



**RASHTRIYA ISPAT NIGAM LIMITED**  
**VISAKHAPATNAM STEEL PLANT**  
**(A Govt. of India Enterprise)**

PROJECTS DIVISION, CONTRACTS DEPARTMENT  
PROJECT OFFICE "A" BLOCK, VISAKHAPATNAM-530 031

**NOTICE INVITING TENDER (NIT)**

**OPEN TENDER NOTICE NO: 9800000583, Date:03.11.2017**

On-line tenders electronically through VSP's SRM portal <https://srm.vizagsteel.com>, in the prescribed form are invited from experienced contractors for the following work :

**Name of the work:**

Allotting land on long term lease to **Set up Autoclaved Aerated Concrete(AAC) Block Manufacturing Unit.**

**Techno-commercial and Price Bids to be submitted electronically through VSP's SRM portal: <https://srm.vizagsteel.com>/ before the due date & time mentioned below.**

Last Date & Time of receipt of tenders in : **Upto 15.00 hrs.(IST) on 24 .11.2017**  
SRM portal of RINL

Date & Time of opening of tenders in SRM : **After 15.30 hrs.(IST) on 24 .11.2017**  
portal of RINL

Contact person: Sri R K Suman, AGM(Project Contracts), Mob No 8008277175  
Ph. No. 0891 - 2518277,  
Fax No. 0891 - 2518764  
E-mail Id : hod\_projcont@vizagsteel.com/projcont@vizagsteel.com

Bidders shall visit **VSP's SRM portal: <https://srm.vizagsteel.com>/ to view the RFX(tender) and to** download the bidding documents from Publisher folder of the RFX and submit the bid.

The detailed NIT & Tender document can also be downloaded from [www.vizagsteel.com](http://www.vizagsteel.com).  
**([www.vizagsteel.com](http://www.vizagsteel.com) →TENDERS → PROJECT CONTRACTS →Register Now -  
→Log In→ TENDERS → PROJECT CONTRACTS→ View/save = Complete tender Document).** The detailed NIT is also available at [www.tenders.gov.in](http://www.tenders.gov.in).

**The tenderers should visit our website regularly for Corrigendum(s), if any, issued by RINL/VSP to this Open Tender.**

**GM (Project Contracts)**

RINL VIGILANCE → TOLL FREE NUMBER: 1800 425 8878

Note: "The bidder should refer to RINL's website regularly for any corrigendum".

**RASHTRIYA ISPAT NIGAM LIMITED**

**VISAKHAPATNAM STEEL PLANT**

**(A Govt. of India Enterprise)**

**PROJECTS DIVISION**

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**NOTICE INVITING TENDER (NIT)**

**OPEN TENDER NOTICE NO: 9800000583, Date:03.11.2017**

**INVITATION FOR BIDS (IFB)**

1. Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant (VSP), invites On-line tenders **electronically through VSP's SRM portal <https://srm.vizagsteel.com>**, in the prescribed form from experienced contractors for "Allotting land on long term lease to **Set up Autoclaved Aerated Concrete(AAC) Block Manufacturing Unit**" as per Terms and conditions of supply, land lease agreement and other documents enclosed herewith.
2. Bidders shall visit **VSP's SRM portal: <https://srm.vizagsteel.com/> to view the RFX(tender) and to** download the bidding documents from Publisher folder of the RFX and submit the bid.
3. Bidders may also download the bidding documents from VSP website at **www.vizagsteel.com → TENDERS → PROJECT CONTRACTS → Register Now (New Users) → Log in → TENDERS → PROJECT CONTRACTS → View / Save =Complete Tender Document** and submit the bid electronically.
4. At any time prior to the deadline for submission of the bids, the Projects Contracts dept. may, for any reason, modify the tender terms and conditions by way of an amendment. Such amendments will be notified on RINL's website at regular intervals.

5. Salient features of the of the bid:

A.	Tender No.	<b>9800000583, Date:03.11.2017</b>
B.	Description	Allotting land on long term lease to <b>Set up Autoclaved Aerated Concrete Block(AAC) Manufacturing Unit.</b>
C.	Tender Submission	<b>Upto 15.00 hrs (IST) on 24.11.2017</b>
D.	Opening of Tender	<b>After 15.30 hrs (IST) on 24.11.2017</b>
E.	Bid Security/EMD	<p><b>5,00,000/- (Rupees Five Lakhs)</b></p> <p>Bid Security/EMD shall be paid in the form of Demand Draft (DD)/Pay Order (PO)/Bankers Cheque (BC)/ Bank Guarantee (BG).</p> <p>EMD submitted in the form of DD/PO/ BC shall be drawn from any Nationalized or scheduled bank in favour of Rashtriya Ispat Nigam Ltd., Visakhapatnam Steel Plant payable at Visakhapatnam.</p> <p>EMD submitted in the form of BG shall be as per the format given at Appendix-2 of Instructions to Bidders (ITB) and shall be kept valid for a period of <b>sixty (60) days</b> beyond the bid validity period.</p> <p><u>Note:</u> MSMEs /NSIC PSUs are exempted from submission of EMD.</p>
F.	Time For Completion	Construction shall commence within a period of six months and start the business is within 18 months from the date of allotment of land.
G.	Validity of Bid	<b>Six (06) Months</b> from the deadline for submission of Bid.
H.	Eligibility Criteria	<p>(a) The tenderer should have (i) experience in design, engineering and supply of equipment <b>or</b> (ii) experience in erection and commissioning <b>or</b> (iii) experience in the operation of new/rebuilt unit for Fly ash based building material such as cement plant or autoclaved aerated block manufacturing unit or any brick manufacturing unit.</p> <p>Proof of such experience mentioned at para- (a) above should be submitted.</p> <p>(b) The tenderer should have annual financial turnover of at least Rs. 10 Crores from existing business during any of the last three financial years ending 31<sup>st</sup> March,2015 or 31<sup>st</sup> March 2016 or 31<sup>st</sup> March 2017.</p> <p>(c) The net worth of the tenderer as on 31<sup>st</sup> March 2017 should not be less than Rs.10 Crore.</p>

		<p>(d) Copies of Balance sheet and Profit &amp; Loss account duly certified by Chartered Accountant (CA) be submitted in support of the requisite financial turnover and Networth, as proof of para-(b) &amp; (C) above.</p> <p><b>In case of consortium, one of its members or all of them put together in aggregate must meet requirements of point (a), (b) and (c) above.</b></p> <p>The bidder is to prove his credentials as per above Eligibility Criteria regarding Financial capability and Technical capability to undertake AAC Block Manufacturing project.</p> <p>Quantity of fly ash for disposal is 200000 Tonnes or more per annum. Minimum off take Commitment by the tenderer is 75000 tonnes per annum</p>
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6. The tender document consists of:-

1. NIT
2. Terms and Conditions of Supply
3. DRAWING OF ASH BLOCK PLANT SITE PLAN
4. DRAWING OF ASH BRICK PLANTS MODEL
5. Land Lease Agreement
6. Articles of Agreement for supply
7. Price Format
8. Memorandum of Agreement(Consortium Agreement)

7. The bid will consist of two parts Techno-commercial and Price only.

7.1 Offers should be submitted in two parts as follows:

Part A: Techno-Commercial Bid along with EMD / Bid Bond in original to be submitted online/electronically through VSP's SRM portal: <https://srm.vizagsteel.com/>

Part B: Price Bid /Price RFX Response to be submitted online/electronically through VSP's SRM portal: <https://srm.vizagsteel.com/>

Note: In case of non-submission of any one of the two parts mentioned above, Offer shall be considered as incomplete and shall not be considered for evaluation.

RINL is employing SAP-SRM 7.0 for Electronic Tendering System. E- Price Bid /Price RFX Response to be submitted online/electronically through VSP's SAP-SRM portal <https://srm.vizagsteel.com/>. User Manual is available in our portal and the Key Steps for submitting RFX Response are given below:

- a. All enlisted/registered bidders of RINL would be provided User ID and Password for participating in RINL E-Tenders. If any new Bidder who wish to participate is not presently enlisted with RINL or not having User ID & Password can obtain the same by clicking on "Initial Registration" available in the home page of our SRM portal, by providing requisite details, well before the due date (i.e.deadline for submission of RFX Response).

**b. SUBMISSION OF OFFERS:**

User Manual for E-bidding & E-auction in SAP-SRM :

Open VSP's SRM portal <https://srm.vizagsteel.com>

User Manual in the home page of VSP's SRM portal by clicking on "Awareness on e-tendering ", is in general applicable for all e-tenders of VSP.

Bidders may please take help of the same. Summary of the steps to be followed, in brief, for present Open Tender (RFX), is given below:

Please go through the User Manual (Awareness on e-tendering in case of any log-in problems.

After logging in, Click on "RFX and Auctions" tab Click on 'All' against 'e-RFXs' and Click on 'Refresh'.

It displays the RFX Published by RINL-VSP. Check the RFX no., date and Submission deadline.

Alternative is: Click on 'Show quick criteria maintenance' and Enter the RFX number in the Event Number field and Click on Apply. Then the required RFX will be displayed below.

Click on the RFX number to enter in to the RFX (Display RFX). Check the basic details like Submission deadline, item and quantity etc

Click on 'Technical RFX' (yellow button) to open C-Folder (a new window)

Click on 'Publisher Area' in the C-Folder and download all the tender documents uploaded by VSP.

Please do not log-off the C-folder. Only close it all times.

After going through VSP's Tender document, Bidder may decide whether to participate or not in this RFX.

Please click on 'Register' in 'Display RFX' page and provide your email-id as

required.

After this step, 'Participate' Button will be enabled.

Please click on 'Participate' or 'Do not Participate' in 'Display RFX' page, as the case may be.

After clicking on 'Participate', Click on 'Create Response'. Then 'RFX Response' (Offer) no. is generated by system and is displayed.

Click on 'Save' to enter into your 'RFX Response' page.

Click on Edit to enter / modify any data in your 'RFX Response' (frequently Use Edit, Check, Save and Refresh buttons while entering/modifying the data)

Enter Offer Validity date against 'Quoted Validity Date' under 'Basic data' under 'RFX Information' tab.

Enter Annual lease rent rate as percentage(%) of assesses market value of the land ( Rs. 75,00,000 per acre) after clicking on 'Details' button under 'Items' Tab , and also answer the 'Questions' under 'RFX Information'.

Please upload scanned copies of all the documents duly signed and stamped by the tenderer as per eligibility criteria mentioned at '5 H' .

Other documents like **DEVIATIONS FROM THE TENDER DOCUMENT (Technical or Commercial) in Appendix 4A and 4 B mentioned in the Terms and conditions of supply .**

Submit your RFX Response finally.

**c.** RINL-VSP shall have the option of conducting SRM Live Auction (Forward E-Auction) in SAP-SRM platform. All technically and commercially acceptable bidders would be required to participate in the Live Auction through VSP's SRM portal <https://srm.vizagsteel.com/> with the same User ID and Password. User manual for participation in e-auction is available in our portal mentioned above. User Manual available in the home page of VSP's SRM portal by clicking on "Awareness on e-tendering " may please be followed to participate in SRM Live Auction. Please go through the 'Browser & Java Settings for E-auction' and comply with the same, before participating in the SRM Live Auction

**d.** EVALUATION: After the Live Auction is completed, composite price comparative statement is generated by the system considering the RFX Response Prices and Forward Auction prices.

**e.** Help Desk for SRM E-Procurement and E-Auction

System related Queries :

- i. First Contact +919701347736, ARUN KUMAR S, Asst. General Manager (ERP)
- ii. Second Contact +918500669882, D RAMESH, Asst. General Manager (ERP)
- iii. You can also write to: srm\_support@vizagsteel.com

7.2 Techno-commercial Bids shall be opened electronically through simultaneous login method of SRM of RINL. After evaluation of Techno-commercial Bids , RINL shall conduct forward E-Auction before opening the sealed price bids of technically & commercially qualified tenderers. After the E-auction is conducted, the price bids of all the qualified tenderers irrespective of whether they have participated in E-auction or not shall be opened electronically through simultaneous login method of SRM of RINL and considered for evaluation. Based on the prices so arrived through forward E-auction and price bids, a composite comparative statement shall be made considering the highest price (i.e Price bids & forward E-auction Price). Final evaluation shall be based on the H-1 price so arrived at.

8. Micro and Small Enterprises (MSEs) are exempted from submission of Cost of Tender Documents/ Tender Processing Fee (CTD), Bid Security / Earnest Money Deposit (EMD) and Performance Bank Guarantee / Security Deposit (SD), irrespective of whether the service is to be carried out within or outside their premises, subject to submission of Proof of enlistment/registration with any of the following agencies:

- i) District Industries Centre (Acknowledgement of Entrepreneur Memorandum i.e. EM part-II)
- ii) Khadi and Village Industries Commission
- iii) Khadi and Village Industries Board
- iv) Coir Board
- v) National Small Industries Corporation (NSIC)
- vi) Directorate of Handicrafts Handloom
- vii) Any other body specified by Ministry of MSME

Note:

a) The Micro and Small enterprises registered for the particular trade/item for which the tender is relevant, would only be eligible for exemption.

As regards Security Deposit (SD) exemption, the MSEs shall be required to submit a "Performance Guarantee Bond" of requisite value in the prescribed pro-forma in lieu of Security Deposit. It may be noted that waiver of SD is permitted only up to the monetary limit as specified in the proof of enlistment for which the unit is registered.

9. The Public Sector Enterprises or State/Central Govt. Undertakings are exempted from submission of Earnest Money Deposit / Bid Security and Performance Bank Guarantee / Security Deposit. However, in case of Bid by Consortium not having all members as PSEs/Govt. Undertakings, they are required to submit stipulated EMD/Bid Security along with their bid.

10. The documents placed in website along with this detailed Notice Inviting Tender forms the complete tender document. All the documents along with detailed NIT as placed in the web site is final. On verification, at any time, whether the Tenderer is successful or not, if any of the documents submitted by the Tenderer including the documents downloaded from our website/ issued are found tampered/altered/ incomplete, they are liable for actions like rejection of the tender, cancellation & termination of the contract, debarring etc., as per the rules of the company.
12. It will be presumed that the Tenderers have gone through the entire tender document available in web site which shall be binding on them.
13. If it comes to the notice of RINL at any stage right from request for enlistment/tender document that any of the certificates/ documents submitted by applicant for enlistment or by bidders are found to be false / fake / doctored, the party will be debarred from participation in all RINL tenders for a period of 05(Five) years including termination of contract, if awarded. EMD/Security Deposit etc., if any will be forfeited. The contracting agency in such cases shall make good to RINL any loss or damage resulting from such termination. Contracts in operation anywhere in RINL will also be terminated with attendant fall outs like forfeiture of EMD/Security Deposit, if any, and recovery of risk and cost charges etc., Decision of RINL Management will be final and binding.
14. Successful Bidder should be in a position to produce, after opening of the price bids, the Original Certificates in support of the attested copies of relevant documents submitted along with bid document. Failure to produce the original certificates at this stage in support of the attested copies of PF Registration / ESI Registration / experience / qualification / any other documents etc., submitted earlier would result in disqualification and forfeiture of EMD and also liable for debarring from participation in VSP tenders.
15. RINL reserves the right to (a) Issue or Refuse tender documents without assigning any reason, (b) Split and award the work to more than one agency, (c) Reject any or all the tenders or to accept any tender wholly or in part or drop the proposal of receiving tenders at any time without assigning any reason there of .
16. One representative shall represent one firm only for collection of tender document.
17. RINL will not be responsible for any delay, loss or non-receipt of tender document or tender etc.
18. Interest free advance shall not be considered.
19. Tenders submitted against the NIT/Tender shall not be returned in case the tender opening date is extended/postponed. Bidders desirous to modify their offer/terms may submit their revised/supplementary offer(s) within the extended TOD, by clearly stating the extent of updation done to their original offer and the order of prevalence of revised offer vis-à-vis original offer. The employer reserves the right to open the original offer along with revised offer(s).
20. RINL reserves the right to check the authenticity of the documents/certificates submitted, and/or verify performance of the bidders in the works executed by them earlier from their clients. In case, the report of the client shows bad/poor/unsatisfactory performance rating, then the offer of the bidder is liable for rejection.
21. RINL reserves the right to open original price bid, if felt necessary, in case the bidder is allowed to submit revised price bid.
22. Successful Bidder shall submit PF & ESI registration codes before commencement of work.



23. Tender papers will not be issued to parties up to a maximum period of two years from the date of such communication, who failed to execute the work awarded to them earlier and was terminated due to unsatisfactory performance or the work was withdrawn either fully or in part due to unsatisfactory performance. The decision of the Employer in this regard will be final & binding.
24. If a Bidder submits more than one tender, then all the tenders submitted by the said Bidder shall be rejected.
25. In case the Bids submitted by a consortium (upto a maximum of three parties) shall comply with the following requirements **(The format for Memorandum of Agreement (Consortium Agreement) is attached in the tender document as Annexure-II):**
  - I. The bid shall include all the information on eligibility/ qualification and experience required for a Bidder as described in Bidding Documents.
  - II. The bid shall be signed so as to be legally binding on all members.
  - III. The members of the Consortium shall nominate one member as the “Lead Member”, responsible for overall performance of the Contract and signing the land lease agreement. The nomination shall be supported by a Memorandum of Agreement (MOA) as per Annexure -II and should be signed by all the legally authorized signatories of all members.  
The leader shall be the key PARTY setting up the unit and procuring Fly ash to fulfil the main requirement.
  - IV. Leader of the consortium shall be overall responsible for the execution of the Contract and signing the land lease agreement and Article of Agreement. The Leader and other Members of the Consortium shall be jointly and severally responsible for the execution of the Contract.
  - V. A copy of the Memorandum of Agreement (MoA) entered into by the consortium members prior to stipulated due date of submission of bids is to be submitted. The MoA should be valid till the Time all obligations, liabilities are fulfilled or till the year in which the Project has first fulfilled the procurement of 100% of the yearly committed quantity of Fly ash whichever is earlier.
  - VI. At least one member of consortium or all of them put together in aggregate must meet the eligibility criteria of the tender for consortium to become an eligible bidder. Failure to comply with this requirement may result in rejection of the Consortium’s bid.
  - VII. Separate bid by a consortium member will not be accepted. A party can be a member in only one consortium; bids submitted by such consortia which include the same party as member and/or leader will be rejected. Bidders are not allowed to form new consortium (consortia) with other Bidders participating in the tender. The composition or the constitution of the consortium, who have become eligible, other than the “Leader” of the Consortium may be permitted to alter only with the prior consent of the Employer in writing.
  - VIII. For the purpose of formation of consortium, a member shall be an independent and single legal entity as per laws of India or as per laws in the country of such member and should have its own independent financial accounting system as per laws of India or as per laws in the country of such member.
  - IX. In case Bidder is a consortium, the signing of Integrity Pact by all the consortium members is mandatory. Bidder’s failure to comply with aforesaid requirement regarding submission of Integrity Pact may lead to rejection of their Bid.

- X. The Bid Security in the case of a consortium, can be submitted by any member of the consortium.
26. RINL, after opening of tender/bid document, may seek, in writing, documents/clarifications which are necessary for evaluation of tender/bid document from the tenderers/bidders or issuing authority for confirmation of eligibility/ pre-qualifications stipulated in the NIT. **RINL may hold Prebid conference, if required, one week of floating the tender so as to address the issues of tenderers, if any.**
27. The Bidder shall be ready to furnish clarifications/informations and attend to discussions, as called for by the Employer, at short notices. While responding for the same, no change in the substances in the offer or price shall be permitted, unless otherwise asked by the Employer. In case of any unsolicited Price offer submitted by the Bidder at this stage, the same shall not be considered for Tender evaluation. However, in case such Bidder becomes H-1 by virtue of his original Price Bid, then such unsolicited Price offer will be opened and if it is advantageous to the Employer, such unsolicited Price offer will be considered or otherwise the same shall be ignored.
28. RINL shall not entertain any revised price/revision in price basing on the technical discussions unless RINL itself changes specifications/scope when compared to Tender Specifications/Scope, which calls for revision in the Estimate.
29. RINL reserves the right to reject the offers of the tenderers whose performance is poor in awarded/ongoing works if any.
30. The contact details of the Nodal Officer, Integrity Pact Programme are as follows:  
Shri. A.Bhattacharya,  
General Manager (MM),  
Main Administrative Building,  
Visakhapatnam Steel Plant,  
Visakhapatnam- 530031.  
Mobile : +91-9866126149, Email ID: [agnimitra@vizagsteel.com](mailto:agnimitra@vizagsteel.com)
31. Tenderers may please note that Complaints, if any, may be addressed to co-ordinator for 'Complaint Handling System & Procedures', which is available at RINL's website [www.vizagsteel.com → TENDERS → PROJECT CONTRACTS]. The contact details of the co-ordinator is given below :  
  
Sri C S Rathore, AGM(Project Contracts),  
Project Office, A-Block, Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant,  
Visakhapatnam – 530 031 (AP) INDIA, Mobile : +91-9949102534, Tel: 0891-2518277  
Fax No.: (+91)891-2518764, Email ID: [csrathore@vizagsteel.com](mailto:csrathore@vizagsteel.com)

Signature: \_\_\_\_\_

Name and Designation: \_\_\_\_\_

\_\_\_\_\_

**INTEGRITY PACT**

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

And

..... hereinafter referred to as **“The Bidder/Contractor”**

**Preamble**

The Principal intends to award, under laid down organizational procedures, a contract for **“Allotting land on long term lease to Set up Autoclaved Aerated Concrete(AAC) Block Manufacturing Unit.** The Principal values full compliance with all relevant laws of the land, rules, regulations, economic use of resources, and of fairness/transparency in its relations with its Bidder(s) and /or Contractor(s).

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

Section 1 – Commitments of the Principal:

- (1) The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:-
  - (a) No employee of the Principal, personally or through family members, will in connection with the tender or the execution of a contract, demand/take a promise/accept for self or for third person, any material or non material benefit which the person is not legally entitled to.
  - (b) The Principal will, during the tender process treat all Bidders with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidders the same information and will not provide to any Bidder confidential/additional information through which the Bidder(s) could obtain an advantage in relation to the tender process or the contract execution.
  - (c) The Principal will exclude from the process all known prejudiced persons.
- (2) If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the PC Act/ applicable law, or if there be a substantive suspicion in this regard, the Principal will inform the Chief Vigilance Officer of RINL and in addition can initiate disciplinary action.

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

- (1) The Bidder/ Contractor commits to take all measures necessary to prevent corruption and commits to observe the following principles during his

participation in the tender process/during the contract execution(in case of Bidder to whom the contract has been awarded).

- (a) The Bidder/Contractor will not, directly or through any other person or firm, offer, promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or other benefit which he/she is not legally entitled to, in order to obtain, in exchange, any advantage of any kind whatsoever during the tender process or during the execution of the contract or to vitiate the Principal's tender process or contract execution.
  - (b) The Bidder/ Contractor will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process or to vitiate the Principal's tender process or execution of the contract.
  - (c) The Bidder/Contractor will not commit any offence under the PC Act/ Applicable law, like paying any bribes or giving illegal benefit to anyone including employees of RINL, to gain undue advantage in dealing with RINL or for any other reason etc. Further, the Bidder/Contractor will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship regarding plans, technical proposals and business details including information contained or transmitted electronically.
  - (d) The Bidder/Contractor of foreign origin shall disclose the name and address of their Agent(s)/representative(s) in India, if any. Similarly the Bidder/Contractor of Indian Nationality shall furnish the name and address of the foreign supplier/ contract Agency, if any. Further details, as mentioned in the Guidelines on Indian Agents of Foreign "Suppliers/contract agencies", shall be disclosed by the Bidder/Contractor, wherever applicable. Further, as mentioned in the Guidelines, all the payments made to the Indian agent(s)/ representative(s) have to be in Indian Rupees only.  
  
Copy of the Guidelines on Indian Agents of Foreign "Suppliers/contract agencies" is enclosed.
  - (e) The Bidder/ Contractor will, when presenting his bid, disclose any and all payments he has made or committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
- (2) The Bidder/Contractor will not instigate third persons to commit offences outlined above or be an accessory to such offences.

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

- (1) A transgression is considered to have occurred, if the Principal after due consideration of the available evidence, concludes that a reasonable doubt is possible.
- (2) If the Bidder/Contractor, before award of contract or after award of contract has committed a transgression through a violation of Section 2 above or in any other form such as to put his reliability or credibility in question, the Principal is entitled to disqualify the Bidder from the tender process or to terminate the contract, if already awarded, for that reason, without prejudice to other remedies available to the Principal under the relevant GCC of the tender/contract.
- (3) If the Bidder/Contractor has committed a transgression through a violation of any of the terms under Section 2 above or in any other form such as to put his reliability or credibility into question, the Principal is entitled also to exclude the Bidder / Contractor from future tenders/Contract award processes. The imposition and duration of the exclusion will be determined by the Principal keeping in view the severity of the transgression. The severity will be determined by the circumstances of the case, in particular the number of transgressions, the position of the transgressors within the company hierarchy of the Bidder /Contractor and the amount of the damage.
- (4) If it is observed after payment of final bill but before the expiry of validity of Integrity pact that the Contractor has committed a transgression through a violation of any of the terms under Section 2 above during the execution of contract, the Principal is entitled to exclude the Contractor from future tenders/Contract award processes.
- (5) The exclusion will be imposed for a Period not less than six (6) months and, up to a maximum period of three (3) years.
- (6) If the Bidder / Contractor can prove that he has restored/recouped the damage to the Principal caused by him and has installed a suitable corruption prevention system, the Principal may revoke the exclusion before the expiry of the period of such exclusion.

#### Section 4 – Compensation for Damages:

- (1) If the Principal has disqualified the bidder from the tender process prior to the award in accordance with Section 3 above, the Earnest Money Deposit (EMD)/Bid security furnished, if any, along with the offer as per the terms of the Invitation to Tender (ITT) shall be forfeited. This is apart from the exclusion of the Bidder from future tenders as may be imposed by the Principal, as brought out at Section 3 above.
- (2) If the Principal has terminated the Contract in accordance with Section 3 above, or if the Principal is entitled to terminate the Contract in accordance with Section 3 above, the Security Deposit/performance bank guarantee furnished by the Contractor, if any, as per the terms of the ITT/Contract shall be forfeited without prejudicing the rights and remedies available to the Principal under the relevant General conditions of contract. This is apart from the

exclusion of the Bidder from future tenders as may be imposed by the Principal, as brought out at Section 3 above.

Section 5 – Previous transgressions:

- (1) The Bidder declares that, to the best of his knowledge, no previous transgression occurred in the last five (05) years with any Company or Organization or Institution in any country or with any Government in any country conforming to the 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) undertake(s) to demand from all subcontractors, he desires to appoint, a commitment in conformity with this Integrity Pact, and to submit it to the Principal at the time of seeking permission for such subcontracting.
- (2) The Principal will enter into agreements with identical conditions as this one with all Bidders/ Contractors.
- (3) The Principal will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

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

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

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

- (1) The Principal appoints competent and credible Independent External Monitor with the approval of Central Vigilance Commission. The IEM reviews independently, the cases referred to him or written complaints with all details received directly by him to assess whether and to what extent the parties concerned complied with the obligations under this Integrity Pact,
- (2) In case of complaint/representations on compliance of the provisions of the Integrity Pact by any person/agency, the complaint/representation can be lodged by the aggrieved party with the Nodal Officer for IP of RINL or directly with the IEM. The Nodal Officer shall refer the complaint /representation so received by him to the IEM for his examination. Similarly, RINL in case of any doubt regarding compliance by any or all the bidders can lodge its complaint / make a reference to IEM through Nodal Officer.

For ensuring the desired transparency and objectivity in dealing with the complaints arising out of the tendering process, the matter should be examined by the full panel of IEMs who would look into the records, conduct an investigation and submit their joint recommendations to the Management.

- (3) The IEM is not subject to instructions by both the parties and performs his functions neutrally/independently. The IEM will submit report to the CMD, RINL.
- (4) The Bidder(s)/Contractor(s) accepts that the IEM has the right to access without restriction, to all tender/contract documentation of the Principal including that provided by the Bidder/Contractor. The Bidder/Contractor will also grant the IEM, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his tender/ contract documentation. The same is applicable to unrestricted and unconditional access to tenders / contract documentation of Subcontractors also. The IEM is under contractual obligation to treat the information and documents of the Bidder(s)/Contractor(s)/Subcontractor(s) with confidentiality.
- (5) IEM will have the right to attend any meeting between RINL and Counterparties in respect of the cases falling under the purview of IP.
- (6) As soon as the IEM notices, or believes to notice, a violation of this Pact, he will inform the Principal and request the Principal to discontinue or take corrective action or to take other relevant action. The IEM can, in this regard, submit non binding recommendations. Beyond this, the IEM has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.
- (7) The IEM will submit a written report to the CMD-RINL within four (04) to six (06) weeks from the date of reference or intimation to him by the Principal/ receipt of the complaint and, should the occasion arise, submit proposals for corrective actions for the violations or the breaches of the provisions of the agreement noticed by the IEM.
- (8) IEM may also submit a report directly to the CVO of RINL and the Central Vigilance Commission, in case of suspicion of serious irregularities attracting provisions of the PC Act/ applicable Law.
- (9) Expenses of IEM shall be borne by RINL as per terms of appointment of IEMs.
- (10) The word 'Monitor' means Independent External Monitor and would include both singular and plural.

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

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

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

Section 10 – Other provisions:

- (1) This Pact is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, i.e. Visakhapatnam, State of Andhra Pradesh, India.
- (2) Changes and supplements as well as termination notices need to be made in writing. Side agreements to this pact have not been made.
- (3) If the Contractor is a partnership firm/ Consortium, this Pact must be signed by all partners/ Consortium members, or their Authorized Representative(s) by duly furnishing Authorization to sign Integrity Pact.
- (4) Should one or several provisions of this Pact turnout to be invalid, the remaining part of the Pact remain valid. In this case, the parties will strive to come to an agreement with regard to their original intentions.
- (5) Wherever he or his is indicated in the above sections, the same may be read as he/she or his/her, as the case may be. Similarly, wherever Counterparty or Bidder or Contractor is mentioned, the same would include both singular and plural.
- (6) A person signing IP shall not approach the Courts while representing the matters to IEMs and he/she will await their decision in the matter.

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(For & On behalf of the Principal)

(Office Seal)

Place -----

Date -----

Witness 1:

(Name & Address)

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(For & On behalf of Bidder/ Contractor)

(Office Seal)

Witness 2:

(Name & Address)

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## 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.
- 2.0 DISCLOSURE OF PARTICULARS OF AGENT(S)/REPRESENTATIVE(S) IN INDIA, IF ANY:
  - 2.1 Bidders of Foreign nationality shall furnish the following details in their quotation/bid:
    - 2.1.1 The name and address of their agent(s)/representative(s) in India, if any, and the extent of authorization and authority given to them to commit them. In case the agent(s)/representative(s) is a foreign Company, it shall be confirmed whether it is a really substantial Company and details of the company shall be furnished.
    - 2.1.2 The amount of commission/remuneration included in the quoted price(s) for such agent(s)/representative(s) in India.
    - 2.1.3 Confirmation of the Bidder that the commission/remuneration if any, payable to his agent(s)/representative(s) in India, may be paid by RINL in Indian Rupees only.
- 3.0 DISCLOSURE BY INDIAN AGENT(S) OF PARTICULARS OF THEIR FOREIGN SUPPLIER/CONTRACT AGENCY AND FURNISHING OF REQUISITE INFORMATION:
  - 3.1 Bidders of Indian Nationality shall furnish the following details/ certificates in/alongwith their offers:
    - 3.1.1 The name and address of foreign supplier/contract agency indicating their nationality as well as their status, i.e., manufacturer or agent of manufacturer holding the Letter of Authority.

- 3.1.2 Specific Authorization letter by the foreign supplier/contract agency authorizing the agent to make an offer in India in response to tender either directly or through their agent(s)/representative(s).
- 3.1.3 The amount of commission/remuneration included for bidder in the price (s) quoted.
- 3.1.4 Confirmation of the foreign supplier/contract Agency of the Bidder, that the commission/remuneration, if any, reserved for the Bidder in the quoted price (s), may be paid by RINL in India in equivalent Indian Rupees.
- 4.0 In either case, in the event of materialization of contract, the terms of payment will provide for payment of the commission/remuneration payable, if any, to the agent(s)/representative(s) in India in Indian Rupees, as per terms of the contract.
- 4.1 Failure to furnish correct information in detail, as called for in 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.

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