pro-rata basis from the prevailing Annual Quantity.

“Monthly Quantity”, “ Quarterly Quantity” and “Yearly Quantity” for part of a month, quarter and year respectively which may occur during the first year of operation of the contract shall be calculated on pro rata basis for the respective period for which the contract is in operation during the first year of the LTA.

“Price” : Material shall be offered at Monthly Operating price as decided by RINL from time to time.

“Executive-in-charge” shall mean the Operation in-charge of the SSY of BF Department for BFG slag /In-charge of TPP for Fly ash of the SUPPLIER.

The SUPPLIER shall sell to the PURCHASER and the PURCHASER shall purchase and take delivery from the SUPPLIER during the period of this Agreement, Granulated Blast Furnace Slag/Fly ash in such quantity and in such manner and of such specification and at such price as provided herein.

2.0 PERIOD OF LTA: 5 Years (xx-xx-xxxx to xx-xx-xxxx)

3.0 DELIVERY:

BLAST FURNACE GRANULATED SLAG (FROM SLAG STORAGE YARD (SSY)),BF-3 area
DUMP SLAG FROM DUMP YARD, FLY ASH FROM TPP:

3.1 The SUPPLIER shall offer the monthly quantity of BFG Slag/Fly Ash to the PURCHASER at the beginning of every month subject to availability or expected availability for that month.

3.2 The PURCHASER shall arrange to lift full rake loads/trucks/Closed Containers of offered quantity of granulated Slag/Fly ash from the SUPPLIER’s premises and shall tie up with the Railways/transporters for movement of the entire quantity of offered granulated slag /Fly ash by rail/road from the SUPPLIER’s premises.

3.3 Delivery shall be made by both Rail & Road means. The responsibility of obtaining permission/approval, if required, from Railways to move the material from the SUPPLIER's premises to the PURCHASER's premises by Rail shall rest with the PURCHASER. The SUPPLIER shall raise the indent on Railways as per the request of PURCHASER upon completion of all payment formalities. The PURCHASER shall arrange trucks on their own and authorize the transporter to lift the material on behalf of the PURCHASER. The loading of the material into trucks/wagons for BFG slag will be done by SUPPLIER free of cost at the sole discretion of the SUPPLIER. The PURCHASER shall not be allowed to pick or choose the material. **For fly ash the PURCHASER shall deploy closed containers only .**

3.4 BFG Slag shall be delivered from Ex-Loading point i.e SSY/BF-3 area into wagons/trucks at the SUPPLIER's premises at Visakhapatnam.

3.5 Fly ash shall be delivered from TPP into closed containers at the SUPPLIER's premises at Visakhapatnam.

3.6 The risk and property of the material shall pass on to the PURCHASER immediately after loading the material into their wagons/trucks/closed containers at the loading point of the SUPPLIER's premises.

3.7 In case the PURCHASER cancels the railway indent, the cancellation charges shall be deducted/recovered and the balance amount only will be refunded to the PURCHASER OR ADJUSTED AGAINST SUBSEQUENT SUPPLIES.

3.8 The PURCHASER shall follow and comply with and abide by the delivery/dispatch procedure in force at the SUPPLIER's premises from time to time.

3.9 The PURCHASER shall make all efforts to lift the material uniformly throughout the month.

4. WEIGHMENT:

4.1 The SUPPLIER shall provide necessary facilities at their premises for weighment of the material loaded into wagons/trucks/Closed Containers. Weight recorded at the SUPPLIER's weighbridge is final and binding and no dispute regarding the same shall be entertained once the material leaves SUPPLIER's premises.

4.2 In case dispatches are made by RAIL, SUPPLIER will make RR's on freight paid basis. Railways issue RRs as per their practice in vogue. At present RRs are issued as per the weight determined at Railway weighbridge. Any change in practice by Railways shall automatically be applicable. Freight charges shall be payable as per the weight recorded in the RRs by purchaser.

4.3 SUPPLIER shall take utmost care to load the material up to the carrying capacity of the wagons/trucks for Fresh BF-Slag, and Fly Ash is loaded in closed containers. However in case any wagon/truck/closed container is under loaded or over loaded due to unavoidable circumstances, the applicable charges, if any, shall be to the account of the PURCHASER.

4.4 Invoices will be raised as per the weight recorded at SUPPLIER's weighbridge.

5.0 QUANTITY AND SCHEDULE OF OFF-TAKE

- 5.1** The SUPPLIER undertakes to supply and deliver to the PURCHASER and the PURCHASER undertakes to purchase and take delivery from the SUPPLIER the following Quantity of Granulated Blast Furnace Slag/Fly ash.

PERIOD	Material	ANNUAL LTA QTY.(MT)	ALLOWANCE
No of years (Min 5)	BFG slag	Up to 5 lakhs MT	(-) 10% of Annual Qty.
No of years (Min 5)	Fly ash		(-) 10% of Annual Qty

- 5.2** The PURCHASER undertakes to lift the ANNUAL LTA QTY, every year committed throughout the period of contract as mentioned above. Any additional quantity subject to availability can be offered by the SUPPLIER to the LTA Customer on their request.
- 5.3** The Annual Quantity along with Price, Pre-estimated and agreed Damages and Performance Guarantee conditions shall be reviewed **every year**, if necessary in case LTA is entered for a period 5 years. If LTA is entered for more than 5 years the review shall be done as below:

LTA PERIOD	Review after No. of years
5 years to 10 years	02
10 years to 15 years	03
15 years to 20 years	04
20 years to 30 years	05

Accordingly the first such review shall be on xx-xx-xxxx. Any delay in review due to any reason shall not have any effect on the subsequent review date. All such dates of subsequent reviews shall be reckoned from the date of first review mentioned as above with an interval of 1 year.

6.0 PRICE & DISCOUNTS:

- 6.1** The Prevailing monthly domestic operating Price shall be applicable for the LTA CUSTOMER AND Long Term off-take discount of 5 % on the prevailing monthly basic price

net of **all** applicable incentives(exclusive of annual MOU bonus) for the LTA customer shall be allowed on the SO stage itself. The LTA customer shall be eligible for other benefits if any as extended to other MOU Customers as declared from time to time for domestic sales.

6.2 Illustration-I:

For arriving at the long term off-take discount on monthly basic price net of all applicable incentives is given below for clarity (Say) for the month of Sep'17.

(A) Illustration in case customers not eligible for long distance discount i.e units located at not more than 300 kms from Visakhapatnam:

a) Operating Price of Sep '17 pmt	=		Rs.390-00
b) Less maximum QBIS at >=130% of monthly MOU quantity pmt	=	Rs 40-00	
c) Less Max rake incentive pmt	=	Rs 40-00	

d) Total amount pmt	=	Rs 80-00	(-) Rs 80-00

e) Operating price net of incentives/disc			Rs 310-00

* Long Distance Discount is not considered for arriving at the basic price net of incentives as the LTA customer is not eligible for the same.

In this case 5% LTA discount shall be calculated based on the net of incentives/disc i.e on Rs 310-00 which comes to $310 \times 0.05 = \text{Rs } 15.50$

Illustration-2:

In case the LTA customer is eligible for Long distance Discount (Long distance discount is applicable for units located above 300 kms from Visakhapatnam) , the same shall also be considered along with monthly QBIS and Max Rake incentive while calculating the Long term off-take discount.

(B) Illustration in case of Long distance discount is applicable for LTA customer:

a) Operating Price of Sep '17 pmt	=		Rs. 390-00
b) Less maximum QBIS at >=130% of monthly MOU quantity pmt	=	Rs 40-00	
c) Less Max rake incentive pmt	=	Rs 40-00	
d) Less Long distance discount pmt	=	Rs 50-00	

e) Total amount pmt	=	Rs 130-00	(-) Rs 130-00

f) Operating price net of incentives/disc			Rs 260-00

Long term off-take discount 5% discount shall be given on Rs. 260/-pmt.

- 6.3** The annual LTA quantity shall be treated as the MOU quantity in line with other domestic MOU customers for availing the MOU benefits applicable to other MOU customers.
- 6.4** The LTA customer shall be entitled for an additional discount of 5% on the prevailing monthly basic price as calculated at para 6.2 above at the SO stage applicable only on the quantities lifted beyond annual LTA Qty.
- 6.5** In case, LTA customer completes the annual quantity early and/or there is surplus stock available to offer, the supplier shall continue to offer quantity as may be determined. In such case, LTA customer shall be entitled for additional discount as per clause 6.4 as per illustration given below:

Illustration: For arriving at the additional discount of 5 % applicable to the quantities lifted beyond LTA quantity per annum is calculated as below:

Total Quantity lifted by LTA customer during 2016-17 = 5.5 lakh tones (say). Annual LTA Quantity = 4.5 lakh tones) i.e., 1.00 lakh tones of additional quantity in the instant case. For this additional quantity of 1.00 lakh tones, an additional discount of 5 % on monthly operating price as calculated as per para – 6.2 above, shall be given to the LTA customer.

- 6.6** Any incentives/discounts/bonus etc. shall be applicable for BFG slag (Fresh), Dump slag as per Monthly Pricing circulars issued from time to time. However the lifted quantity of DUMP SLAG shall be considered for LTA fulfillment. Any incentives/discounts/bonus etc. shall be applicable for Fly ash from TPP, Wet fly ash from Ash pond as per Monthly Pricing circulars issued from time to time. However the lifted quantity of Wet fly ash from ash pond shall be considered for LTA fulfillment
- 6.7** All the above discounts/incentives/bonus shall be passed on to the LTA customer as a lump sum and without any adjustment on account of GST or any other statutory levies applicable from time to time.

Long term off-take discount for Fly ash shall also be calculated in the similar lines as mentioned at para 6.2 above.

7.0 TAXES & DUTIES:

- 7.1** All amounts payable by the PURCHASER under this agreement are subject to applicability of taxes, levies, cess, duties etc. (Local/State/Central) as applicable on sale of B F slag/Fly ash on date of delivery shall be payable by the PURCHASER at actual and SUPPLIER shall raise invoice accordingly.
- 7.2** The PURCHASER shall be entitled to claim any admissible exemption/concessions under GST & Other Tax laws and for that purpose they shall submit all necessary concessional

forms/certificates/documents under the statute within the stipulated time under the relevant Act.

8.0 BILLING OF PRICE DIFFERENCE & OTHER CHARGES:

- 8.1** In case on the 1st day of a month, the declaration of monthly price is not available for the purpose of billing, SUPPLIER may raise provisional invoice on the prevailing prices in the interim period followed by the adjustment of price by raising debit/credit notes after the fixation of monthly price.
- 8.2** Supplier shall raise debit notes for the amount due on penalties, tax differences or in respect of any other amounts payable to the SUPPLIER.
- 8.3** Invoices shall be raised as per the PURCHASER's address available with the SUPPLIER which shall preferably be their Corporate Address and various Plants (GST registration number wise) to where material is actually dispatched, shall be mentioned as Ship-to-party and Bill to party.

9.0 PAYMENTS:

- 9.1** The PURCHASER will pay in advance 100% value of materials including taxes & duties etc., by way of RTGS, and DD/Pay Order/Banker's Cheque drawn (other than co-operative Bank) in favour of Rashtriya Ispat Nigam Limited, payable at Visakhapatnam unless it is specified otherwise.
- 9.2** In case the delivery of material is by Rail, necessary freight amount along with taxes will also be paid in advance by the PURCHASER along with material cost.
- 9.3** The amount so collected will be adjusted against the invoices for the actual quantity delivered.

10.0 LIFTING & PRE-ESTIMATED AND AGREED DAMAGES:

- 10.1** The PURCHASER shall lift at least 85% of the quarterly quantity every quarter failing which a Pre-estimated and agreed Damages @ 10% of the prevailing monthly operating price (without any discounts/incentives) of the 1st month of the respective quarter shall be charged on the unfulfilled quantity i.e., (85% of the quarterly LTA Qty – actual lifted Qty in the quarter).
- 10.2** In case annual LTA quantity getting fulfilled early, the agreed damages clause stated above at 10.1 shall not be applicable for the balance period of the year.
- 10.3** The above lifting & pre-estimated and agreed damages clauses shall be applicable for both ROAD as well as RAIL dispatches.
- 10.4** In case of non-lifting/less-lifting of slag in a particular period PURCHASER cannot claim the shortfall quantity in the subsequent period as a matter of right.
- 10.5** Even if the shortfall quantities are lifted in subsequent period within the same year, the agreed damages recovered from the PURCHASER shall not be refunded.

- 10.6** The PURCHASER shall submit a consumption certificate from their statutory auditors every year indicating that the BFG Slag/Fly ash lifted from the SUPPLIER is used for captive consumption only.

11.0 SECURITY DEPOSIT (SD):

11.1 The PURCHASER shall submit Security deposit for the annual LTA quantity by way of DD/Pay Order/Banker's Cheque/RTGS or BG (except co-operative bank) obtained from any scheduled Commercial bank as per SUPPLIER's format to cover the damages amount calculated @ 10% of the prevailing operating price of the month in which the contract is entered for the annual contracted quantity. For each succeeding year of the contract, the BG amount shall be arrived accordingly based on the operating price prevailing for the corresponding month of that year. In case the above amount is found inadequate due to revision in quantities/adjustment against damages, the PURCHASER shall deposit further amount so as to maintain a minimum deposit as stated above. The SD shall not carry any interest.

11.2 The BG submitted towards Security Deposit, shall be kept valid for a minimum period of one year with a claim period of six months and same to be renewed thereafter every year for the contract period before 30 days from the BG validity date.

12.0 PERFORMANCE GUARANTEE:

- 12.1** The PURCHASER shall submit a Performance Guarantee by way of DD/Pay Order Banker's Cheque/RTGS or BG obtained from any scheduled Commercial Bank (except co-operative bank) as per SUPPLIER's format for an amount equal to two/three/four/five years quantity as the case may be multiplied by Rs.20/- towards faithful and smooth functioning of the LTA depending on the LTA period as below .

LTA PERIOD	No. of years
5 years to 10 years	02
10 years to 15 years	03
15 years to 20 years	04
20 years to 30 years	05

For example if PURCHASER is interested to enter into LTA for a period of 12 years, an amount of 3 years annual quantity multiplied by Rs 20/- pmt shall be collected by SUPPLIER towards Performance Guarantee amount (PG amount).

The PURCHASER shall have to lift Minimum 90% of product wise annual LTA quantities for BFG slag and Fly ash separately. In case of failure to lift minimum 90% of the two products i.e BFG slag and Fly ash separately the total PG amount collected against the contract for both products put together , shall be forfeited and contract shall be foreclosed.

12.2 The BG submitted towards Performance Guarantee, shall be kept valid for a minimum period of five (05) years with a claim period of six months and same to be renewed thereafter every 2 years for the contract period before 30 days from the BG validity date.

12.3 In case the above amount is found inadequate due to revision in quantities/adjustment against any other dues, the PURCHASER shall deposit further amount as to maintain the minimum guarantee as stated above. The deposit towards performance guarantee shall not carry any interest.

13.0 LIFTING OF DUMP SLAG AND FLY ASH:

13.1.1 In the eventuality of non-availability of Fresh Slag from SSY, the PURCHASER shall have the option to lift Dump Slag in case of BFG slag, In case of non availability of Fly Ash from TPP, Wet Fly ash from Ash pond to be lifted in order to complete the annual LTA quantity in respect of their regular lifting. In case the PURCHASER do not wish to lift Dump slag from dump yard/Fly Ash from Ash Pond the contract fulfillment shall be seen with reference to the quantity of fresh slag/Fly Ash offered to them and such offered quantity shall become the Monthly Quantity for that month. In case, sufficient quantity of fresh slag/fly ash is not available even to lift the offered quantity, the lifted quantity shall become the Monthly Quantity subject to certification by concerned department of RINL, and Fresh Slag/Fly Ash is not shifted to any other yard during that month. Accordingly annual LTA Quantity will be adjusted for that year.

13.1.2 In the eventuality of non-availability of Fresh Slag from SSY and Fly Ash from TPP, whenever, the PURCHASER wants to make up their backlog quantities arising out of short falls due to non-performance/less performance in previous months, the PURCHASER shall compulsorily lift the dump slag from Dump Yard/wet fly ash from ash pond as the case may be in order to fulfill their quantity commitments. It is considered as non-performance on the part of the PURCHASER in case they fail to lift the same and thereby they will be considered as unsuccessful in fulfilling their quantity commitments.

13.1.3 The decision of the executive-in-charge shall be final regarding non-availability of fresh slag/Fly Ash and no claim what so ever shall be entertained by the SUPPLIER on this aspect.

13.2 In case the PURCHASER lifts BFG Slag from Dump Yard, the loading into the trucks/wagons will be in PURCHASER's scope. The necessary equipment for loading into trucks/wagons is also to be arranged by the PURCHASER. The PURCHASER has clearly understood that at present there is no siding at the dump yard and the material needs to be shifted to the nearby siding within the SUPPLIER's premises. It is the PURCHASER's obligation to properly ascertain the logistics requirement and expenses involved. The PURCHASER shall be eligible for any incentive like Loading Assistance Discount etc., passed on to any customer who lifts Dump Slag with their own loading arrangements either by Rail or by Road as per the schemes being operated by the SUPPLIER from time to time. In such cases this discount shall also be deducted from the operating price for calculation of Long term off-take discount of 5% and 10% as the case may be.

13.3 All such quantities of Dump Slag lifted from Dump Yard/ Fly Ash from Ash Pond shall be counted towards performance/fulfillment of the LTA against BFG slag/Fly ash quantities.

13.4 The following are to be followed with regard to loading of Fly Ash.

(a) Purchaser shall have to deploy closed containers for Fly ash (from TPP) /wet ash (from Ash pond)

(b) Purchaser has to inform in advance at least 3 days to TPP Engineering I/c before their actual requirement of Fly ash.

(c) It is the Purchaser's responsibility to engage labour for filling fly ash and cleaning spilled fly ash at site.

(d) The loading of Fly ash shall be in only General shift hours i.e from 9.00 am to 5.30 pm excluding safety hours . Accordingly purchaser has to plan for loading of fly ash.

(e) Purchaser must visit site to assess and for clear understanding the mode of fly ash unloading available at site.

(f) In case of non availability of fly ash from TPP, wet fly ash shall be supplied from Ash pond and Loading shall be in the scope of PURCHASER

14.0 FORECLOSURE:

14.1.1 The Supplier will recover the damages/dues from the Security Deposit amount or any other amount of the PURCHASER available with the SUPPLIER under this LTA or any other contract/agreement, as and when such damages/dues arises.

14.1.2 Whenever the out-standings on account of damages equal the Security Deposit amount, the Security Deposit shall be forfeited along with the Performance Guarantee and the LTA shall be foreclosed with immediate effect.

14.1.3 Also, in case, the PURCHASER fails to perform as per the conditions stipulated in the Performance Guarantee Clause no.12.0 above, the entire Performance Guarantee shall be forfeited and LTA shall be foreclosed. The Security Deposit amount available after adjusting the damages and other dues, if any, shall be returned to the PURCHASER.

14.2 VOLUNTARY FORECLOSURE BY SUPPLIER:

In case the SUPPLIER wishes to foreclose the contract in the interest of the company at any point of time, during the contract period a notice of one year shall be given by the SUPPLIER to the PURCHASER. In that case, the entire Performance Guarantee along with Security Deposit amount available after adjusting the damages and all other dues, if any, shall be returned to the PURCHASER and the contract shall be foreclosed. During the notice period of one year the PURCHASER shall perform all their obligations.

15.0 RENEWAL:

The LTA may be renewed at the request of the PURCHASER within a period of one year from the date of foreclosure at the SUPPLIER's terms and conditions, at the sole discretion of the SUPPLIER.

16.0 SPECIFICATION OF BF GRANULATED SLAG AND FLY Ash:

16.1 Supplies will be made taking the BIS specification number BIS 12089 and 4551976 as amended from time to time for the purpose of chemical composition, density etc., as guideline.

16.2 The indicative specification of BFG Slag (Fresh & Dump) being supplied is as under:

CaO	30-38 %
SiO ₂	39-40%
Al ₂ O ₃	15-22%
MgO	8-11%
FeO	5% Max
Mn	2% Max

Fly Ash:

Parameter	% percentage
Si O ₂	1.6
Al ₂ O ₃	36.23
Fe ₂ O ₃	6.82
Ca O	0.93
Mg O	0.72
Ti O ₂	1.87
P ₂ O ₅	0.43
Na ₂ O	0.08
K ₂ O	1.12

NOTE :

In case of Fly ash, Loss of ignition ranging from 1 to 2% also will be there.

The analysis report for BFG slag and fly ash is purely indicative and composition of the material supplied may vary to any extent. Hence SUPPLIER shall not be responsible for any variation in the material supplied. Therefore PURCHASER is advised to collect the samples from SSY in case of BFG slag and from TPP in case of Fly ash and get satisfied themselves with quality of the material before submitting their application for LTA. No complaint of whatsoever shall be entertained subsequently by the SUPPLIER.

16.3 If for any reason, the regime of the Blast Furnace has to be changed with any consequential change in the chemical composition of the Granulated Slag, notice shall be given by the SUPPLIER to the PURCHASER before the supplies with the new composition commence.

16.4 If for any reason, the regime of the Thermal Power Plant has to be changed with any consequential change in the chemical composition of the Fly Ash, notice shall be given by the SUPPLIER to the PURCHASER before the supplies with the new composition commence

17.0 SAMPLING PROCEDURE:

The procedure and frequency of sampling shall be decided jointly. For BFG slag/Fly ash, the sample testing for chemical composition shall be final and binding on the PURCHASER. The SUPPLIER also undertakes to issue test certificates to the PURCHASER.

18.0 RIGHT OF REJECTION:

SUPPLIER will test the material being dispatched generally as per relevant BIS Standard test procedure and the test certificate issued is final and binding on both parties. However, the PURCHASER shall have a right to reject BFG Slag/Fly ash, if the same does not conform to accepted specifications, provided such rejection is exercised before the material is loaded into the trucks/wagons/closed containers at the premises of the SUPPLIER. No right of rejection whatsoever shall be entertained after the commencement of loading. No dispute about quality etc. will be allowed/entertained after the material is loaded.

19.0 SAFETY:

19.1 The PURCHASER shall comply with all safety and Security Regulations while lifting the material from the premises of SUPPLIER as applicable from time to time. Supplier will have no liability towards any claim regarding injury to the employees of workers engaged by the PURCHASER or any damage to any of their machines/equipments etc., PURCHASER shall keep SUPPLIER indemnified against any such claim/claims.

19.2 The slag trucks shall be covered with tarpaulin suitably to avoid spillage of slag on the roads (inside and outside the plant) during the transportation. In case of fly ash the closed containers shall have arrangement to arrest any spillage en-route. Cost incurred by SUPPLIER due to non-compliance of the above provision shall be recovered from the PURCHASER.

19.3 A penalty of Rs.1000/- per event (subject to revision, if necessary) will be levied on receipt of any communication from Safety Engineering Department of SUPPLIER regarding violation of safety rules by the PURCHASER's personnel, equipment and trucks, tankers etc.

20.0 JURISDICTION:

It is hereby agreed between the parties that the courts at Visakhapatnam shall have exclusive jurisdiction in respect of all disputes arising under or out of this agreement.

21.0 FORCE MAJEURE:

21.1 Notwithstanding anything contained in this agreement, the obligation of the SUPPLIER to supply and deliver and the PURCHASER to purchase and take delivery shall remain suspended and neither of them shall be entitled to claim compensation from the other for any loss or damage caused by such suspension, whether total or partial, if and to the extent that either the SUPPLIER or the PURCHASER is rendered unable to perform its obligations under this agreement by reasons of restraints by Govt., War, Blockade, Revolution, Insurrection, Strikes, Acts of God, Plague or other epidemics, destruction of material by flood, fire or other natural calamity interfering with the production, loading or discharge. Provided that the Operation of the contract shall be resumed as soon as any such condition or circumstances are removed. Provided further that at all times this clause shall not be construed as releasing the SUPPLIER and/or the PURCHASER from any liability in respect of willful refusal to effect or receive supplies or willful default or neglect in doing so.

21.2 On the concurrence of Force Majeure as above, the affected party shall give to the other, notice in writing of such occurrence with all details and supporting evidence thereof, within 30 days of such occurrence.

21.3 In case of Force Majeure conditions prevail for the period in excess of nine months either party shall have the option to cancel the contract without any liability to pay compensation to the other party on account of such cancellation. Upon such cancellation, the SUPPLIER shall return the performance guarantee and the balance amount of Security Deposit after adjusting the outstanding damages and all other dues, if any, till the date of such notice.

22.0 ARBITRATION:

22.1 Arbitration: The disputes/differences shall be referred to a Sole Arbitrator to be appointed by Competent Authority of the Company and the seat and venue of Arbitration shall be at Visakhapatnam, Andhra Pradesh. The Fee payable to the Arbitrator shall be in line with the Fee Schedule at Fourth Schedule of Arbitration and Conciliation Act, 1996 in force at the time of invocation, with a maximum ceiling of Rs.10,00,000/-.The costs towards incidental expenses for conducting the Arbitration proceedings and to the Arbitrators shall be born equally by both parties. The Arbitrator shall make a reasoned Award.

22.2 Work under the contract shall be continued by the Agency during the arbitration proceedings unless otherwise directed in writing by the RINL or unless the matter is such that the work cannot possibly be continued unless the decision of the arbitrator is obtained and save as those which are otherwise expressly provided in the contract, no payment due or payable by the RINL shall be with-held on account of such arbitration proceedings unless it is a subject matter or one of the subject matters thereof.

23.0 LIQUIDATION:

If the PURCHASER commences to be wound up, not being a member's voluntary winding up for the purpose of amalgamation or reconstruction, or carries on its business under a receiver for the benefit of its creditors, the SUPPLIER shall be at liberty to:

- 23.1 Terminate the agreement forthwith AND forfeit the performance guarantee upon coming to know of the happening of any such event as aforesaid by notice in writing to PURCHASER or to the receiver or liquidator or to any person in whom the Agreement may become vested or,
- 23.2 Give such receiver, liquidator or other person the option of carrying out the performance under this Agreement subject to the receiver, liquidator or other person providing a guarantee upon an amount to be agreed upon by the SUPPLIER and such receiver, liquidator or other person for the due and faithful performance of the PURCHASER's obligations under this Agreement.

24.0 ASSIGNMENTS:

The PURCHASER/SUPPLIER shall not assign their rights and obligations under the terms of this agreement to any party other than its legal successor without the written consent of the other party.

25.0 ENTIRE AGREEMENT:

The terms and conditions herein contained shall constitute the entire Agreement and understanding between the parties hereto and shall supersede all other communications which were made prior to signing of this Agreement, whether written or oral, between the parties hereto with respect to the subject matter hereof.

26.0 AMENDMENT OF AGREEMENT:

Any clause which is hindering the operation of the LTA or due to any changes in ground situation at either end, can be reviewed every two/three/four/five years along with the review of annual quantity as mentioned in the table at clause no 12.0 above on mutual agreement by way of an amendment. Any amendment to this agreement shall be made in writing by both parties hereto and specifically stated to be an amendment to this agreement.

27.0 WAIVER:

- 27.1 Non-enforcement by either party of any of the provisions of this Agreement shall not operate or constitute as a waiver of the provision itself or any subsequent breach thereof.
- 27.2 The validity of the Agreement shall not be affected should one or more of its stipulations be or become legally invalid. In such a case, the parties shall negotiate in good faith to replace the invalid clause by a stipulation which is in accordance with the applicable law and which shall be as close as possible to the party's intent.

27.3 Should the fulfillment of this contract be rendered impossible by any Executive or Legislation Act done by or on behalf of the government, this contract or any unfulfilled part thereof shall be cancelled without any financial liabilities whatever, to either party.

IN WITNESS WHEREOF the parties have set and subscribed their respective hand the day, month and year first above written.

Executed for and on behalf of Visakhapatnam Steel Plant, RASHTRIYA ISPAT NIGAM LIMITED by:

NAME : _____ SIGNATURE_____

WITNESS-1:_____ SIGNATURE_____

WITNESS-2:_____ SIGNATURE_____

Executed for and on behalf of M/s._____ by:

NAME:_____ SIGNATURE_____

WITNESS-1:_____ SIGNATURE_____

WITNESS-2:_____ SIGNATURE_____

Note: Above terms and conditions are applicable in case the EOI response is received for both the products B F G Slag and Fly ash. However if the response is received for only BFG slag the terms and conditions of LTA shall be modified accordingly.

EXPRESSION OF INTEREST (EOI)

- 1.0. **Format for details of requirement of Blast Furnace Granulated Slag and Fly ash for the captive consumption in their plant/units**

PART A: ORGANIZATION PROFILE

- (1) Short notes/ tables on:
 - (i) About organization
 - (ii) Its Set-up
 - (iii) When it was established (With Proof)
 - (iv) Year of Experience
 - (v) List of clients
- (2) List and brief details of Professionals in rolls or associated with experience.
- (3) List of offices/Centres/Field Units etc. to be shown as per given format:
 S. No.
 Name of City/State
 Name of Contact Person
 Address, Telephone, Fax,
 E-mail Address
 No. of Staff available
- (4) Infrastructure & Equipment available (in brief)
 - 1.
 - 2.
 - 3.
 - 4.

Note: (i) Please add columns as per requirement.

- (5) Any other details (if desired to be submitted by organization)

- (1) The applicant is required to furnish the information pertaining to raw material requirement i.e BFG slag and Fly ash per annum. Details of purchases made during the last three financial years (2014-15,2015-16,2016-17) for these items i.e BFG slag, Fly ash may be furnished in the following format. Further production of cement/GGBS in last three financial years also may be furnished.

Year	Consumption of BFG slag (Metric Tons)	Consumption of Fly ash (Metric tons)	Cement/GGBS production in Metric tons
2014-15			
2015-16			
2016-17			

PART C: Financial Strength & Turnover for the previous three years.

Sr. No.	Financial year	Gross turnover (in ` crs)	Net worth in Crores
1	2014-15		
2	2015-16		
3	2016-17		

Note: 1) The above turnover statement must be supported with audited copy of Balance Sheet profit & loss Account, preferably complete Annual Report.

2) Positive Net worth statement must be supported with audited copy of Balance sheet.

In case of unavailability of Audited report of 2016-17, Agency may submit the provisional report with Chartered Accountant Certification.

**PART -D : QUANTITY PROPOSED FOR LTA FOR MINIMUM 5 YEARS
UP TO MAXIMUM 30 YEARS:**

PRODUCT DESCRIPTION	QUANTITY IN MT PER ANNUM	PERIOD IN YEARS
(A) BLAST FURNACE GRANULATED SLAG ...		
(B) FLY ASH		
