

**RASHTRIYA ISPAT NIGAM LIMITED**  
(Government of India Enterprise)  
MATERIALS MANAGEMENT DEPARTMENT (Purchase Wing)  
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**GLOBAL TENDER NOTICE FOR PROCUREMENT OF  
'LOW ASH METALLURGICAL COKE'**

Global Tender No. / RFx No. 2100006933 Dt. 30.03.2018

**CORRIGENDUM NO 2 DT 20.04.2018**

**THE TERMS & CONDITIONS IN ABOVE REFERRED TENDER IS AMENDED  
AS UNDER:**

**(1) DELIVERY : (PARA 3.0 of Part-I of Tender)**

**For:**

RINL/VSP intends to take the delivery of 150,000MT before JUNE 2018. However, RINL / VSP reserves the right to postpone the deliveries upto a period of 2 months beyond the contracted delivery period, without any additional financial implication to the Purchaser. Further, the tenderer shall undertake deliveries as per clause no. 2.0 of Part-VII of draft terms and conditions of order.

**Read As:**

RINL/VSP intends to take the delivery of 150,000MT before JUNE 2018. However, RINL / VSP reserves the right to postpone the deliveries upto a period of 2 months beyond the contracted delivery period. Further, the tenderer shall undertake deliveries as per clause no. 2.0 of Part-VII of draft terms and conditions of order.

**(2) QUOTING OF PRICES: (PARA 8.0 of Part-I of Tender)**

**For:**

Para 8.1: In case of Imported Supplies from foreign tenderers, the price offered should be quoted either in US Dollars (or) in EURO on per Metric Tonne (of one thousand kilograms each) basis in the in the RINL SRM portal.

**Read As:**

Para 8.1: In case of Imported Supplies from foreign tenderers, the price offered should be quoted in US Dollars on per Metric Tonne (of one thousand kilograms each) basis in the RINL SRM portal.

**(3) PARA 12.0 of Part-I of Tender**

**For:**

Notwithstanding anything specified in these Tender Documents, PURCHASER, in his sole discretion, unconditionally and without having to assign any reason, reserves to himself, the rights

- a) to accept or reject the lowest Tender (or) any other Tender (or) all the Tenders.
- b) to accept any Tender in full (or) in part.
- c) to reject the offers not confirming to the Tender terms.
- d) to extend purchase preference as stipulated in Part-XI of tender document and subject to submission of documents as stipulated therein.

**Read As:**

Notwithstanding anything specified in these Tender Documents, PURCHASER, in his sole discretion, unconditionally and without having to assign any reason, reserves to himself, the rights

- a) to accept or reject the lowest Tender (or) any other Tender (or) all the Tenders.
- b) to accept any Tender in full (or) in part. In case of Part acceptance, RINL reserves the right to increase the Order Quantity upto the full Offered Quantity before the Validity of the Offer.
- c) to reject the offers not confirming to the Tender terms.
- d) to extend purchase preference as stipulated in Part-XI of tender document and subject to submission of documents as stipulated therein.

**(4) PARA 2.0 of Part-IV of Tender**

**For:**

**FIRM PRICE:** Prices quoted by the Tenderer shall be **firm and fixed for the entire period of Tenderer's performance of the Acceptance to Tender / Agreement** and shall not be subject to any variation on any account **(VITAL)**.

**Read As:**

**PRICE:** The applicable prices for deliveries shall be as per **PRICE VARIATION CLAUSE (PVC)** mentioned at Para 3.0 of draft Order Terms and Conditions(Part-VII). There shall be no modification to the PVC clause **(VITAL)**. In case of Import supplies, Freight rate shall be firm for the entire period of the Supplier's performance of the Order, in other words, till completion of supplies and shall not be subject to any variation on any account.**(VITAL)**

**(5) CURRENCY AND UNIT OF WEIGHT (PARA 3.0 of Part-IV of Tender) :**

**For:**

The price of MATERIAL offered should be quoted in US Dollars / EURO / INR on per Metric Ton basis.

**Read As:**

The price of MATERIAL offered should be quoted in US Dollars / INR on per Metric Ton basis.

**(6) EVALUATION OF THE OFFERS (PARA 6.0 of Part-IV of Tender) :**

**For:**

Para 6.9.1: RINL-VSP shall have the option of conducting SRM Live Auction (Reverse 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. In the e-auction, the bidders would be required to quote prices only on LNIP (Landed Net of Input Tax Credit Price) basis. Lowest LNIP price arrived by the system from the Price RFX Responses i.e. E-Price Bids shall flow automatically to Auction Cockpit **as Start Bid Price** and will be visible in the system only after the Start time of SRM Live Auction.

Para 6.9.2: RINL shall also have the option of conducting SRM Live Auction (Reverse E-Auction) in SAP-SRM platform **without Start Bid Price** as detailed above prior to opening of the Price RFX Responses i.e. E-Price Bids of all the Technically & Commercially Acceptable (TA & CA) Tenderers. All the TA & CA Tenderers would be required to participate in the reverse e-auction and the Tenderers would be required to quote prices only on the basis of Landed Net of Input Tax Credit Price (LNIP).

Para 6.10.1: RINL will inform all the TA & CA Tenderers of the date and time of reverse e-auction for participation. **Modalities of evaluation of Landed Net of Input Tax Credit Price is given at Clause 6.10.3**

Para 6.10.2: After the Reverse e-auction is conducted, the lowest bid tenderer shall submit the break up of LNIP in the format of our Illustration immediately after completion of reverse e-auction. The Price RFX Responses i.e. E-Price Bids of all the TA & CA Tenderers irrespective of their participation in the reverse e-auction, shall be opened in the system in two working days, so as to enable them (or) their authorised representatives to be present at the time of opening, if they so desire.

Para 6.10.3: Based on the prices so received through reverse e auction and the E-Price Bids, a composite comparative statement shall be made (or generated by the system) considering the lower of prices of the E-Price Bids and reverse e-auction of all the TA & CA Tenderers. Placement of orders shall be considered on the L-1 price (LNIP) so arrived. A sample Calculation Sheet arriving at Landed Net of Input Tax Credit Price (LNIP) is as given below.

### **Read As:**

Para 6.9.1: Deleted.

Para 6.9.2: RINL-VSP shall have the option of conducting SRM Live Auction (Reverse E-Auction) in SAP-SRM platform **without Start Bid Price** prior to opening of the Price RFX Responses i.e. E-Price Bids. 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. In the e-auction, the bidders would be required to quote prices only on LNIP (Landed Net of Input Tax Credit Price) basis.

Para 6.10.1: RINL will inform all the TA & CA Tenderers of the date and time of reverse e-auction for participation. **Modalities of evaluation of Landed Net of Input Tax Credit Price is given at Clause 6.10.3.** While inviting for Reverse e-auction, the values of relevant indices for both the months, previous to the month of TOD and Reverse e-auction shall be informed to the Tenderers for their reference.

**Note:** The indices of March 2018 are :

HCC: USD 217.27 PMT, SCC : USD 194.50 PMT and Exchange rate : 1 USD = Rs. 65.90/-

Para 6.10.2: After the Reverse e-auction is conducted, the lowest bid tenderer shall submit the break up of LNIP in the format of our Illustration immediately after completion of reverse e-auction. The Price RFX Responses i.e. E-Price Bids of all the TA & CA Tenderers irrespective of their participation in the reverse e-auction, shall be opened after reverse e-auction, and the corresponding LNIP price shall be updated using the PVC formula to the calendar month of the date of Reverse e-auction considering the indices of the previous months of the Tender opening date and Reverse e-auction date, for like to like comparison with Reverse e-auction LNIP price

Para 6.10.3: A composite comparative statement shall be prepared for the purpose of Ranking amongst the tenderers, wherein the updated LNIP price of E-Price Bid shall be compared with the LNIP price of Reverse e-auction, and lower of these two LNIP prices will be considered for ranking.

**(7) VITAL Conditions: PARA 13.4 of Part-IV of Tender :**

**For:**

(c) Variable price being quoted against requirement of firm price.

**Read As:**

- (c) (i) Offers not confirming acceptance to Price Variation Clause (PVC).  
(ii) Variable Freight rate (for Import Offers) being quoted against requirement of firm Freight rate.

**(8) STATEMENT OF DEVIATIONS (Enclosure to Part-V of Tender) :**

**For:**

| Sl. No. | Condition  | As per Clause No.                                | Acceptance / Deviation |
|---------|--|--|------------------------|
| 12      | Firm Prices quoted for the entire period of performance of the Order | 3.3<br>of Draft Acceptance to Tender / Agreement |                        |

**Read As:**

| Sl. No. | Condition  | As per Clause No.                                | Acceptance / Deviation |
|---------|--|--|------------------------|
| 12      | Acceptance to Price Variation Clause (PVC) for the entire period of performance of the Order | 3.0<br>of Draft Acceptance to Tender / Agreement |                        |

**(9) Check List (Part-VI of Tender) :**

**For:**

**Sl. No. 16** Firmness of the price till completion of the supplies:

**Read As:**

**Sl. No. 16** Acceptance to Price Variation Clause till completion of the supplies:

**(10) DELIVERY : (Para 2.0 of Part-VII of Tender)**

**For:**

In case of Imported Supplies, upto Two shipments of 30,000 MT +/- 10% parcel size shall be made every month as per Purchaser's requirement. **However, RINL / VSP reserves the right to postpone the deliveries upto a period of 2 months beyond the contracted delivery period, without any additional financial implication to the Purchaser.**

In case of Indigenous Supplies upto 60,000MT shall be made every month through Railway Rakes as per Purchaser's requirement. The successful tenderers should commence delivery of material within 7 – 10 days from the date of placement of LOA / A/T and complete delivery of the offered monthly scheduled quantity in an evenly spread manner in the month. **The Purchaser reserves the right to postpone/prepone the deliveries / re-schedule monthly deliveries depending on our production requirements and storage capacity, without any additional financial implication to the Purchaser upto a period of 2 months beyond the contracted delivery period**

**Read As:**

In case of Imported Supplies, upto Two shipments of 30,000 MT +/- 10% parcel size shall be made every month as per Purchaser's requirement. **However, RINL / VSP reserves the right to postpone the deliveries upto a period of 2 months beyond the contracted delivery period.**

In case of Indigenous Supplies upto 60,000MT shall be made every month through Railway Rakes as per Purchaser's requirement. The successful tenderers should commence delivery of material within 7 – 10 days from the date of placement of LOA / A/T and complete delivery of the offered monthly scheduled quantity in an evenly spread manner in the month. **The Purchaser reserves the right to postpone/prepone the deliveries / re-schedule monthly deliveries depending on our production requirements and storage capacity, upto a period of 2 months beyond the contracted delivery period.**

**(11) Price (Para 3.0 of Part-VII of Tender) :**

**For:**

Para 3.1 In case of Imported Supplies,

**Price:** US\$ / EURO ..... /MT per Metric Tonne (of one thousand kilograms) FOB (Trimmed) Named Loadport and US \$/ EURO ...../MT CFR(FO), Visakhapatnam, India .

**Indian Agents Commission:** the above price is inclusive of commission of US\$./ EURO ...../MT (\_\_\_\_ per Metric Ton), payable in equivalent Indian Rupees, to M/s \_\_\_\_\_, the Indian Agent of the Seller. The Indian Agent's Commission, under normal circumstances, shall be paid after 90 (Ninety) days of discharge and acceptance of the cargo by each vessel at the destination port in India and on settlement of demurrage / dispatch claims relating to Loadport (for FOB shipments) and Disport (for CFR shipments) on the basis of the Chargeable Weight at Disport. The Agency commission payable to the Agent will be converted to Indian Rupees at the Closing Bid Rate as per Reuters on the previous working day of BL Date and shall not be subjected to any further exchange variations and shall be paid only in Indian Rupees after deducting statutory dues, if any. In case of such deductions, necessary certificate shall be issued

as per government notification/ law of the land. No Indian Agent's Commission shall be payable in case of material found beyond Absolute Limits stipulated under ANNEXURE-I to Draft Acceptance to Tender / Agreement.

Para 3.2 In case of Indigenous supplies,

**Price:** Rs ..... /MT FOR Loading Station .

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

**Read As:**

Para 3.1 : In case of Imported Supplies and Indigenous Supplies

The applicable Price for the agreed quantity of Material for delivery in a calendar month shall be determined as per **the Price Variation Clause** defined below:

$$P_1 = P_0 + 0.89 (HCC_1 \cdot E_1 - HCC_0 \cdot E_0) + 0.48 (SCC_1 \cdot E_1 - SCC_0 \cdot E_0)$$

|                        |   |  |
|------------------------|---|--|
| <b>P<sub>0</sub></b>   | = | Base LNIP ( <i>Landed Net of Input Tax Credit</i> ) price in the Base Month.   |
| <b>P<sub>1</sub></b>   | = | Applicable LNIP price for the quantity agreed to be delivered in a month.  |
| <b>HCC<sub>0</sub></b> | = | Base HCC ( <i>Hard Coking Coal</i> ) index in the month previous to the Base Month.  |
| <b>HCC<sub>1</sub></b> | = | Applicable HCC Index in the month previous to the month of agreed delivery, for which price of P <sub>1</sub> is being worked out.     |
| <b>SCC<sub>0</sub></b> | = | Base SCC ( <i>Soft Coking Coal</i> ) index in the month previous to the Base Month.  |
| <b>SCC<sub>1</sub></b> | = | Applicable SCC Index in the month previous to the month of agreed delivery, for which price of P <sub>1</sub> is being worked out.     |
| <b>E<sub>0</sub></b>   | = | Base Exchange Rate in the month previous to the Base Month.  |
| <b>E<sub>1</sub></b>   | = | Applicable Exchange Rate in the month previous to the month of agreed delivery, for which price of P <sub>1</sub> is being worked out. |

**Notes:**

- HCC Index shall be Average of the [Platts "Premium Low-Vol Hard Coking Coal FOB Australia" Index as published by Platts, and Argus "Premium Hard Coking Coal Low-Vol FOB Australia" index as published by Argus Media] for all published days of the relevant calendar month.
- SCC Index shall be Average of the Platts "HCC 64 Mid Vol. FOB Australia" Index as published by Platts for all published days of the relevant calendar month.
- Exchange Rate shall be the average USD Exchange rate applicable for imports as published by Customs for all the calendar days of the relevant calendar month.
- P<sub>0</sub> mentioned in the PVC formula shall be arrived at as detailed below;  
**Base Month:** If the Order placement is made based on E Price Bid then the Base Month shall be the calendar month of date of TOD; similarly, if it is on Reverse e- auction Price then the Base Month shall be the calendar month of date of Reverse e-auction; if the Order placement is made based on Negotiated price then the Base Month shall be the calendar month of date of Negotiation; and accordingly the corresponding LNIP price shall be the **Base**

**LNIP Price (Po).**

5. Based on the  $P_1$ , applicable FOR Loading Station Price (in case of Indigenous Supplies) and FOB Price (in case of Import supplies) shall be back calculated keeping all other cost components same as that were used while arriving at Base LNIP Price.

**Para 3.2 :** In case of Imported Supplies

- a) Base LNIP Price (Po): Rs.....PMT, corresponding FOB Price(....LoadPort) is USD ...PMT.
- b) Freight: USD ...PMT, GPL and USD ...PMT, VPT
- c) Freight rate shall be firm for the entire period of the Supplier's performance of the Order, in other words, till completion of supplies and shall not be subject to any variation on any account.
- d) Base Indices:  $HCC_0 = \text{USD} \dots \text{PMT}$ ,  $SCC_0 = \text{USD} \dots \text{PMT}$  and  $E_0 = 1 \text{ USD}$  is Rs.....
- e) **Indian Agents Commission:** the applicable price ( $P_1$ ) is inclusive of commission of ....(%) percentage of applicable FOB price, payable in equivalent Indian Rupees, to M/s \_\_\_\_\_, the Indian Agent of the Seller. The Indian Agent's Commission, under normal circumstances, shall be paid after 90 (Ninety) days of discharge and acceptance of the cargo by each vessel at the destination port in India and on settlement of demurrage / dispatch claims relating to Loadport (for FOB shipments) and Disport (for CFR shipments) on the basis of the Chargeable Weight at Disport. The Agency commission payable to the Agent will be converted to Indian Rupees at the Closing Bid Rate as per Reuters on the previous working day of BL Date and shall not be subjected to any further exchange variations and shall be paid only in Indian Rupees after deducting statutory dues, if any. In case of such deductions, necessary certificate shall be issued as per government notification/ law of the land. No Indian Agent's Commission shall be payable in case of material found beyond Absolute Limits stipulated under ANNEXURE-I to Draft Acceptance to Tender / Agreement.

**Para 3.3 :** In case of Indigenous Supplies

- a) Base LNIP Price (Po): Rs.....PMT, corresponding FOR Loading Station Price (....Railway Siding) is Rs. ...PMT.
- b) Base Indices:  $HCC_0 = \text{USD} \dots \text{PMT}$ ,  $SCC_0 = \text{USD} \dots \text{PMT}$  and  $E_0 = 1 \text{ USD}$  is Rs.....

**Para 3.4:** The Purchaser shall endeavor to inform the Seller the applicable price for a calendar month, for the which price of  $P_1$  is being worked out, within 7 working days after the last published index is known, by way of an amendment to the A/T.

**(12) Payment Terms (Para 9.0 of Part-VII of Tender) :**

**For:**

**Para 9.1:** Payment to the Supplier shall be made for 100% through L/C based on load port analysis and weight . The price shall be worked out on the basis of :

- i) the Price arrived at after reduction for Rebates on account of Quality Variations observed in Loadport Sampling and Analysis, Freight (if any) and Indian Agent's Commission (if any).

- ii) the Chargeable Weight at Loadport.

**Para 9.3.1:** The PURCHASER shall establish irrevocable Letter(s) of Credit, each covering the approximate value of one shipment after receipt of requisite Performance Guarantee Bond, (shipment to shipment basis in case of more than one shipment). Such Letter(s) of Credit shall be valid for a period of 30 days from the date of opening for shipment and 60 days for negotiation.

**Read As:**

**Para 9.1:** Payment to the Supplier shall be made for 100% through L/C based on load port analysis and weight . The price shall be worked out on the basis of :

- i) the applicable FOB price for the shipment in the relevant “month” shall be computed as per the PVC clause detailed at Para 3.0 above.

Note: Pursuant to clause 9.3.7 below, “month” referred hereinabove refers to the calendar month of the start date of the agreed laycan.

- ii) the applicable FOB Price shall be adjusted for Rebates on account of Quality Variations observed in Loadport Sampling and Analysis, Freight (if any) and Indian Agent’s Commission (if any).

- ii) the Chargeable Weight at Loadport.

**Para 9.3.1:** The PURCHASER shall establish irrevocable Letter(s) of Credit, each covering the approximate value of one shipment after receipt of requisite Performance Guarantee Bond, (shipment to shipment basis in case of more than one shipment). Such Letter(s) of Credit shall be valid for a period of 30 days from the date of opening for shipment and 60 days for negotiation.

Note: In case the applicable price for the shipment is not known at the time of opening of LC, LC will be opened considering the FOB price as per para 3.2(a) above for FOB shipments and with Freight for CFR shipments.

**(13) Payment Terms (Para 9.0 of Part-VII of Tender) :**

**Add: Para 9.3.4 (k)**

Copy of Amendment to the A/T issued by the Purchaser for the applicable Price for the shipment.

**Add: Para 9.3.7**

In case the shipment is delivered (Date of Bill of Lading) beyond 7 days from the end date of the agreed Laycan and consequently there is a change in calendar month, then the applicable price of the said agreed Laycan shall be lower of the prices(FOB) of the calendar month in which shipment is delivered (Date of Bill of Lading) **or** the calendar month of Laycan start date.

**Add: Para 9.4.2**

In case any of the quantities that are agreed for delivery in a calendar month are delivered (respective RR date) beyond 7 days from the end of the agreed calendar month, then the applicable price for such delayed deliveries shall be lower of the prices (FOR Loading Station) of the calendar month in which the Rake is delivered (Date of RR) **or** the calendar month of agreed month of delivery.

**(14) PERFORMANCE GUARANTEE(PG) BOND (Para 11.0 of Part-VII of Tender) :**

**For:**

The SELLER shall establish a **Performance Guarantee(PG) Deposit / Bond for 5 % of the CFR (FO) value** (FOR VSP Siding value, in case of rail despatches) of the contract within 10 days of the issue of the Acceptance to Tender/ LOI whichever is earlier.

**Read As:**

The SELLER shall establish a **Performance Guarantee(PG) Deposit / Bond for 5 % of the CFR (FO) value** (FOR VSP Siding value, in case of rail despatches) of the contract within 10 days of the issue of the Acceptance to Tender/ LOI whichever is earlier.

(Note: the CFR(FO) Value / FOR VSP Siding value shall be as per the Base LNIP price mentioned at para 3.2 and 3.3 above)

**(15)** All other terms read with above amendments and subsequent Corrigendum shall remain unchanged.

**(16)** For Clarity, the Tender document incorporating the above changes is reproduced below.

**EXECUTIVE DIRECTOR (MM)**

**RASHTRIYA ISPAT NIGAM LIMITED  
VISAKHAPATNAM STEEL PLANT**

Tender Document downloaded from [www.vizagsteel.com](http://www.vizagsteel.com) by

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

(Signature and seal of the Tenderer)

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

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

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

(Signature and Seal of the Tenderer)

## **Global Tender for procurement of `Low Ash Metallurgical Coke`**

### **Broad Description of Tender Documents**

| <b>S.No</b>      | <b>Description</b>  | <b>Pages</b> |
|------------------|---|--------------|
| <b>Volume-I:</b> |   |              |
| 1                | Global Tender Notice  | 12           |
| 2                | Invitation to Tender <b>(PART-I)</b>  | 13 - 18      |
| 3                | Proforma for Technical Specification of material <b>(PART-II)</b>   | 19           |
| 4                | Proforma for Bid Bond in the form of Bank Guarantee <b>(PART-III)</b>   | 20 - 22      |
| 5                | Instructions to Tenderers <b>(PART-IV)</b>  | 23 - 37      |
| 6                | Proforma for Letter of Acceptance of RINL's terms and conditions of Tender <b>(PART-V)</b>  | 38 - 39      |
| 7                | Proforma for Checklist <b>(PART-VI)</b>   | 40 - 41      |
| 8                | Draft Acceptance to Tender / Agreement for the supply of Low Ash Metallurgical Coke <b>(PART-VII)</b>   | 42 - 57      |
| 9                | Specification <b>(ANNEXURE-I</b> to Draft Acceptance to Tender / Agreement )  | 58           |
| 10               | Terms & Conditions for delivery on the basis of FOB (Trimmed) Named Port(s) of Loading <b>(ANNEXURE-II A</b> to Draft Acceptance to Tender / Agreement )        | 59 - 62      |
| 11               | Terms & Conditions for shipment of the material on the basis of C&F (Free out), Visakhapatnam <b>(ANNEXURE-II B</b> to Draft Acceptance to Tender / Agreement ) | 63 - 67      |
| 12               | Proforma for Performance Guarantee Bond <b>(ANNEXURE-III</b> to Draft Acceptance to Tender / Agreement )  | 68 - 70      |
| 13               | Declaration regarding Income Tax <b>(ANNEXURE – IV</b> to Draft Acceptance to Tender / Agreement )  | 71 - 72      |
| 14               | Additional terms and conditions for Indigenous supplies by Rail   | 73 - 75      |
| 15               | Proforma for Letter of Authority from Cokery <b>(PART-VIII)</b>   | 76 - 77      |
| 16               | Proforma for Declaration regarding Indian Agent <b>(PART- IX)</b>   | 78 -79       |
| 17               | Integrity Pact <b>(PART-X)</b>  | 80 - 84      |
| 18               | Terms & Conditions for Purchase Preference <b>(PART-XI)</b>   | 85 - 86      |
| 19               | Price Schedule for VPT  | 88           |

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**GLOBAL TENDER NOTICE FOR PROCUREMENT OF 'LOW ASH METALLURGICAL COKE'**

**Global Tender No. / RFx No. 2100006933 Dt. 30.03.2018**

**Sealed tenders are invited for supply of 150,000 Metric Tons of 'Low Ash Metallurgical Coke' with a Shipping Tolerance of +/-10% as per the specifications indicated in Tender document.**

**Last date & time for receipt of Tenders : 25.04.2018 by 10.30 HRS(IST).  
Price Bids to be submitted electronically through VSP's SRM portal:  
<https://srm.vizagsteel.com/> before the due date & time mentioned above**

Tenderers who are interested to participate in the Tender can download the Tender Document from the website [www.vizagsteel.com](http://www.vizagsteel.com) (under Mm-> MM Tenders) and submit their offer before **10.30 hrs (IST)** on last date of receipt of tender as per the instructions given in the Tender Document. In case of difficulty in downloading of Tender Document, the Tender Document shall be sent by Post free of cost on written request from the Tenderer. **The Tenderers should refer to RINLs website regularly for any Corrigendum / Addendum.**

**EXECUTIVE DIRECTOR (MM)**

## PART – I OF TENDER DOCUMENTS

(GLOBAL TENDER NOTICE / RFx No. 2100006933 Dt.30.03.2018)

### Notice of Invitation to Tender for procurement of 'Low Ash Metallurgical Coke'

- 1.0 Rashtriya Ispat Nigam Limited (RINL) Visakhapatnam Steel Plant, hereinafter referred to as PURCHASER, hereby invites Tenders for the supply of **Low Ash Metallurgical Coke** in conformity with the Technical Specifications **given in PART-II** of this Tender Document.
- 2.0 **QUANTITY:** RINL intends to purchase a quantity of **150,000 MT (One Hundred Fifty Thousand Metric Tonnes) with a Shipping Tolerance of +/-10% of Low Ash Metallurgical Coke (LAM Coke)** in the **Parcel sizes (shipment) of 30,000 MT +/-10%** for Imported supplies and in Rake loads in case of Indigenous supplies as per the specification indicated at **PART-II**, hereinafter referred to as the **MATERIAL**.
- 2.1 RINL / VSP intends to procure the total quantity of **LAM Coke**, against this Tender, from **Two** sources (**in the ratio 2/3 :1/3** in the order of ranking from the lowest technically and commercially acceptable Tenderers subject to **matching the lowest price on Landed Net of Input Tax Credit Price**). In case Import offer is found to be 'L1', the Lowest LNIP will be arrived by RINL after dispensation or otherwise of the L1 ordered freight rate for matching purpose for determining the second source of supply. While conveying acceptance for matching, the FOB price indicated in the said break-up shall not be more than the corresponding FOB price offered in the Sealed Price Bid. In case the tendered quantity is not tied up with two sources, RINL/VSP reserves the right to increase the number of sources to tie-up the tender quantity. However, VSP reserves the right to place order on single / multiple sources.
- 2.2 In case of Imported supplies, offered quantity less than Parcel Size (shipment) of 30,000 MT +/- 10%, shall not be considered for further evaluation by RINL (**VITAL**). In case of Indigenous supplies, offered quantity less than 30,000 MT, shall not be considered for further evaluation by RINL (**VITAL**).
- 3.0 **DELIVERY :** RINL/VSP intends to take the delivery of 150,000MT before JUNE 2018. However, RINL / VSP reserves the right to postpone the deliveries upto a period of 2 months beyond the contracted delivery period. Further, the tenderer shall undertake deliveries as per clause no. 2.0 of Part-VII of draft terms and conditions of order.

#### **Note:**

- a) Tenderers are requested to note VSP's delivery schedule and quote their best delivery considering all aspects, as applicable to the tender.
- b) VSP reserves the right to reject offers not meeting VSP's schedules / to consider offers with best delivery schedule(s).
- c) Further, failure to adhere to the delivery schedules committed in the tender shall attract contractual remedies as contained herein.

#### **4.0 TENDERERS ELIGIBLE TO QUOTE IN RESPONSE TO THIS INVITATION TO TENDER:**

- 4.1 The Tenders received from the following categories of Tenderers, will be considered by RINL / VSP.

Established LAM Coke Producer(s) owning Cokeries and producing LAM Coke.  
(or)

LAM Coke Suppliers offering LAM Coke produced by a Cokery / Coke producer, duly backed by a Letter of Authority in original of the concerned Coke Producer / Cokery, specifically authorizing the said LAM Coke supplier to make an offer in response to this Invitation to Tender.

5.0 **SPECIFICATIONS:**

- 5.1 RINL / VSP desires to procure LAM Coke as per the Technical Specifications indicated in Column-3 of **PART-II** of the Global Tender. The Tenderer is required to indicate in Column-4 of PART-II of the Global Tender, their offered Guaranteed Maximum / Minimum specification against each of these parameters. This will be treated as the Bidder's Specifications. In case, Tenderers does not indicate any parameter value in Column-4, then it will be construed that the tenderer has accepted the desired specification values as their Guaranteed specification values.

- 5.2 **The bids outside the desired specifications but, within the Absolute Maximum / Minimum Limit as stipulated under Column-5 of Part-II of the** Tender Documents would be financially evaluated as per penalties indicated at **Clause 6.0 of PART-VII** in the Draft Terms and Conditions of Acceptance to Tender / Agreement. However, if any of the above properties of LAM Coke offered falls outside the Absolute Maximum / Minimum limits stipulated under Column-5, such offers shall not be considered by RINL / VSP.

- 5.3 Specifications offered in a manner superior to those desired by RINL / VSP will not receive any extra credit / weightage.

- 5.4 In the event of an Acceptance to Tender / Agreement materializing, the supplies should be as per the specifications Guaranteed by the Bidder in Column-4 and included in the Acceptance to Tender / Agreement.

- 5.5 RINL / VSP shall have the right to terminate the Acceptance to Tender / Agreement, without any liability, whatsoever, in the event of supplies not meeting the stipulated specifications and / or not being found suitable by the RINL / VSP. The decision of the RINL / VSP, whether the supplies is suitable or not, even if it meets the stipulated specification, shall be final.

6.0 **EMD AMOUNT / BID MONEY / BID BOND:**

- 6.1 Offers, accompanied with Bid money (**VITAL**) either in US Dollars (or) EURO (or) in Indian Rupees (INR) by means of either a Demand Draft or Banker cheque (both subject to realization) drawn on any Scheduled Commercial Bank and payable to Rashtriya Ispat Nigam Ltd. at Visakhapatnam or a Bid Bond in the form of Bank Guarantee (BG) as per the proforma placed at **PART – III** of the Tender Documents is established in favour of RINL for an amount as per the details given below will be considered.

| Quantity Offered<br>(MT)                          | EMD AMOUNT  |         |         |
|---|-------------|---------|---------|
|   | INR         | USD     | EURO    |
| 30,000<br>(one shipment of<br>30,000MT)           | 75,00,000   | 115,090 | 93,500  |
| 30,001 – 60,000<br>(two shipments of<br>30,000MT) | 1,00,00,000 | 153,450 | 124,660 |
| 60,001 and above                                  | 1,00,00,000 | 153,450 | 124,660 |

|                           |  |  |  |
|---------------------------|--|--|--|
| (More than two shipments) |  |  |  |
|---------------------------|--|--|--|

No change in the prescribed proforma of the Bank Guarantee for Bid Bond is acceptable. Further, the Tenderer is required to submit the duly filled in Check list for Bank Guarantees along with the Tender. The check list format is enclosed at **PART - III A**. The Bid Bond shall be established by any Nationalized / Scheduled Commercial Bank through their branch / associate bank in Visakhapatnam and payable at Visakhapatnam and claim payable at Visakhapatnam whose address is also to be specified in the Bank Guarantee. Bonds, DD and Banker Cheques issued by Co-operative banks are not accepted. **The Bid Bond should be valid for 150 (One hundred and Fifty) days from the last date fixed for receipt of Tenders.** The BG should be signed on all pages by the concerned officer(s) of the Bank whose name, designation and Code no, should be mentioned against their respective signatures. The BG shall be sent by the issuing Bank, directly to RINL, Purchase Dept., under registered post (A/D). In exceptional cases, where the BGs are received through the Tenderers, the issuing Bank Branch should be requested to immediately sent by Regd. Post A/D an unstamped duplicate copy of the guarantee directly to RINL, Purchase Dept. with a covering letter to compare with the original BGs.

6.2 This Bid Money will not earn any interest.

6.3 The Tenderers may please note that the Bid Bond / Bid Money should be submitted either before opening or along with the **PART-A: Techno-commercial Bid (VITAL)**. Tenderers may please note that the offers received without requisite Bid Bond / Bid Money shall not be considered further by RINL / VSP.

The following categories of Tenderers are exempted from submission of EMD / Bid Bond / Bid Money :

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

**SSIs / MSEs and Units registered with RINL for the Tendered item(s) need to submit notarized copies of the relevant, valid registration certificates for claiming exemption of EMD amount / Bid Money / Bid Bond. Tenderers may please note that Traders cannot claim exemption of EMD notwithstanding their status of registration as SSI/MSEs or otherwise.**

However, they are required to establish the Performance Guarantee Bond as per **Clause 11.0 of PART – VII** of Tender Documents.

6.4 In case the offer submitted is withdrawn or modified by the Tenderer in a manner not acceptable to the Purchaser, before the expiry of validity or if Performance Guarantee Bond is not submitted within the time allowed as per terms and conditions, the Bid Bond / Bid Money shall be forfeited by RINL / VSP without any further reference to the Tenderer.

**6.5 Return of EMD ( Bid Money / Bid Bond):** EMD ( Bid Money / Bid Bond) of unsuccessful Bidder(s) will be returned within 15 days of Award of Contract to the Successful Bidder / intimation of rejection of the Techno-Commercial Offer. EMD of the bidder(s) on whom Contract was awarded, shall be returned after submission of Performance Guarantee Bond (PBG) and receipt of confirmation from bank on issuance of said PBG.

## 7.0 QUOTING OF QUANTITY:

### **In case of Imported supplies**

Tenderer should quote quantity in multiples of shipments of parcel size of 30,000MT +/-10%.

### **In case of Indigenous Supplies:**

Tenderer should quote for a minimum quantity of 30,000MT.

## **8.0 QUOTING OF PRICES :**

### **For Imported Supplies:**

- 8.1 In case of Imported Supplies from foreign tenderers, the price offered should be quoted in US Dollars on per Metric Tonne (of one thousand kilograms each) basis in the RINL SRM portal.
- 8.1.1 The price of the MATERIAL offered should be quoted on the basis of FOB(Trimmed). **The freight shall also be quoted along with the FOB price (VITAL).** Tenderers must therefore quote both FOB(T) and CFR(FO) prices in the RINL SRM portal, as per instructions contained herein.
- 8.1.2 The FOB (Trimmed) price shall be quoted in the SRM portal in the 'Price' field and the said price shall be considered as "Price per MT FOB (Trimmed) with Port of loading as per techno commercial offer" and the "freight rate for GPL" shall be mentioned in the 'Item Conditions'→'Other Charges'. The CFR(FO), GPL price will be arrived by summing up above quoted FOB and Freight rate.
- 8.1.3 The Freight offer for 'Visakhapatnam port (VPT)' shall be submitted in separate physical sealed bid as per the format given at **Part-XII** of tender document, and submitted along with Techno – Commercial bid (Part-A). The said freight offer for 'VPT' of only L1 tenderer will be opened. In case Freight offer for 'VPT' is not submitted, the freight rate quoted for GPL in RINL SRM portal shall be considered for VPT as well.
- 8.1.4 In case a tenderer becomes L1 after Reverse E auction, and submits the break-up for LNIP containing the FOB & freight rate for GPL; then the corresponding VPT freight rate will be arrived considering the relativity of the freight rate offered for 'VPT' in terms of Percentage (%) of freight rate offered for 'GPL'.

### **Illustration :**

- i.) In case a tenderer is desirous to quote the GPL freight rate as USD 100 PMT (in RINL SRM portal ) and VPT freight rate as USD 97.00 PMT (in physical sealed bid), then the computed relativity of VPT freight rate in terms of Percentage (%) of freight rate offered for 'GPL' will be 97%.
- ii.) In case a tenderer is desirous to quote the GPL freight rate as USD 100 PMT (in RINL SRM portal ) and VPT freight rate as USD 107.00 PMT (in physical sealed bid), then the computed relativity of VPT freight rate in terms of Percentage (%) of freight rate offered for 'GPL' will be 107%.
- iii.) In case Freight offer for 'VPT' is not submitted or the same freight rate is offered for both GPL & VPT, then the relativity is 100%.

## **8.2 For Indigenous Supplies:**

- 8.2.1 In case of Indigenous Supplies from Indigenous tenderers, the price should be quoted in Indian Rupees per MT.

- 8.2.2 The Basic price on per Metric Tonne (of one thousand kilograms each) basis shall be quoted in the RINL SRM portal in the 'Price' field. The applicable Taxes (Nature of Tax and percentage on basic price), railway siding & haulage charges (at the offered railway siding and loading station) and other charges(if any) on the basic price in terms of percentage of basic price should be clearly informed in the Techno-Commercial bid for computing the F O R Loading station price. **The F O R Loading station price will be arrived by summing up above quoted basic price and applicable Taxes, railway siding & haulage charges & other charges(if any) as per techno commercial offer. Format to be submitted by Indigenous bidders in this regard is given at 1.2.18 of Part-IV.**

**Note:** Tenderers may please note that no other price should be quoted in the RINL SRM portal other than Basic price in the 'Price' field under 'Items' tab.

- 8.2.3 The freight rate from the applicable Loading station to VSP siding shall be informed by RINL/VSP to the tenderer before the reverse e auction / price bid opening for arriving at the LNIP and evaluation of the offer concerned. Railway freight shall be to VSP account as per Terms and conditions in Annexure-V to part VII.
- 8.2.4 Any change in statutory taxes and duties during the original contractual delivery period shall be reimbursed at actuals. For this purpose, the rate of taxes, duties and levies considered should be indicated separately. Any change in taxes and duties beyond the original contractual delivery period shall be borne by the successful Tenderer. **Tenderers may please note that the Tax structure prevalent after implementation of GST will be considered for evaluation.**

Note : Applicable GST shall be indicated by the Tenderer in the Techno Commercial bid and will be paid extra on submission of tax invoice. In case Tenderer opted for composition scheme, GST will not be charged extra and the price quoted includes the GST applicable to composite scheme. Tenderers have to specify that they have opted for composition scheme and GST is included as applicable for composition.

- 8.3 Any revised bids received after the Tender (Techno-Commercial bid) opening shall be rejected unless it has been furnished in response to a specific request from VSP.
- 9.0 Tenders will be accepted upto **10.30 Hours (IST) on 25.04.2018(VITAL)**. Techno-Commercial part of the Tender (**PART-A**) will be opened immediately thereafter in the presence of the Tenderers (or) their authorised representatives, who may choose to be present. E-RFX Response submitted online through VSP's SRM portal shall also be opened in SAP-SRM on the same day of opening of physical Techno-Commercial Bids. The date of opening of E-price Bids / Price RFX responses of the Tenderers who have been Techno-Commercially found acceptable shall be informed later so as to enable them (or) their authorised representatives to be present at the time of opening, if they so desire.
- 10.0 Tenders submitted against the NIT / Tender shall not be returned in case the tender opening date is extended / Postponed. Tenderers 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 Purchaser reserves the right to open the original offer along with revised offer(s).
- 11.0 In case where RINL/VSP decides to procure the material from one or more than one source, (Only one offer shall be submitted by Companies using same equipment / facilities/address), and if it comes to the notice of RINL/VSP at any stage during the finalization of the tender or after placement of order/execution of the contract that offers have been made by Companies using same equipment/facilities/address, then such offers/orders shall be rejected/cancelled forthwith and business dealings with such

Firms/Contractors shall be banned for a period of 2 years. Bid money/EMD Security Deposit etc. if any shall be forfeited. Decision of RINL/VSP in this regard shall be final and binding.

12.0 Notwithstanding anything specified in these Tender Documents, PURCHASER, in his sole discretion, unconditionally and without having to assign any reason, reserves to himself, the rights

- a) to accept or reject the lowest Tender (or) any other Tender (or) all the Tenders.
- b) to accept any Tender in full (or) in part. In case of Part acceptance, RINL reserves the right to increase the Order Quantity upto the full Offered Quantity before the Validity of the Offer.
- c) to reject the offers not confirming to the Tender terms.
- d) to extend purchase preference as stipulated in Part-XI of tender document and subject to submission of documents as stipulated therein.

**PART – II OF TENDER DOCUMENTS**

**(GLOBAL TENDER NOTICE / RFx No. 2100006933 Dt. 30.03.2018)**

**TECHNICAL SPECIFICATIONS OF 'LOW ASH METALLURGICAL COKE'**

| <b>Sl. No.</b> | <b>Technical particulars</b> | <b>Specifications Desired by RINL</b> | <b>Specifications guaranteed by the tenderer</b> | <b>Absolute Max. / Min. Limits</b> |
|----------------|------------------------------|---------------------------------------|--|------------------------------------|
| (1)            | (2)                          | (3)                                   | (4)  | (5)                                |
| 1.             | MOISTURE                     | 5.0 % MAX                             |  | 10.0 % MAX                         |
| 2.             | ASH                          | 12.5% MAX.                            |  | 13.5% MAX.                         |
| 3.             | VOLATILE MATTER              | 1.0% MAX                              |  | 1.5% MAX                           |
| 4.             | a) SULPHUR                   | 0.55% MAX                             |  | 0.60% MAX                          |
|                | b) PHOSPHORUS                | 0.03% MAX                             |  | 0.035% MAX                         |
| 5              | a) M10                       | 7.0% MAX                              |  | 8.0% MAX                           |
|                | b) M40                       | 82.0% MIN                             |  | 80.0% MIN                          |
| 6              | a) CSR                       | 65.0% MIN                             |  | 62.0% MIN                          |
|                | b) CRI                       | 22.0% MIN – 24% MAX.                  |  | 22.0% MIN – 26% MAX.               |
| 7              | a) MEAN SIZE                 | 50 - 55 MM                            |  | 50 - 55 MM                         |
|                | b) + 90 MM                   | 5.0% MAX                              |  | 8.0% MAX                           |
|                | c) - 30 MM                   | 5.0% MAX                              |  | 8.0% MAX                           |

**Note :** No bonus / increment will however be applicable for improvement in specification observed over the values offered and guaranteed by the SELLER.



EURO / INR .....). This Bank further agrees that the decision of RINL as to whether the said Tenderer has committed a breach of any of the conditions referred to in the preceding paragraphs, shall be final and binding.

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

For and on behalf of

-----  
(Name of the Bank)

Signature  
Name  
( )

DULY CONSTITUTED  
ATTORNEY AND  
AUTHORISED  
SIGNATORY

Designation :  
Name and Address :  
of the Bank  
Issuing Bank IFSC Code :

**PART – III A OF TENDER DOCUMENTS**

**CHECK LIST FOR BANK GUARANTEES**

**Name of the party submitting BG:**

**Party Code:**

**Tender No:**

**Name of the Bank issuing BG:**

**Branch issuing the BG:**

**BG No.:**

**BG Date:**

**BG Value:**

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

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

**Signature of the Tenderer**

**Date: .....**

## PART – IV OF TENDER DOCUMENTS

(GLOBAL TENDER NOTICE / RFx No. 2100006933 Dt.30.03.2018)

### INSTRUCTIONS TO TENDERERS

#### 1.0 CREDENTIALS AND SUPPORTING DOCUMENTS :

- 1.1 **ESTABLISHMENT OF CREDENTIALS OF UN-ENLISTED VENDORS:** If a Tenderer who responds to this Tender is not presently enlisted with RINL / VSP, he is requested to furnish copies of the following Documents separately in a sealed envelope super scribing “**CREDENTIALS**” and the **ITT REFERENCE OR ADVERTISED TENDER REFERENCE** as the case maybe along with the Tender:

(Note : Tenderers whose offers were considered by RINL in the Global Tender No. Pur.6.17.0014/0642 Dt. 07.11.2016 or in the Global Tender No. 2100004789 Dt. 05.07.2017 or in the Global Tender No. 2100006262 Dt. 26.12.2017 for supply of LAM Coke for Reverse E-auction & Price Bid opening (i.e. whose Credentials were found satisfactory), are exempted from submission of these Credential documents.)

#### For Overseas Tenderers:

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

#### For Indigenous Tenderers:

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

Kindly note that the above information is required to assess the credibility of the vendor not presently enlisted with RINL / VSP. The Tender of un-enlisted vendor shall be rejected in case, RINL / VSP finds that the credibility of the un-enlisted Vendors is not satisfactory on the basis of the Documents furnished / to be furnished . The

Vendor shall produce originals of the above Documents for verification, if RINL / VSP so desires. RINL / VSP's decision in this regard is final.

## **1.2 INFORMATION / DATA / DOCUMENTS TO BE FURNISHED BY TENDERERS IN THE TECHNO-COMMERCIAL BID (PART-A).**

1.2.1 Tenderers who may be 'Low Ash Metallurgical Coke' Producers owning LAM Coke Cokeries **(or)** LAM Coke Suppliers offering LAM Coke produced by LAM Coke producers shall furnish information covering the following aspects:

- a) Statement mentioning the nature of ownership. Relevant documents, in support of the above statement.
- b) Country of origin of 'Low Ash Metallurgical Coke' .
- c) Production capacity of LAM Coke Cokery and average annual production for the last three years.
- d) Distance of the LAM Coke Cokery to the nearest port of shipment and mode of transport to the port of shipment.
- e) Brand names (if any) of the LAM Coke offered.
- f) Contact person & Designation
- g) Email id
- h) Phone and fax numbers
- i) Whether concessional customs duty is applicable for the Material offered from the above Country of origin, if so the details of concession applicable with supporting documents to be submitted.

1.2.2 Tenderers who are the Producers / Cokery owner of LAM Coke shall furnish **in original** the Letter of Assurance as per proforma at **PART – VIII (A)** of the Tender Documents. Tenderers who may be 'Low Ash Metallurgical Coke' Suppliers shall furnish in original the Letter of Authority from the LAM Coke Producers / Cokery Owners as per proforma at **PART – VIII (B)** of the Tender Documents, specifically authorizing the said 'Low Ash Metallurgical Coke' Supplier to make an offer in response to this Invitation to Tender. The Letter of Assurance / Letter of Authority containing specific reference to the Tender number and date must be furnished along with the Techno-Commercial Bid (Part-A).

1.2.3 Tenderer is required to submit a certificate from a reputed international Test House indicating the specific values of each of the parameters as mentioned in **PART-II** of these Tender Document individually (but not as range of values).

1.2.4 Submission of Bid Bond / Bid Money as per **PART-III** of the Tender Document **(VITAL)**.

1.2.5 Submission of letter as a token of acceptance of terms and conditions mentioned in the Tender, as per the proforma at **PART-V** of the Tender Document.

1.2.6 The Tenderer shall submit the details of sales made by them in the last two years along with the copy of Documents supporting the claim. The details shall include:

1. Number & Date of purchase order / Long Term Agreement
2. Customer's name and address
3. Grade of material and specification
4. Quantity of sale
5. Delivery required as per purchase order/Long term Agreement
6. Actual delivery made
7. Price

- 1.2.7 In case of Import supplies, acceptance of parcel size of 30,000 MT +/-10% shipping tolerance as per Clause 7.2 of **PART-IV**. In case of Indigenous supplies, acceptance to dispatch the material by rail rakes only.
- 1.2.8 Acceptance of the Technical Specification given in **PART-II** of the Tender Document. The offered Technical specification shall also be uploaded online in the "C" Folder (Tech RFx) in RINL SRM portal.
- 1.2.9 Acceptance of the rebate / diminution structure under **Clause 6.0 of PART-VII** of the Tender Document .
- 1.2.10 Acceptance to purchaser exercising option for FOB (or) CFR shipment. as per clause 2.1 to 2.1.2 of Part-VII of Tender Document.
- 1.2.11 Acceptance to submit Performance Guarantee (PG) Bond as per **Clause 11.0 of PART-VII** of the Tender Document (**VITAL**).
- 1.2.12 The Tenderers should indicate the tonnage that can be delivered per month. (in the Techno-Commercial bid :**PART-A**).
- 1.2.13 The Tenderer shall furnish confirmatory letter from the Principal indicating the Commission payable to the Indian Agent in line with **Clause 8.0 below** (in the Techno-Commercial bid : **PART-A**) along with the duly filled in Application form for registration of Indian Agent as detailed at **Clause 8.1.4 below**.
- 1.2.14 The Tenderers are requested to fill up the check list enclosed at **PART-VI** of Tender Document and submit along with the Techno-Commercial part of the Bid : **PART-A**.
- 1.2.15 Details of Independent Inspection Agency at Loadport / (Loading Station for Indigenous supplies) for Weighment, Sampling and Analysis of Material. The details should indicate Name, Address, Contact person, Phone & Fax numbers, details of experience on the above jobs carried out by the agency. In case of Indigenous supplies, the tenderer shall offer names of minimum 2 Public Analysts (Independent Inspection Agency) in the Techno-Commercial Offer as detailed at clause 2.1 of Annexure-V to **PART-VII** of the Tender Document.
- 1.2.16 Submission of Declaration regarding Income Tax towards foreign payments as per **ANNEXURE-IV** to Draft Terms and Conditions of Acceptance to Tender (**PART-VII**).
- 1.2.17 In case of Imported Supplies, the Tenderers shall mention the currency of quoted prices.
- 1.2.18 In case of Indigenous Supplies, Extant Tax structure duly mentioning the Percentage of Taxes and Duties in following format to be submitted.

|   |  |    | <b>Rs.</b>                           |
|---|--|----|--------------------------------------|
| <b>I</b>  | Basic Price (Rs. / MT) ( <b>Say</b> )                          |    | 1000.00                              |
| <b>II</b>   | Nature of Tax and percentage on Basic Price                    | X% | X% of 1,000                          |
| <b>III</b>  | Railway Siding & haulage charges at Loading station (Rs. / MT) | Y% | Y% of 1,000                          |
| <b>IV</b>   | FOR loading Station Price (Rs. / MT) ( <b>I+II+III</b> )       |    |                                      |
|   | Applicable Taxes on FOR Loading Station                        |    |                                      |
| <b>V</b>  | Nature of Tax and percentage on FOR Loading Station Price      | Z% | Z% of the value derived at Sl. No.IV |
| Note: Tenderers to mention the percentages of 'X', 'Y' & 'Z' in the above table |  |    |                                      |

in their techno Commercial offer.

- 2.0 **PRICE:** The applicable prices for deliveries shall be as per **PRICE VARIATION CLAUSE (PVC)** mentioned at Para 3.0 of draft Order Terms and Conditions(Part-VII). There shall be no modification to the PVC clause (**VITAL**). In case of Import supplies, Freight rate shall be firm for the entire period of the Supplier's performance of the Order, in other words, till completion of supplies and shall not be subject to any variation on any account. (**VITAL**)
- 3.0 **CURRENCY AND UNIT OF WEIGHT:** The price of MATERIAL offered should be quoted in US Dollars / INR on per Metric Ton basis.
- 4.0 **LANGUAGE OF BID :** The offer and complete correspondence must be effected only in English language. The Bid prepared by the Tenderer and all correspondence and Documents relating to the bid exchanged by the Tenderer and the Purchaser, shall be written only in the English language. Any printed literature furnished by the Tenderer may be written only in the English language, provided that any printed literature furnished by the Tenderer may be written in another language so long as it is accompanied by an English translation of its pertinent passages in which case, for purposes of interpretation of the bid, the English translation shall govern.
- 5.0 **TAXES AND DUTIES:**
- 5.1 **In case of Imported Supplies,** the successful Tenderer shall be entirely responsible for all taxes, stamp duties, Licence fees and other such levies imposed outside India.
- 5.1.1 As per the Income Tax rules in India, RINL / VSP shall report the details of any payment including any interest or salary of any other sum chargeable to tax, being made to a non-resident, not being a Company or to a Foreign Company. Hence, the Foreign Tenderers shall submit declaration as per the format at **ANNEXURE – IV** to Draft Terms and Conditions of Acceptance to Tender / Agreement (**PART-VII**) along with Techno-Commercial Bid.
- 5.2 **In case of Indigenous Supplies,** the prices quoted should be on FOR Loading station basis inclusive of all taxes, duties and levies applicable on the due date for submission of Tender and should also be inclusive of applicable railway siding & haulage charges at the offered railway siding and loading station. For this purpose, the rate of taxes, duties and levies considered should be indicated separately. Any increase / imposition of taxes and duties shall be reimbursed at actuals and any decrease / withdrawal of taxes and duties shall be deducted based on the Documents evidencing the taxes and duties applicable on the date of supply as well as the due date for submission of Tender. In case the increase / imposition of taxes and duties is during the extended period of contract, reimbursement shall not be made unless specifically agreed at the time of extension. **Tenderers may please note that the Tax structure prevalent after implementation of GST will be considered for evaluation.**
- 5.2.1 Successful tenderer making purchases shall be subjected to TDS provisions if any as per GST Act.
- 5.2.2 Further Vendor/supplier shall comply with all the necessary statutory compliances including but not limited to providing GST invoices or other documentation as per GST law relating to the above supply to RINL, uploading the details of the invoice, payment of taxes, timely filing of valid statutory returns for the tax period in the Goods and Service Tax Portal.

In case the Input Tax Credit of GST is denied or demand is recovered from RINL on account of any act of the Vendor/supplier, including but not limited to non-payment of GST charged and recovered, non generation of E-Way Bill, non-filing of Returns, non-

uploading/ improper uploading of valid invoices raised on RINL in the Returns etc., the Vendor/supplier shall indemnify RINL in respect of all claims of tax, penalty and/or interest, loss, damages, costs, expenses and liability that may arise due to such non-compliance. Such amount shall be recovered from any payments due to the vendor/supplier or from security deposit or any other amount available with RINL in the same contract or in other contracts including future contracts.

If any tax has been paid by the vendor/supplier in pursuance of any demand on account of suppression, fraud or wilful misstatements of facts; then the same shall not be passed on to RINL through debit notes or invoices or supplementary invoices.

5.2.3 Tenderers GST Reg no etc are to be necessarily indicated in the offer.

5.2.4 **Tenderer should clearly indicate the extant Tax structure applicable for the Item.**

## 6.0 EVALUATION OF THE OFFERS :

6.1 The Technically and Commercially Acceptable offers will be evaluated on **Landed Net of Input Tax Credit Price (LNIP) basis.** Illustration for Calculation of Landed Net of Input Tax Credit (LNIP) is detailed at Clause: 6.10.4 below.

6.2 In case, any of the Tenderers specify multiple price options for different ports etc, at the option of the tenderer, although no such requirement is specified in the Tender Document, RINL shall consider the highest priced LNIP option for the purpose of inter-se comparison and ranking among the Tenders (unless specifically mentioned in the Tender Document).

6.3 **RINL / VSP , after opening the Techno-Commercial bids / bid Document, may seek in writing Documents / clarifications (except in case of EMD amount / Bid Money / Bid Bond) which are necessary for evaluation of the Tender / bid Document from the Tenderers / bidders or issuing authority for confirmation of eligibility / pre-qualifications stipulated in the Global Tender.**

6.4 There shall be no indication of Price in the Techno-Commercial bid, If prices are indicated there, such offers are liable to be rejected.

6.5 **For Imported Supplies, the freight offer for GANGAVARAM port on Landed Net of Input Tax Credit Price (LNIP) basis will be considered for evaluation purposes.**

6.6 The offers outside the desired limits but within the absolute limits would be financially evaluated as per Rebate / Diminution **Clause 6.0 of PART-VII** of Tender documents. In case of Indigenous Offers, the exchange rate as per "Note" to LNIP illustration of Import offers at Clause 6.10.3 below will be taken into account for loading on account of specifications.

6.7 For the purpose of evaluation with Indigenous offers, prices offered for Imported Supplies shall be converted into INR by considering an exchange rate as per "Note" to LNIP illustration of Import offers at Clause 6.10.3 below.

6.8 Offers of Imported Supplies shall be loaded for voyage time and 60 days credit period, for the purpose of evaluation with Indigenous offers. The loading would be @ 19% per annum.

6.9 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 is given at Para 19.0 below. All enlisted/registered vendors 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 "New Vendor? 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).

6.9.1 Deleted.

6.9.2 RINL-VSP shall have the option of conducting SRM Live Auction (Reverse E-Auction) in SAP-SRM platform **without Start Bid Price** prior to opening of the Price RFX Responses i.e. E-Price Bids. 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. In the e-auction, the bidders would be required to quote prices only on LNIP (Landed Net of Input Tax Credit Price) basis.

6.10.1 RINL will inform all the TA & CA Tenderers of the date and time of reverse e-auction for participation. **Modalities of evaluation of Landed Net of Input Tax Credit Price is given at Clause 6.10.3.** While inviting for Reverse e-auction, the values of relevant indices for both the months, previous to the month of TOD and Reverse e-auction shall be informed to the Tenderers for their reference.

**Note:** The indices of March 2018 are :

**HCC:** USD 217.27 PMT, **SCC** : USD 194.50 PMT and **Exchange rate** : 1 USD = Rs. 65.90/-

6.10.2 After the Reverse e-auction is conducted, the lowest bid tenderer shall submit the break up of LNIP in the format of our Illustration immediately after completion of reverse e-auction. The Price RFX Responses i.e. E-Price Bids of all the TA & CA Tenderers irrespective of their participation in the reverse e-auction, shall be opened after reverse e-auction, and the corresponding LNITC price shall be updated using the PVC formula to the calendar month of the date of Reverse e-auction considering the indices of the previous months of the Tender opening date and Reverse e-auction date, for like to like comparison with Reverse e-auction LNIP price

6.10.3 A composite comparative statement shall be prepared for the purpose of Ranking amongst the tenderers, wherein the updated LNIP price of E-Price Bid shall be compared with the LNIP price of Reverse e-auction, and lower of these two LNIP prices will be considered for ranking.

**Sample Calculation of Landed Net of Input Tax Credit Price (LNIP) for Imported Offers:**

| S.No.    | Details  |        |                  |
|----------|--|--------|------------------|
| 1        | Quoted FOB Price – US\$/MT   |        | <b>200.00</b>    |
| 2        | Freight : Gangavaram Port - US\$/MT  |        | <b>10.00</b>     |
| 3        | CFR Price - US\$/MT (S.No. 1 + 2)  |        | 210.00           |
| 4        | CFR Price - Rs./MT (S. No. 3 * Exchange Rate)  |        | 13,860.00        |
| 5        | Insurance - @ Rs14 per Lakh  |        | 1.94             |
| 6        | GST on Sl. No.5  | 18.00% | 0.10             |
| 7        | CIF Price - Rs./MT (S. No. 4+5+6 )   |        | 13,862.04        |
| <b>A</b> | <b>DUTY STRUCTURE</b>  |        |                  |
| 8        | Basic Customs Duty @ 5% (S.No. 7 * 5 %)  | 5.00%  | 693.10           |
| 9        | Social Welfare Surcharge @ 10% (S.No. 8 *10%)  | 10.00% | 69.31            |
| 10       | Anti Dumping Duty @ USD 25.20 PMT if China is the Country of Origin  | 25.20  |                  |
| 11       | Anti Dumping Duty in Rs.   |        | 1,663.20         |
| 12       | IGST @ 5% of (7+8+9+11)  | 5.00%  | 814.38           |
| 13       | <b>Total Duty Payable</b> (S.No.8+9 + 11+12)   |        | <b>3,239.99</b>  |
|          | <b>HANDLING CHARGES</b>  |        |                  |
| 14       | <b>HANDLING CHARGES (GPL)</b>  |        | 262.25           |
| 15       | GST on Sl. No.14   | 18.00% | 47.21            |
| 16       | <b>Inland Rly. Freight</b>   |        | 294.60           |
| 17       | GST on Sl. No.17   | 5.00%  | 14.73            |
| 18       | <b>Total Handling Charges Rs./MT</b>   |        | <b>618.79</b>    |
| 19       | L/C charges (Rs 5,618 for 1 Crore of CFR Value )   |        | 7.79             |
| 20       | GST @ 5% on Ocean freight (Sl. No. 2 in Rs.)   | 5.00%  | 33.00            |
| 21       | <b>Landed Price - Rs./MT (S.No. 7+ 13 + 18+19+20)</b>  |        | <b>17,761.60</b> |
| 22       | Loading towards deviation of Technical Specification beyond Guar. Limit upto Abs. limit                                |        | 0.00             |
| 23       | Loading towards payment terms @ 19% per annum for (60 + Voyage time from Offered Loadport) days (S.No.21*0.19* 75/365) |        | 693.43           |
| 24       | <b>Final Landed Price - Rs. /MT (S. No.21+22+23)</b>   |        | <b>18,455.04</b> |
| 25       | <b>Landed Net of Input Tax Credit (LNIP) Price Rs./ MT (S. No. 24-6-12-15-17-21)</b>                                   |        | <b>17,545.62</b> |
| 26       | <b>Landed Net of Input Tax Credit (LNIP) USD/ MT (S. No. 25)/ Exchange Rate</b>  |        | <b>265.84</b>    |
|          | <b>Exchange rate as available in SRM at the time of Rev. E. Auction : 1 US \$ = Rs.</b>                                |        | <b>66.000</b>    |

**Note:** Exchange rate (the ‘M’ rate {Forex Market Rate as obtained through RINL appointed Financial Services Company} one working day before schedule date of Reverse e auction)as available in the auction screen at the time of Reverse e-auction shall be considered for evaluation of the offers of both Reverse e-auction and E- Price Bids for making the composite comparative statement .

In case RINL opts for only Sealed Price Bids, Exchange rate (‘M’ rate)as on the date of opening of E- Price Bids shall be considered for evaluation.  
Tenderers may please note that the applicable GST and taxes (if any) prevalent at the time of Reverse e-auction / opening of E-price Bids (as the case may be) shall be considered for evaluation of the offers.

**Sample Calculation of Landed Net of Input Tax Credit Price (LNIP) for Indigenous Offers (Refer Note (\*) under):**

| <b>INDIGENOUS OFFER (in Rs.)</b> |   |              |
|----------------------------------|---|--------------|
| <b>I</b>                         | Basic Price (Rs. / MT) ( <b>Say</b> )   | 1000.00      |
|                                  | Applicable Taxes  | X1           |
| <b>III</b>                       | Railway Siding & haulage charges at Loading station (Rs. / MT) ( <b>Say</b> )     | 100.00       |
| <b>IV</b>                        | FOR loading Station Price (Rs. / MT) ( <b>I+II+III</b> )                          | 1100.00 + X1 |
| <b>V</b>                         | Applicable Taxes  | X2           |
| <b>VI</b>                        | Rly. Freight charges (incl. of surcharge and other charges) per MT ( <b>Say</b> ) | 100.00       |

|             |   |                      |
|-------------|---|----------------------|
| <b>VII</b>  | Landed Cost (IV+V+VI)                                   | 1200+X1+X2           |
| <b>VIII</b> | Less Input Tax Credit:                                  | X3                   |
| <b>IX</b>   | <b>Landed Net of Input Tax Credit Price (VII -VIII)</b> | <b>1200+X1+X2-X3</b> |

**Note:** Any revision/applicable in Taxes & Duties in Purchaser's Country which are statutory in nature (for both Indigenous and Imported offers), Inland Transportation, Handling charges, etc (for Imported offers only), prevailing at the time of Reverse e-auction / opening of Sealed Price Bids (as the case may be) shall be considered for evaluation of the offers.

(\*)Tenderers may please note that the applicable GST and taxes (if any) prevalent at the time of Reverse e-auction / opening of Sealed Price Bids (as the case may be) shall be considered for evaluation of the offers.

- 6.11 In case of Indigenous offers, Wherever the tenderers quote taxes as nil or at concessional rates (being SSI Unit or due to some other privilege available on the date of offer) but reserves the right to charge at actual on the date of dispatch suitable loading would be done with maximum tax Rates as applicable.
- 6.12 RINL reserves the right to negotiate with the tenderers without prejudice to their quoted price
- 6.13 Only the prices quoted in SRM portal shall be considered for evaluation. All terms and conditions for evaluation of the Offer including Technical Specification, Quantity Offered, Validity of the Offer, Taxes, etc. shall be as per the Techno-Commercial Offer received in Physical Techno-Commercial Bid and subsequent confirmations of the tenderer.

#### **7.0 INDICATION OF BASIC SHIPPING TERMS AND CONDITIONS, FOR IMPORTS:**

- 7.1 The detailed shipping terms are enclosed as the relevant Annexures to the Draft Acceptance to Tender / Agreement (Part - VII) to this Tender Document.
- 7.2 Parcel Size (shipment) shall be 30,000 MT +/- 10% shipping tolerance.
- 7.3 Tenderers should indicate the following details of the Loadport along with Techno-Commercial Bid (**PART-A**):
- Name and location of Port of loading;
  - Restrictions, if any, at the loadport (viz., vessel dimension, type, size of the vessel etc.);
  - Low Ash Metallurgical Coke loading facilities at the loadport (viz., whether Automatic / Manual ship loaders, shore grabs etc.);
  - Clearance dimensions of the MATERIAL loading gantries;
  - Sailing draught at the load port; and
  - Stowage factor.

#### **8.0 INDIAN AGENT COMMISSION, IN CASE OF IMPORT OFFERS :**

- 8.1 RINL / VSP would not like the foreign Tenderers to appoint any Indian agents. In case the Tenderer has an Indian agent, the following details shall be furnished in the offer.
- 8.1.1 The name and address of the Indian agent. In case the Agent / Representative is a Foreign Company, it shall be confirmed whether it is a real substantial company and details of the same shall be furnished.

- 8.1.2 Details of services rendered by the Agent; extent of authorisation and authority given to commit the Tenderer; the amount of commission / remuneration included in the quoted FOB price(s) for such Indian agent, shall be furnished in **PART - IX in terms of percentage of FOB price.**
- 8.1.3 Confirmation of the Tenderer that the commission / remuneration, if any, payable to his Indian agent, shall be paid by RINL / VSP in India in Indian Rupees. The Agency commission payable to the Agent will be converted to Indian Rupees at the Closing Bid Rate as per Reuters on the previous working day of B/L Date and shall not be subjected to any further exchange variations and shall be paid only in Indian Rupees after deducting income tax as applicable and other statutory dues, if any. In case of such deductions, necessary certificate shall be issued as per government notification / law of the land. In addition, any other relevant detail as may be asked for by RINL / VSP subsequently shall also be furnished by the Tenderer.
- 8.1.4 There shall be compulsory registration of Indian agents with RINL / VSP. Information shall be sent to the Indian agents after they are registered. The necessary 'Application Form' for registration of Indian Agent is to be downloaded from our web site [www.vizagsteel.com](http://www.vizagsteel.com) under 'MM' menu and 'MM Tenders' sub menu. The application is to be submitted with necessary documents as contained therein along with the Techno - Commercial Offer of the foreign Tenderer.
- 8.1.5 The Indian agents commission, if any, should be included in the quoted FOB price and indicated separately in **PART - IX in terms of percentage of FOB price. Further, the tenderer shall mention whether GST is applicable on the said Indian Agent Commission or otherwise. If applicable, the same shall also be included in the quoted FOB price.**
- 8.1.6 Failure to furnish correct and detailed information as called for in **Clause No.8.1 herein above and in the proforma at PART - IX** of this Instructions to Tenderers, will render Tenderer's bid liable for rejection or in the event of an agreement materialising, the same is liable for termination by RINL / VSP. Besides this, there would be a penalty of banning business dealings with RINL / VSP or damage or payment of a named sum.
- 8.1.7 In the event of an Agreement materialising, the terms of payment will provide for payment of the net value of the materials delivered in each consignment, after deduction of the amount of commission / remuneration, if any, payable to Indian agent, which will, under normal circumstances, be released to the concerned Indian Agent on the basis of net invoice weight, 90 (ninety) days after the discharge and acceptance of the cargo in India and on settlement of the demurrage / despatch claims relating to Loadport (for FOB shipments) and Disport (for CFR shipments) on the basis of the Chargeable Weight at Disport. The Agency commission payable to the Agent will be converted to Indian Rupees at the Closing Bid Rate as per Reuters on the previous working day of BL Date and shall not be subjected to any further exchange variations and shall be paid only in Indian Rupees after deducting statutory dues, if any. In case of such deductions, necessary certificate shall be issued as per government notification/ law of the land. No Indian Agent's Commission shall be payable in case of material found beyond Absolute Limits stipulated under **ANNEXURE-I** to Draft Acceptance to Tender / Agreement.
- 8.1.8 The Indian Agent shall represent only one Tenderer in the Tender. In case, it is found that the Indian Agent is representing more than one Tenderer then all the offers represented by this Indian Agent will be rejected.
- 8.1.9 Either the Indian Agent on behalf of the foreign principal or the foreign principal directly could bid in the tender but not both. In case more than one offer is received from a Tenderer directly and through his agents, both the offers will be rejected.

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

10.0 **VALIDITY OF OFFER :** Each Tenderer shall keep his offer firm and valid for acceptance by RINL for a period of **120 (One Hundred Twenty)** days from the actual date of Tender opening.

11.0 **CONCLUSION OF ACCEPTANCE TO TENDER / AGREEMENT:**

11.1 When the offer of a Tenderer is accepted, PURCHASER will issue Acceptance to Tender to the successful Tenderer.

11.2 The terms and conditions of the Acceptance to Tender / Agreement shall be in accordance with the draft of the Acceptance to Tender / Agreement for supply of the MATERIAL as incorporated in **PART- VII** of these Tender Documents

12.0 **STATEMENT OF DEVIATIONS :**

12.1 Each Tenderer shall submit along with his offer confirmation of his acceptance to all the terms and conditions of the Tender Documents. A letter as per Proforma at **PART-V** of Tender Documents, duly signed by the Tenderer should be submitted along with the offer as a token of acceptance of RINL's terms and conditions in Techno-Commercial Bid - Part:A.

12.2 If any Tenderer is unable to accept any particular term(s) as incorporated in the Tender Document and proposes any deviation there-from, the Tenderer shall clearly spell out the deviations in the Statement of Deviations to be enclosed with the letter at **PART - V** of the Tender Documents. However, the Tender shall be liable for rejection / consideration with loading on account of deviations at the sole discretion of RINL / VSP.

12.3 No revision in the terms and conditions of the offer will be entertained after the Tender opening unless it has been furnished in response to a specific request from VSP..

12.4 In case the deviation statement is left blank and / or any Bid is silent on any clauses mentioned in this tender document, VSP shall construe that the tenderer had accepted the clauses as per this Tender document.

13.0 **OTHER GENERAL POINTS RELATING TO THE PREPARATION /SUBMISSION / DESPATCH OF THE OFFER:**

13.1 Offers should be submitted in two parts as follows:

|   | Form of submission   | Due date & time        |
|---|--|------------------------|
| Part A: Techno-Commercial Bid (in Two copies and Separate envelope) along with EMD / Bid Bond (in Separate envelope) in original and Freight offer for 'VPT' as per Part-XII (in Separate envelope) | In Physical Sealed form, as per the instructions given in this Tender document   | 10:30 AM on 25.04.2018 |
| Part B: Price Bid / Price RFX Response  | To be submitted online/ electronically through VSP's SRM portal: <a href="https://srm.vizagsteel.com/">https://srm.vizagsteel.com/</a> | 10:30 AM on 25.04.2018 |

**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.**

**PART- A** should contain all details (in **Two copies**) on Technical specification, Credential Documents (**one Copy**) other information / data and Documents required to be furnished with the Tender. **The offered Technical specification shall also be uploaded online in the “C” Folder (Tech RFx) while submitting the Price Bid.**

**Imported Supplies:**

**The Price quoted in the SRM portal shall be considered as “Price per MT FOB (Trimmed) with Port of loading as per techno commercial offer” and the freight rate for GPL shall be mentioned online in the Item Conditions→Other Charges.**

**The Freight offer for ‘VPT’ shall be submitted in separate sealed envelope clearly superscribing “ Price schedule Freight offer for ‘VPT’ (A2) for ‘Low Ash Metallurgical Coke Tender No....” in a separate sealed Envelope**

**Indigenous supplies:**

**The Price quoted in the SRM portal shall be considered as “Basic Price per MT”**

- 13.2 Each part of the Techno Commercial offer together with its enclosures should be placed in envelopes which should bear, in Block capital letters, superscription "Tender for supply of **Low Ash Metallurgical Coke** against Tender / RFx No. 2100006933, Dt. 30.03.2018 and should also bear superscription:

**PART - A : TECHNO-COMMERCIAL BID** should be sealed separately.

**Freight offer for ‘VPT’** should be sealed separately

- 13.3 The envelopes **PART- A** and **Freight offer for ‘VPT’** referred to in **Clause 13.2 above** should be placed in another envelope which should be addressed to the EXECUTIVE DIRECTOR(MM), Purchase Dept., Administrative Building, Visakhapatnam Steel Plant, Visakhapatnam 530 031, Andhra Pradesh, India, and should bear, in Block Capital Letters, the superscription “OFFER IN RESPONSE TO TENDER / RFx No. 2100006933 Dt. 30.03.2018. This envelope also should be sealed. The name and address of the Tenderer should be mentioned on this envelope as well as on the envelopes containing **PART - A** and **Freight offer for ‘VPT’**.

- 13.4 ***The offers received by RINL / VSP, which deviate from the vital conditions of the Tender, as specified below, will not be considered:***

- a) ***Incomplete offers, not appending signature on the offer and the prescribed formats.***
- b) ***Receipt of offers after the due date and time and / or by Fax / E-mail.***
- c) (i) ***Offers not confirming acceptance to Price Variation Clause (PVC).***  
(ii) ***Variable Freight rate (for Import Offers) being quoted against requirement of firm Freight rate.***
- d) ***Offers not accompanying the requisite EMD / Bid Bond / Bid Money in line with the Tender conditions unless exempted for any reasons specified herein.***
- e) ***Offers not confirming to submit Performance Guarantee Bond in line with the requirement of this Tender Document.***

- f) *In case of Import Offers, offered quantity less than Parcel Size (shipment) of 30,000 MT  $\pm$  10%. In case of Indigenous supplies, offered quantity less than 30,000 MT.*
- g) *Specifications falling outside the Absolute Maximum / Minimum Limits stipulated in the Tender.*
- h) *Offers not offering CFR price.*
- i) *Offers not confirming the Integrity Pact exactly in line with the format enclosed.*

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

#### **14.0 PURCHASE PREFERENCE AND OTHER BENEFITS TO MSEs:**

14.1 Conditions for availing benefit under purchase preference and other benefits to MSEs shall be as per the terms stipulated in Part-XI of tender document

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

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

15.2 RINL/VSP shall at it's discretion give equal opportunity to all the Tenderers for clarification / rectification of any deficiencies in the Tender and seek clarifications / confirmations / Documents / withdrawal of deviations from the Terms and Conditions of the Tender. In case of failure to rectify the deficiencies within the time given, the Tender would be rejected / loaded as mentioned at **Clauses 6.0, 7.0 & 9.0 above**. In case of rejection, Price RFx response of the Tender would not be opened and EMD amount / Bid Money / Bid Bond would be refunded. RINL / VSP shall not give time as above for submission of Bid Money / Bid Bond.

16.0 **INTEGRITY PACT (VITAL)** : Tenderer is required to unconditionally accept the "Integrity Pact" enclosed to the Tender Document at **PART - X** to the Tender Document and shall submit the same duly signed along with his offer. Offer of the Tenderer received without Integrity Pact duly signed, shall not be considered.

16.1 The details of Independent External Monitor nominated for this Tender are given hereunder :

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

|  |  |
|--|--|
|  | Mobile No : +91 9908511188<br>Email Id : <a href="mailto:sivaprasadrao1950@gmail.com">sivaprasadrao1950@gmail.com</a> <a href="mailto:spr50@rediffmail.com">spr50@rediffmail.com</a> |
|--|--|

16.2 The Nodal officer for the purpose of Integrity pact shall be :

Shri A Bhattacharya, General Manager (MM),  
3<sup>rd</sup> Floor, Main Administrative Building,  
Visakhapatnam Steel Plant,  
Rashtriya Ispat Nigam Limited,  
VISAKHAPATNAM – 530031  
[agnimitra@vizagsteel.com](mailto:agnimitra@vizagsteel.com)

17.0 **ETHICS:**

17.1 If it comes to the notice of RINL/VSP at any stage from request for enlistment / Tender Document that any of the certificates / Documents submitted by applicants for enlistment or by bidders are found to be false / fake / doctored, the party will be debarred from participation in all RINL / VSP Tenders for a period of 5 years including termination of contract, if awarded. EMD / Security Deposit etc. if any, will be forfeited. The Contracting Agency in such cases shall make good to VSP any loss or damage resulting from such termination. Contracts in operation anywhere in RINL/VSP will also be terminated with attendant fall outs like forfeiture of EMD / Security Deposit, if any, and recovery of risk and cost charges etc. Decision of RINL / VSP Management will be final and binding.

17.2 The Company requires that bidders / suppliers / contractors under this contract, observe the highest standard of ethics during the execution of this contract. In pursuance of this policy, the Company defines, for purpose of these provisions, the terms set forth below as follows. “Corrupt practice” means the offering, giving, receiving or soliciting of any thing of value to influence the action of a Public official in contract execution and “fraudulent practice” means a misrepresentation of facts in order to influence the execution of a contract to the detriment of the Employer and includes collusive practice among Bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the Company of the benefits of free and open competition. The Company will reject a proposal for award of work if it determines that the bidder recommended for award had engaged in corrupt or fraudulent practices in competing for the Tender in question. The Company will declare a bidder ineligible, either indefinitely or for a stated period of time, to be awarded contract / contracts if it any time determines that the bidder has engaged in corrupt or fraudulent practices in competing for, or in executing, the contract.

17.3 In case tenderers backs out after tender is opened in single bid tender and in two bid tender after commercial bid/price bid is opened or after finalisation of contract punitive action shall be taken as per prevailing guidelines.

18.0 **Amendment to Tender Terms and conditions :**

18.1 At any time prior to the deadline for submission of the bids, the PURCHASER may, for any reason, modify the Tender terms and conditions by way of an amendment.

18.2 Such amendments will be notified on RINL’s website [www.vizagsteel.com](http://www.vizagsteel.com) and will be binding on the Tenderers. The intending Tenderers are, therefore, advised to visit RINL’s website at regular intervals.

19.0 **Gist of 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 for Vendors", 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:

- Existing Users / Vendors may Login with their SAP Vendor Code as User ID & corresponding Password.
- New Users/ Vendors may register by clicking on "**New Vendor? Initial Registration**" available in the home page of our SRM portal, by providing requisite details.
- Please go through page nos. **51 to 55** of the User Manual (**Awareness on e-tendering for Vendors**) in case of any log-in problems.
- After logging in, Click on "RFX and Auctions" tab
- Click on 'All (1)' against 'e-RFXs' and Click on 'Refresh'. Refer page numbers **13 to 21** of the User Manual (**Awareness on e-tendering for Vendors**)
- 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, Vendor 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 price after clicking on 'Details' button under 'Items' Tab. Refer page numbers **27 to 37** of the User Manual (**Awareness on e-tendering for Vendors**)
- Please upload the offered '**Technical Specification**' (**Part-II** of this tender document) duly filled, signed and stamped by the tenderer along with the technical specification **in the C-Folder**, by clicking on 'Technical RFX Response' (yellow button) available in your RFX Response screen. Refer Page nos. **38 to 43** of the user manual (**Awareness on e-tendering for Vendors**).

- Please go through page nos. **44 to 50** of the User Manual (**Awareness on e-tendering for Vendors**) for submitting your RFX Response finally.

**SRM LIVE AUCTION (REVERSE E-AUCTION):** User Manual available in the home page of VSP's SRM portal by clicking on "Awareness on e-tendering for Vendors" may please be followed (at page numbers 56 to 65) 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.

#### **Help Desk for SRM E-Procurement and E-Auction**

##### **1. System related Queries :**

- a. First Contact: **0891-2518646**, Shift In-charge, IT-ERP System Support Group
  - b. Second Contact: **1801425421124**, In-charge, SRM (works only from BSNL Landline or Mobile )
  - c. First Escalation: **+919701347736**, ARUN KUMAR S, Asst. General Manager (ERP)
  - d. Second Escalation: **+918500669882**, D RAMESH, Asst. General Manager (ERP)
- 2. You can also write to :** [srm\\_support@vizagsteel.com](mailto:srm_support@vizagsteel.com)

**For tender related queries,** contact

M Satish Kumar (+91 9701347299) or J Venkayya (+91 9849484499)  
[satishmalladi@vizagsteel.com](mailto:satishmalladi@vizagsteel.com) or [venkayyaj@vizagsteel.com](mailto:venkayyaj@vizagsteel.com)

#### **20.0 Clarification of Tender Terms and conditions :**

- 20.1 A prospective Bidder requiring any clarification of the Tender Terms and conditions may notify the Purchaser in writing or by fax / email at the Purchaser's mailing address indicated in this Tender document. The Purchaser will respond in writing or by fax / email to any request for clarification of the Tender document which it receives not later than seven (7) days prior to the deadline for the submission of bids prescribed by the Purchaser.

\*\*\*\*\*

**PART - V OF TENDER DOCUMENTS**

**(GLOBAL TENDER NOTICE / RFx No. 2100006933 Dt. 30.03.2018)**

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

To

EXECUTIVE DIRECTOR(MM)  
BLOCK 'A' PURCHASE DEPARTMENT,  
ADMINISTRATIVE BUILDING,  
RASHTRIYA ISPAT NIGAM LTD.,  
VISAKHAPATNAM STEEL PLANT,  
VISAKHAPATNAM 530 031.

Dear Sir,

Sub: Your Tender Notice / RFx No. 2100006933 Dt. 30.03.2018.

With reference to your Tender Notice / RFx No. 2100006933 Dt. 30.03.2018 for supply of **Low Ash Metallurgical Coke**, we hereby give our confirmation and acceptance of the terms and conditions mentioned in the above captioned Tender.

\*\* There are no other deviations to the above captioned Tender / Statement of deviations is enclosed to this letter.

Thanking you,

Yours faithfully,

(Signature and Seal of Tenderer)

Note: If there are any deviations / deletions from the terms and conditions mentioned in the Tender Document, a separate statement duly signed should be sent along with offer (**PART `A'** - Techno-Commercial bid).

\*\* Strike off whichever is not applicable.

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

| <b>Sl. No.</b> | <b>Condition</b>   | <b>As per Clause No.</b>                                       | <b>Acceptance / Deviation</b> |
|----------------|--|--|-------------------------------|
| 1              | Delivery Period  | 2.0<br>of Draft Acceptance to Tender / Agreement               |                               |
| 2              | Parcel size  |  |                               |
| 3              | FOB / CFR Option for shipment  | 2.1 to 2.1.3<br>of Draft Acceptance to Tender / Agreement      |                               |
| 4              | Rebate / diminutions in price for quality variations   | 6.0<br>of Draft Acceptance to Tender / Agreement               |                               |
| 5              | Payment Terms  | 9.0<br>of Draft Acceptance to Tender / Agreement               |                               |
| 6              | Submission of Performance Guarantee Bond   | 11.0<br>of Draft Acceptance to Tender / Agreement              |                               |
| 7              | Load rate  | 8.1<br>Annexure-II A to Draft Acceptance to Tender / Agreement |                               |
| 8              | Demurrage / Dispatch for FOB   | 16.0 Annexure-II A to Draft Acceptance to Tender / Agreement   |                               |
| 9              | Discharge rate   | 7.0<br>Annexure-II B to Draft Acceptance to Tender / Agreement |                               |
| 10             | Demurrage / Dispatch for CFR   | 9.0<br>Annexure-II B to Draft Acceptance to Tender / Agreement |                               |
| 11             | Integrity Pact   | PART -X  |                               |
| 12             | Acceptance to Price Variation Clause (PVC) for the entire period of performance of the Order | 3.0<br>of Draft Acceptance to Tender / Agreement               |                               |
| 13             | Any other (to be specified by the Tenderer for other deviations)                             |  |                               |

.....  
Signature and seal of the Tenderer

**PART -VI OF TENDER DOCUMENTS**  
**(GLOBAL TENDER NOTICE / RFx No. 2100006933 Dt. 30.03.2018)**  
**CHECK LIST TO BE FILLED UP AND SENT ALONG WITH TECHNO-**  
**COMMERCIAL BID (PART-A) OF THE OFFER**

1. Name of the Tenderer :
2. Address :
3. Quantity offered (Import Supplies- in multiples of shipments) :
4. Name of Cokery Owner / Address :
5. Authorisation letter from Cokery Owner :
6. Origin :
7. Nature of Production :
8. Confirmatory letter from Tenderer regarding commission payable to Indian Agent :
9. Letter of Acceptance of terms & conditions of ITT :
- 10 Acceptance of Parcel size :
- 11 Acceptance of Tech. Specification :
- 12 .Acceptance of Rebate / Diminution of structure :
13. Acceptance to Purchaser exercising the option for FOB or CFR shipment on nomination / dispensation :
14. Whether Price RFx response submitted in SRM Portal :  
  
In case of Indigenous Supplies, whether only basic price is :  
submitted in SRM Portal
15. Submission of Test certificate from reputed International Test House :
16. Acceptance to Price Variation Clause till completion of the supplies:
17. Delivery schedule for the offered quantity :  
  
(i.e., upto Two shipments in a month in case of  
'Imported supplies' / 60,000 MT in a  
month in case of 'Indigenous supplies')
18. Acceptance of Payment Terms :
19. Acceptance to submit Bid Bond :
20. Acceptance to submit Performance Guarantee Bond :
21. Acceptance and Submission of signed Integrity pact :

Name & Signature of the Tenderer)

22. Details of Load Port (Import supplies) /  
Railway Siding and Loading Station (Indigenous supplies):  
Distance from offered Railway Siding to VSP Railway Siding (No.12328705)
23. Extant Tax Structure for Indigenous supplies :
24. Validity of offer :
25. Reverse e-auction user id :
26. Submission of Credentials :

**26.1 For Overseas Tenderers:**

- a. Notarised copy of Registration certificate from Chamber of Commerce / their respective designated Govt. Agency in English version.. (YES/NO)
- b. Self Attested copies of Audited Financial Statements for the last three years of the Bidder **(or)** Cokery Owner (or) Manufacturer . (YES/NO)
- c. Self Attested copy of Other Credentials like ISO Certificates etc from the Bidder **(or)** Cokery Owner (or) Manufacturer (not Compulsory) (YES/NO)
- d. Self Attested copies of Purchase Orders / Contracts / Bill of Ladings / Notarised Copies of Accepted Inspection Certificates / Notarised Copies of Acceptance Note / Self Attested copies of Commercial Invoice / Payment Receipt against the supplies made etc., for the same or similar items in respect of other major customers as a proof for successful execution of Purchase Orders / Contracts. (YES/NO)

**26.2 For Indigenous Tenderers:**

- a. Notarised Statutory Manufacturing / Service Industry Registration Certificate i.e. EM-Part-II issued by DIC / NSIC registration certificate for the same / similar items for MSEs (or) Notarised Copy of Certificate of Registration of shops and Establishments for a Dealer / Agent / Trader etc. (or) Notarised Copy of Certificate of Incorporation along with Memorandum and Articles of Association of the Private / Public Limited Companies. (YES/NO)
- b. Notarised Copy of Proprietary / Partnership deeds in case of Proprietary / Partnership firms. (YES/NO)
- c. Notarised Copies of Excise, Sales Tax (CST, VAT), Service Tax Registration Certificates and PAN card copy in the name of the company in case of Limited companies or in the name of individuals in case of Proprietary firms. (YES/NO)
- d. Self-Certified Financial worth and audited financial statements for the last three (3) years. (YES/NO)
- e. Self-Certified Purchase orders/contract copies for the same or similar tendered item(s). (YES/NO)
- f. Self-Certified ISO certificate if any. (YES/NO)

(Name & Signature of the Tenderer)

## PART -VII OF TENDER DOCUMENTS

(TENDER NOTICE / RFx No. 2100006933 Dt.30.03.2018)

### **DRAFT OF ACCEPTANCE TO TENDER / AGREEMENT FOR THE SUPPLY OF 'LOW ASH METALLURGICAL COKE'**

Pur. ....

Dt. ....

M/s.

Dear Sir,

Sub: Acceptance to Tender No...../....., Dt.

Ref:1)Tender / RFx No. 2100006933 Dt.30.03.2018

2) Your offer No.

\*\*\*\*

Rashtriya Ispat Nigam Ltd (RINL), herein after referred to as the **PURCHASER**, is pleased to place this Acceptance to Tender / Agreement on you for supply of **Low Ash Metallurgical Coke** , herein after referred to as **MATERIAL**, as per the following terms and conditions.

#### **1.0 MATERIAL:**

- 1.1 The SELLER shall sell and the PURCHASER shall buy a total quantity of \_\_\_\_\_MT (In words\_\_\_\_) (...shipments of parcel size 30,000MT +/- 10%, in case of imported supplies) metric tons (of one thousand kilograms each), hereinafter referred to as the MATERIALS, in conformity with the Technical Specification incorporated in **ANNEXURE-I** to this Acceptance to Tender / Agreement and which shall constitute an integral part of this Acceptance to Tender / Agreement, for use in its integrated Iron and Steel works for production of Hot Metal. The quality of the **Low Ash Metallurgical Coke** to be supplied under this Acceptance to Tender / Agreement shall under no circumstances be inferior to the Technical Specification as contained in **ANNEXURE-I** to this Acceptance to Tender / Agreement . Material should be supplied from the same Cokery which is mentioned in the Offer and in the Authorisation Letter / Assurance Letter submitted in the tender.
- 1.2 Indigenous supplies, in case the balance quantity left out (after delivery of the stipulated number of rakes as mentioned at para 1.1 above) is less than 50% of a full rake load (i.e. 1150MT, considering full load as approx. 2300MT), the order shall be deemed to have been successfully executed and A/T will be suitably amended to the receipt quantity; In case the balance quantity left out is more than 50% of a full rake load, at RINL's sole discretion the seller shall supply additional quantity to make up full rake load at the same price , terms and conditions of this Acceptance to Tender and RINL shall suitably amended A/T including the additional quantity.

#### **2.0 DELIVERY : RINL/VSP intends to take the delivery of 150,000MT before June 2018. However, the tenderer shall undertake deliveries as below.**

In case of Imported Supplies, upto Two shipments of 30,000 MT +/- 10% parcel size shall be made every month as per Purchaser's requirement. **However, RINL / VSP reserves the right to postpone the deliveries upto a period of 2 months beyond the contracted delivery period.**

In case of Indigenous Supplies upto 60,000MT shall be made every month through Railway Rakes as per Purchaser's requirement. The successful tenderers should commence delivery of material within 7 – 10 days from the date of placement of LOA / A/T and complete delivery of the offered monthly scheduled quantity in an evenly spread manner in the month. **The Purchaser reserves the right to postpone/prepone the deliveries / re-schedule monthly deliveries depending on**

**our production requirements and storage capacity, upto a period of 2 months beyond the contracted delivery period**

- 2.1 **For Import Supplies** : Immediately after issuance of the LOI (or) A/T, the Seller shall submit the PBG within 10 days of the issue of the LOI / A/T, whichever is earlier and on receipt of confirmation from BG issuing bank, the Purchaser shall intimate the Laycan for the first shipment in such a manner that the start date of the Laycan shall be minimum 4/5 weeks from the date of such intimation and Seller shall confirm the Laycan within two working days.

The advance notice for each Laycan thereafter shall be minimum 4 weeks / maximum 5 weeks from the start date of the Laycan, as per Purchaser's requirement and the Seller shall confirm the Laycan within two working days.

The Seller may propose an alternate laycan for Purchaser's consideration, but the start date of such alternate laycan shall not be prior to 4 weeks nor later than 5 weeks from the date of the Purchaser's notice for laycan confirmation

- 2.1.1 RINL shall place Acceptance to Tender / Letter of Intent (LOI) for delivery of shipments normally on FOB basis. At its sole discretion RINL / VSP shall take delivery of the shipment either on FOB basis or CFR basis. The shipments either on FOB(T) basis or CFR(FO) basis or part FOB(T) and part CFR(FO) basis shall be decided by the PURCHASER, at his sole discretion. Further, RINL / VSP reserves the right to exercise the option of FOB / CFR while giving clearance for each lot / shipment.
- 2.1.2 The decision of FOB or CFR shall be communicated after placement of A/T or LOI normally within 15 working days after confirmation of Laycan for the first shipment. Accordingly, the decision of FOB/CFR for shipments thereafter shall be communicated normally within 15 working days after confirmation of respective Laycan.

**2.1.3 Upon confirmation of FOB / CFR:**

**For FOB terms:** the PURCHASER shall arrange for chartering suitable vessels for taking delivery of the MATERIALS on the basis of FOB (Trimmed) Port of Loading and shall endeavor to nominate the vessels at least 2 weeks in advance from the start of the laycan. The Seller shall load the material and effect deliveries within the delivery period.

**For CFR terms:** the SELLER shall charter suitable vessels at least 2 weeks in advance from the start of the laycan and deliver the material from the agreed loadports within the delivery period.

- 2.2 **For Indigenous Supplies:** Terms and Conditions for supplies through Rail rakes is given in **Annexure –V** to this A/T and shall form part of this A/T.

**3.0 Price:**

- 3.1 In case of Imported Supplies and Indigenous Supplies

The applicable Price for the agreed quantity of Material for delivery in a calendar month shall be determined as per **the Price Variation Clause** defined below:

$$P_1 = P_0 + 0.89 (HCC_1 * E_1 - HCC_0 * E_0) + 0.48 (SCC_1 * E_1 - SCC_0 * E_0)$$

|                      |   |  |
|----------------------|---|--|
| <b>P<sub>0</sub></b> | = | Base LNIP ( <i>Landed Net of Input Tax Credit</i> ) price in the Base Month. |
| <b>P<sub>1</sub></b> | = | Applicable LNIP price for the quantity agreed to be delivered in a           |

|                        |  |
|------------------------|--|
|                        | month.   |
| <b>HCC<sub>0</sub></b> | = Base HCC ( <i>Hard Coking Coal</i> ) index in the month previous to the Base Month.  |
| <b>HCC<sub>1</sub></b> | = Applicable HCC Index in the month previous to the month of agreed delivery, for which price of P <sub>1</sub> is being worked out.     |
| <b>SCC<sub>0</sub></b> | = Base SCC ( <i>Soft Coking Coal</i> ) index in the month previous to the Base Month.  |
| <b>SCC<sub>1</sub></b> | = Applicable SCC Index in the month previous to the month of agreed delivery, for which price of P <sub>1</sub> is being worked out.     |
| <b>E<sub>0</sub></b>   | = Base Exchange Rate in the month previous to the Base Month.  |
| <b>E<sub>1</sub></b>   | = Applicable Exchange Rate in the month previous to the month of agreed delivery, for which price of P <sub>1</sub> is being worked out. |

**Notes:**

- HCC Index shall be Average of the [Platts “Premium Low-Vol Hard Coking Coal FOB Australia” Index as published by Platts, and Argus “Premium Hard Coking Coal Low-Vol FOB Australia” index as published by Argus Media] for all published days of the relevant calendar month.
- SCC Index shall be Average of the Platts “HCC 64 Mid Vol. FOB Australia” Index as published by Platts for all published days of the relevant calendar month.
- Exchange Rate shall be the average USD Exchange rate applicable for imports as published by Customs for all the calendar days of the relevant calendar month.
- P<sub>0</sub> mentioned in the PVC formula shall be arrived at as detailed below;  
**Base Month:** If the Order placement is made based on E Price Bid then the Base Month shall be the calendar month of date of TOD; similarly, if it is on Reverse e- auction Price then the Base Month shall be the calendar month of date of Reverse e-auction; if the Order placement is made based on Negotiated price then the Base Month shall be the calendar month of date of Negotiation; and accordingly the corresponding LNITC price shall be the **Base LNITC Price (P<sub>0</sub>)**.
- Based on the P<sub>1</sub>, applicable FOR Loading Station Price (in case of Indigenous Supplies) and FOB Price (in case of Import supplies) shall be back calculated keeping all other cost components same as that were used while arriving at Base LNIP Price.

### 3.2 In case of Imported Supplies

- Base LNITC Price (P<sub>0</sub>): Rs.....PMT, corresponding FOB Price(....LoadPort) is USD ...PMT.
- Freight: USD ...PMT, GPL and USD ...PMT, VPT
- Freight rate shall be firm for the entire period of the Supplier’s performance of the Order, in other words, till completion of supplies and shall not be subject to any variation on any account.
- Base Indices: HCC<sub>0</sub> = USD...PMT, SCC<sub>0</sub> = USD...PMT and E<sub>0</sub> = 1 USD is Rs.....
- Indian Agents Commission:** the applicable price (P<sub>1</sub>) is inclusive of commission of ....(%) percentage of applicable FOB price, payable in equivalent Indian Rupees, to M/s \_\_\_\_\_, the Indian Agent of the Seller. The Indian Agent’s

Commission, under normal circumstances, shall be paid after 90 (Ninety) days of discharge and acceptance of the cargo by each vessel at the destination port in India and on settlement of demurrage / dispatch claims relating to Loadport (for FOB shipments) and Disport (for CFR shipments) on the basis of the Chargeable Weight at Disport. The Agency commission payable to the Agent will be converted to Indian Rupees at the Closing Bid Rate as per Reuters on the previous working day of BL Date and shall not be subjected to any further exchange variations and shall be paid only in Indian Rupees after deducting statutory dues, if any. In case of such deductions, necessary certificate shall be issued as per government notification/ law of the land. No Indian Agent's Commission shall be payable in case of material found beyond Absolute Limits stipulated under ANNEXURE-I to Draft Acceptance to Tender / Agreement.

### 3.3 In case of Indigenous Supplies

a) Base LNITC Price (Po): Rs.....PMT, corresponding FOR Loading Station Price (....Railway Siding) is Rs. ...PMT.

b) Base Indices:  $HCC_0 = \text{USD} \dots \text{PMT}$ ,  $SCC_0 = \text{USD} \dots \text{PMT}$  and  $E_0 = 1 \text{ USD}$  is Rs.....

3.4 The Purchaser shall endeavor to inform the Seller the applicable price for a calendar month, for the which price of P1 is being worked out, within 7 working days after the last published index is known, by way of an amendment to the A/T.

### 4.0 **INSURANCE** :

4.1. The PURCHASER shall, at his own expense arrange for suitable Marine Insurance (Transit Insurance, in case of rail despatches) cover for the entire MATERIAL to be delivered by the SELLER.

4.2. For the purpose of insurance, the SELLER shall (1) intimate to the purchaser through FAX (Fax:+91 891-2518753/2518756 & email [tns\\_mm@vizagsteel.com](mailto:tns_mm@vizagsteel.com) and .....(Insurance Company) as and when loading commence at port of loading with details such as Acceptance to Tender / Agreement, name of the vessel, port of loading, provisional quantity to be loaded and value etc; and also (2) within two working days from the date of Bill of Lading intimate to the PURCHASER by Fax (Fax: +91 891-2518753 / 2518756 & email [tns\\_mm@vizagsteel.com](mailto:tns_mm@vizagsteel.com)) and .....(Insurance Company), the Acceptance to Tender / Agreement number, the port of loading, the name of the vessel, the quantity of the MATERIAL loaded on the vessel as per Load port Draught Survey Weight and value thereof, the Bill of Lading Number and date, the date and time of commencement and completion of loading, the date of sailing of the vessel, the name of the destination port and the expected date of arrival of the vessel at the destination port. The SELLER shall fax the message twice to ensure clear receipt of the message by the PURCHASER.

### 5.0 **SAMPLING AND ANALYSIS** :

#### 5.1 **AT LOAD PORT AT THE TIME OF LOADING :**

5.1.1 The SELLER shall, at his own expense, arrange to carry out at the load port, the sampling and analysis of the MATERIAL delivered in each shipment, in accordance with the relevant ASTM / British Standard Specifications (BS Specifications) / Specifications of the International Organization for Standardization (ISO Specifications) through an independent inspection agency at the loadport as approved by the PURCHASER. The PURCHASER may, at his option and at his own expense, depute his representative(s) to witness the sampling and analysis by the independent inspection agency at Load Port and may also obtain a part of the Loadport sample for testing. The SELLER shall provide necessary assistance in this regard to the PURCHASER's representative.

- 5.1.2 The SELLER shall furnish to the PURCHASER the certificate of Sampling and Analysis issued by the independent inspection agency at the loadport indicating all the parameters mentioned in the Technical Specification.
- 5.1.3 The certificate of Sampling and Analysis shall be prepared in 8 (eight) copies, of which 6 (six) copies shall be airmailed by the SELLER to the PURCHASER within 7 (seven) days from the date of Bill of Lading (within 2 days from the date of RR, in case of rail despatches) in respect of each shipment / rake and the remaining 2 (two) copies shall be submitted by the SELLER along with other Documents for drawing payment.
- 5.1.4 On no account, the Coke with Technical Specifications falling beyond the Absolute Maximum / Minimum Tolerance Limits mentioned in the Acceptance to Tender / Agreement shall be delivered.
- 5.1.5 The Sampling and Analysis Report of the material submitted by the Independent Inspection Agency at the Load Port will be final for all parameters for release of payment.
- 5.2. **AT DISCHARGE PORT AT THE TIME OF UNLOADING:**
- 5.2.1 The PURCHASER and the SELLER shall, at their respective expenses, through Independent Inspection Agencies of International repute appointed by the Purchaser and the Supplier, will carry out at the Discharge Port, the joint sampling and analysis of the MATERIAL delivered in each consignment, in accordance with the relevant ASTM/ British Standard Specifications (BS Specifications) / Specifications of the International Organization for Standardization (ISO Specifications). The Independent Inspection Agency appointed by Seller shall witness the Sampling carried out by Independent Inspection Agency appointed by Purchaser. The sample shall be divided into four parts, one each for the Supplier and the Purchaser, one for the Analysis and one for Umpire Sample.
- 5.2.2 In case Independent Inspection Agency is not deputed for Joint Sampling by the Supplier, the Independent Inspection Agency appointed by the Purchaser shall proceed with the Sampling and Analysis.
- 5.3 **Sampling and Analysis for Indigenous Supplies** by Rail shall be as per Terms and Conditions in Annexure –V to the DRAFT ACCEPTANCE TO TENDER (PART-VII).

**6.0 REBATE / DIMINUTION BEYOND GUARANTEED VALUES:**

- 6.1 For any deviations noted from the certificate of Sampling and Analysis with respect to the Specifications Guaranteed by the Supplier as laid down in the Acceptance to Tender / Agreement, the SUPPLIER shall allow rebate(s) / diminution(s) in price in his invoice(s) covering the delivery of MATERIALS in the consignment where such deviations are noticed, as specified below:

| Sl. No. | Technical Parameter | Basis for application of Rebate / Diminution in price in respect of each shipment (each rake, in case of rail despatches) for deviation from the Maximum / Minimum Guaranteed by the Supplier subject to Absolute Maximum / Minimum limits | Rebate / diminution in price which will be allowed by SUPPLIER to the PURCHASER per MT |   |
|---------|---------------------|--|--|---|
|         |                     |  | Imported Supplies  | Indigenous Supplies (refer <b>Cl. 6.1.1 below</b> ) |
| 1       | Ash                 | For every 1% (fractions prorata) increase  | US\$ 1.00 (US\$ one only)  |   |
| 2       | Volatile            | For every 1% (fractions  | US\$ 1.00 (US\$  |   |

|    |              |   |                                 |  |
|----|--------------|---|---------------------------------|--|
|    | Matter       | prorata) increase   | one only)                       |  |
| 3  | Sulphur      | For every 0.1% (fractions prorata) increase                         | US\$ 0.50 (US Cents fifty only) |  |
| 4  | Phosphorous  | For every 0.01% (fractions prorata) increase                        | US\$ 0.50 (US Cents fifty only) |  |
| 5  | M10          | For every 1% (fractions prorata) increase                           | US\$ 0.50 (US Cents fifty only) |  |
| 6  | M40          | For every 1% (fractions prorata) decrease                           | US\$ 0.50 (US Cents fifty only) |  |
| 7  | CSR          | For every 1% (fractions prorata) decrease                           | US\$ 0.50 (US Cents fifty only) |  |
| 8  | CRI          | For every 1% (fractions prorata) increase from 24% Max. to 26% Max. | US\$ 0.50 (US Cents fifty only) |  |
| 9  | Size: +90 mm | For every 1% (fractions prorata) increase                           | US\$ 0.50 (US Cents fifty only) |  |
| 10 | Size: -30 mm | For every 1% (fractions prorata) increase                           | US\$ 0.50 (US Cents fifty only) |  |
| 11 | Moisture     | Provisions in Clause No.7 below will govern.                        |                                 |  |

- 6.1.1 The applicable rebate for each parameter in case of Indigenous Supplies will be the rebate for the corresponding parameter defined in USD for imported supplies converted at the closing bid rate of Reuters as on the date of dispatch (RR date) of the material.
- 6.2 No bonus / increment will however be applicable for improvement in specifications observed over the values offered and guaranteed by the SUPPLIER.
- 6.3 The Absolute Maximum / Minimum limits specified in the Technical Specifications are provided for deviations from the Guaranteed Specifications in exceptional cases only. For such deviations from Guaranteed Specifications in exceptional cases subject to the Absolute Maximum / Minimum Limits, the Supplier shall allow the rebates in price to RINL on the delivery of such material. In no case the material shall be supplied with specifications beyond these Absolute Maximum / Minimum limits.
- 6.4 Load port analysis shall be final for dispatch, acceptance of the material, payment and for calculation of rebate/diminution.

## **7.0 CHARGEABLE WEIGHT:**

### **7.1 AT LOAD PORT (LOADING POINT AT SUPPLIER'S END, IN CASE OF RAIL DESPATCHES)::**

- 7.1.1 The SELLER shall, at his cost, determine the weight of the MATERIAL delivered at the port of loading by means of draught survey which shall be conducted by the independent inspection agency (through approved licensed marine surveyors) at the loadport, appointed by the SELLER and approved by the PURCHASER who shall issue the Certificate of Load port Draught Survey Weight. In case of Indigenous Supplies by rail, the Supplier shall obtain Clear RR, certifying the weight of material loaded, from Railways. The Loadport Draught Survey Weight (Clear RR Weight, in case of rail despatches; **Annexure –V** to this A/T) shall be final for the purpose of payment.
- 7.1.2 Where the Total Moisture (on "as received" basis) in the MATERIALS as disclosed in the Certificate of Sampling and Analysis at Loadport exceeds the Guaranteed Limit, the Chargeable Weight at Loadport for arriving at the estimated value of the material shall be calculated by reducing the Loadport Draught Survey Weight (Clear RR

Weight, in case of rail despatches) @ 1.3% for every 1.0% increase (fractions prorate) of Total Moisture over Guaranteed Limit subject to the Absolute Maximum Limit of 10% for shipments on FOB(T) basis and @ 1.0% for every 1.0% increase (fractions prorate) over Guaranteed Limit subject to the Absolute Maximum Limit of 10% for shipments on CFR basis. However, In case of exceptional circumstances, the consignments loaded / unloaded during winter or heavy rains, as per the certification of Meteorological Department / Independent Inspection Agency, the Absolute Maximum Tolerance Limit of Total Moisture (on “as received” basis) may go up to 11%. In such cases, the Invoice Weight shall be reduced by the excess percentage of Total Moisture over 10% @ 1.45% for every 1.0% increase over 10% (fraction prorata) up to 11%. The letter of credit shall provide for such treatment for moisture over Guaranteed Limit.

7.1.3 In case of Indigenous Supplies: Terms and Conditions for Weighment through Rail rakes is given in **Annexure –V** to this A/T and shall form part of this A/T.

**7.2 AT DISCHARGE PORT (UNLOADING POINT AT PURCHASER’S END, IN CASE OF RAIL DESPATCHES):**

7.2.1 The PURCHASER shall, at his own cost, determine the weight of the MATERIAL delivered in each consignment at the Discharge Port by means of draught survey which shall be conducted by the Independent Inspection Agency (through approved marine surveyors) appointed by the PURCHASER who shall issue the Certificate of Disport Draught Survey Weight. The SELLER may, at his option and at his own expense, depute his representative to be present at the time of determination of the Destination Port Draught Survey Weight.

7.2.2 In case of Indigenous Supplies: Terms and Conditions in **Annexure –V** to this A/T shall form part of this A/T.

**8.0 CONTINUOUS VARIATIONS :**

**FOR IMPORT SUPPLIES:**

8.1 If at any time during the currency of this Order, there are continuing variations between the quality of the MATERIAL stipulated under **ANNEXURE-I** to Draft Acceptance to Tender / Agreement and the results and/or weight determined at the Loading port and at the PURCHASER’s end, the PURCHASER and the SUPPLIER shall meet within a specific time frame of three or four (3/4) weeks from the date of intimation of such discrepancies by the PURCHASER to the SUPPLIER, to investigate the reasons for such discrepancies and to arrive at a mutually agreeable settlement of issues as may have arisen out of the discrepancies.

8.2 If no agreeable solution as envisaged in **Clause 8.1 above** is arrived at, the PURCHASER reserves the right to terminate the Order. Therefore, utmost precaution shall be exercised by the SELLER at the time of shipment of each consignment to ensure that the specifications stipulated under **ANNEXURE-I** to Draft Acceptance to Tender / Agreement are strictly complied with.

**FOR INDIGENOUS SUPPLIES:**

8.3 The terms pertaining to “Continuous Variations” for Indigenous Supplies by Rail shall be as per Terms and Conditions in **Annexure –V** to the DRAFT ACCEPTANCE TO TENDER (PART-VII).

**9.0 PAYMENT TERMS:**

## **(FOR IMPORTED MATERIALS)**

- 9.1 Payment to the Supplier shall be made for 100% through L/C based on load port analysis and weight . The price shall be worked out on the basis of :
- i) the applicable FOB price for the shipment in the relevant “month” shall be computed as per the PVC clause detailed at Para 3.0 above.  
Note: Pursuant to clause 9.3.7 below, “month” referred hereinabove refers to the calendar month of the start date of the agreed laycan.
  - ii) the applicable FOB Price shall be adjusted for Rebates on account of Quality Variations observed in Loadport Sampling and Analysis, Freight (if any) and Indian Agent’s Commission (if any).
  - ii) the Chargeable Weight at Loadport.
- 9.2 In case of material found beyond the Guaranteed Limits stipulated in Annexure-I to this Acceptance to Tender, the penalties, as mentioned at **Clause 6.1 above** shall be applicable. Besides this, the purchaser at his option may terminate the contract without any financial liability on either side.

## **9.3 MODE OF PAYMENT:**

### **FOR IMPORTED SUPPLIES**

- 9.3.1 The PURCHASER shall establish irrevocable Letter(s) of Credit, each covering the approximate value of one shipment after receipt of requisite Performance Guarantee Bond, (shipment to shipment basis in case of more than one shipment). Such Letter(s) of Credit shall be valid for a period of 30 days from the date of opening for shipment and 60 days for negotiation.
- Note:** In case the applicable price for the shipment is not known at the time of opening of LC, LC will be opened considering the FOB price as per para 3.2(a) above for FOB shipments and with Freight for CFR shipments.
- 9.3.2 All bank charges at the SUPPLIER’s end shall be borne and paid for by the SUPPLIER. All bank charges at the PURCHASER’s end shall be borne and paid for by the PURCHASER.
- 9.3.3 Payment through irrevocable L/C on presentation of the specified documents at .....(name of the bank).
- 9.3.4 Letter(s) of Credit established by the PURCHASER in favour of the SUPPLIER under this Order shall provide for payment as **Clause 9.1 above** on presentation of the following documents by the SUPPLIER at the counters of Negotiating Bank mentioned in the Acceptance to Tender / Agreement.
- a) 2/3 set of original Clean on Board Bill(s) of Lading made out to order and blank endorsed marked Notify “Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant, Transport and Shipping Dept., Administrative Building, Visakhapatnam-530 031”.
- Note: For FOB shipments - Charter Party Bill(s) of lading marked “freight to be paid as per Charter Party” will also be acceptable. For CFR shipments – Bill of Lading should be marked “freight prepaid”.

- b) Signed Commercial Invoices for payment as at **Clause 9.1 above** containing the reference of the Acceptance to Tender / Agreement certifying that the MATERIAL shipped is strictly in conformity with the Order - in quadruplicate. Such invoices shall also carry necessary adjustment for deviation in quality at loadport as per **Clause 6.1** of this Acceptance to Tender/ Agreement .
- c) Certificate of Sampling and Analysis issued by the Independent Inspection Agency at Loadport – in duplicate. Payment will not be released if the analysis result of any parameter exceeds the absolute maximum / minimum limit stipulated in the Acceptance to Tender / Agreement.
- d) Loadport Draught Survey Weight Certificate issued by the Independent Inspection Agency at Loadport – in duplicate.
- e) Certificate of Origin issued by Chamber of Commerce or a similar authority / agency – in duplicate. .
- f) Certificate issued by the Cokery who has supplied the material, certifying that they have supplied the material to the SUPPLIER for shipment by the named vessel – in duplicate.
- g) Copy of SUPPLIER's Fax advice of shipment to the PURCHASER and Insurance Company as referred to in **Clause 4.0 herein above**, - in quadruplicate.
- h) Certificate from the SUPPLIER clearly specifying the source of the Coke and that the material does not consist of mixed cargo – in duplicate.
- i) In case of CFR shipment, copy of the vessel acceptance issued by the Purchaser – in duplicate.
- j) SUPPLIER'S Certificate confirming that the documents mentioned under **Clause 9.3.5** have been sent directly to the Purchaser by Air Mail / Courier within seven days from the date of Bill of Lading – in quadruplicate.
- k) Copy of Amendment to the A/T issued by the Purchaser for the applicable Price for the shipment.

9.3.5 Within 7 (seven) days from the date of Bill of Lading, the SUPPLIER shall send copies of the documents mentioned below in respect of each shipment by Air Mail / Courier directly to the PURCHASER:

- i) One Original Bill of Lading along with four non negotiable copies.
- ii) Two non-negotiable copies of Commercial Invoice.
- iii) Six copies of the Certificate of Sampling and Analysis of loadport.
- iv) Two copies of Loadport Draught Survey Weight Certificate.
- v) Two copies of Certificate of Origin.
- vi) Two copies of Certificate issued by the Cokery.
- vii) Two copies of Certificate issued by the Supplier regarding source.
- viii) Two copies of SUPPLIER'S Fax advice of shipment to the PURCHASER and Insurance Company for the purpose of Insurance.
- ix) Two copies of vessel acceptance issued by the Purchaser in case of CFR Shipments.

9.3.6 The SELLER shall fax / e-mail the following documents to the PURCHASER within 4 working days from the date of Bill of Lading: copies of signed Bills of Lading, Commercial Invoice, Certificate of Sampling and Analysis, Certificate of Origin and

- 9.3.7 In case the shipment is delivered (Date of Bill of Lading) beyond 7 days from the end date of the agreed Laycan and consequently there is a change in calendar month, then the applicable price of the said agreed Laycan shall be lower of the prices(FOB) of the calendar month in which shipment is delivered (Date of Bill of Lading) **or** the calendar month of Laycan start date.

#### **FOR INDIGENOUS SUPPLIES**

- 9.4 100% value of the material shall be made against submission of despatch documents as mentioned at 9.4.1 below on 60th day ( 21st day for local micro and small enterprises and 45th day for non-local MSEs subject to submission of documents as stipulated vide clause No.2.1 of Part-XI of tender, Payment terms other than the above shall be suitably loaded for evaluation) from the date of submission to VSP(Raw Materials Department), without interest.
- 9.4.1 i) Commercial Invoice  
ii) Original clear Railway Receipt.(RR)  
iii) Six copies of the Certificate of Sampling and Analysis issued by Independent Inspection Agency report at loading point.  
iv) Two copies of Certificate issued by the Cokery who has supplied the material, certifying that they have supplied the material to the SUPPLIER for delivery to RINL/VSP.  
v) Two copies of Certificate issued by the Supplier regarding source of Coke and that the material does not consist of Mixed Cargo  
vi) Loading Certificate for Consignment issued by Public Analyst
- 9.4.2 In case any of the quantities that are agreed for delivery in a calendar month are delivered (respective RR date) beyond 7 days from the end of the agreed calendar month, then the applicable price for such delayed deliveries shall be lower of the prices (FOR Loading Station) of the calendar month in which the Rake is delivered (Date of RR) **or** the calendar month of agreed month of delivery.
- 9.5 Payment shall be made by NEFT/RTGS mode or such other mode of electronic fund transfer offered by banks.
- 9.6 Payments towards Railway freight, adjustments towards excess loading and under loading etc. are stipulated in **Annexure-V** to this A/T.
- 10.0 **DELIVERY:**
- 10.1 The period of delivery is the essence of this Acceptance to Tender/ Agreement . The date of the Bill of Lading shall be the date of delivery in respect of each consignment. In case of rail despatches, the date of dispatch (RR date) by the Seller shall be the date of delivery in respect of each consignment.
- 10.2 The SELLER shall take necessary steps to ensure that sufficient quantity of the MATERIAL is ready for delivery at the loadport(s) / loading point as to enable the nominated vessel / rake to off take the ordered quantity within the delivery period.
- 10.3 The PURCHASER shall endeavor to nominate vessels as per the delivery period The SELLER may however, accept vessels with minor changes in laydays and quantities.

- 10.4 For Imported supplies, the terms of delivery of the MATERIAL shall be as per **ANNEXURE II A** and **ANNEXURE II B** shall constitute an integral part of this Acceptance to Tender / Agreement.
- 10.5 For any delay in clearance at the port of destination on account of non-supply of shipping Documents (Original Clear Railway Receipt, in case of indigenous supplies) in time and/or due to faulty Documents, the SELLER would be held responsible for any demurrage, port/ siding / store rent etc, which the PURCHASER may become liable to pay to the authorities at the discharge port in India (Demurrages, Punitive Charges etc, payable to Railways, in case of indigenous supplies).
- 10.6 After nomination of the vessel by the PURCHASER as stated at **Clause 10.2 above** and the SELLER fails to provide the stem and thereupon the PURCHASER is called upon to pay the dead freight and any other charges, the same shall be to the account of the SELLER.

**11.0 PERFORMANCE GUARANTEE(PG) BOND:**

- 11.1 The SELLER shall establish a **Performance Guarantee(PG) Deposit / Bond for 5 % of the CFR (FO) value** (FOR VSP Siding value, in case of rail despatches) of the contract within 10 days of the issue of the Acceptance to Tender/ LOI whichever is earlier.

(Note: the CFR(FO) Value / FOR VSP Siding value shall be as per the Base LNITC price mentioned at para 3.2 and 3.3 above)

The Deposit shall be either by way of a Demand Draft or Banker cheque (both subject to realization) drawn on any Scheduled Commercial Bank and payable to Rashtriya Ispat Nigam Ltd. at Visakhapatnam. Further, the deposit may be made through NEFT / SWIFT (electronic) transfer to RINL bank account as provided based on specific request. The bond shall be established as per the enclosed proforma at **ANNEXURE – III of PART – VII** of the Tender Documents in favour of RINL through any nationalized bank or scheduled commercial bank in India. In case the bank guarantee(BG) is issued by any bank out side Visakhapatnam, the same should be routed through their branch Associated Bank in Visakhapatnam and enforceable at Visakhapatnam whose address is also to be specified in the BG.. Bonds issued by co-operative banks are not accepted. **The Bond shall be valid for six months from the date of last shipment / rake** against this Acceptance to Tender/ Agreement . No change in the prescribed proforma of the Bank Guarantee shall be acceptable. Further, the supplier is required to submit the duly filled in check list for BGs along with the Tender. The check list format is enclosed at **ANNEXURE III A**.

- 11.2 The Performance Guarantee Bond shall be for the due and faithful performance of the Contract and shall remain binding notwithstanding such variations, alterations or extensions of time as may be made, given, conceded or agreed to between the supplier and the Purchaser under the terms & conditions of the Acceptance to Tender / Agreement. The Supplier is to be entirely responsible for the due performance of the Contract in all respects according to the spirit, intent and meaning of the terms & conditions and specification and all other Documents referred to in the Acceptance to Tender / Agreement.
- 11.3 The Performance Guarantee Bond shall be kept valid and in full force and effect for a period of six months from the date of scheduled delivery of the last consignment. The BG should be signed on all pages by the concerned officer(s) of the Bank whose name, designation and Code no, should be mentioned against their respective signatures. The BG shall be sent by the issuing bank directly to RINL, Purchase Dept, under registered post (A/D). In exceptional cases, where the BGs are received through the supplier, the issuing Bank Branch should be requested to immediately

send by Regd. Post A/D, an unstamped duplicate copy of the guarantee directly to RINL, Purchase Dept. with a covering letter to compare with the original BGs.

- 11.4 Performance Guarantee Bond shall be released after six months from the date of receipt of last shipment / rake or one month after consumption of the total material supplied, subject to clearance from user department, whichever is earlier, under the Acceptance of Tender / Agreement and settlement of claims on account of demurrage / dispatch relating to load port (in case of FOB shipment) and disport (in case of CFR shipment) for all shipments under the order. In case of rail dispatches, settlement of claims on account of overloading / demurrage under the order.

12.0 **LIQUIDATED DAMAGES:**

- 12.1 In the event of the SELLER'S failure to deliver the MATERIAL within the time(s) as agreed to, the SELLER shall have to pay as liquidated damages (and not by way of penalty), a sum equivalent to half percent of the price of any MATERIAL which the SELLER has failed to deliver, as aforesaid, for each and every week (part of a week being treated as a full week) during which the MATERIAL are not delivered after the contracted delivery period provided, however, such liquidated damages shall not apply to any period of extension granted by the PURCHASER under Force Majeure conditions given under **Clause 23.0 herein below**. The maximum amount of Liquidated Damages levied on any shipment/rake will be 10% of the value of the MATERIAL in that shipment / rake. Delivery of the MATERIAL after the same has become liable for levy of liquidated damages under this Clause shall not operate as a waiver of this right. The criteria for levying LD shall be based on the number of rakes (Indigenous supplies) received in a month against the scheduled number of rakes due for delivery in a month.

13.0 **DEFAULT:**

- 13.1 Should the SELLER fail to provide the MATERIAL for delivery by the time or times agreed upon or should the SELLER in any manner or otherwise fail to perform the Acceptance to Tender / Agreement or should a receiver be appointed on its assets or make or enter into any arrangements or composition with Creditors or suspend payments (or being a company should enter into liquidation either compulsory or voluntary), the PURCHASER shall have power to declare the Acceptance to Tender / Agreement as at an end at the risk and cost of the SELLER in every way. In such a case, the SELLER shall be liable for any expenses, damages or losses which the PURCHASER may incur, sustain or be put to by reason of or in connection with SELLER's default. This Clause is however subject to Force Majeure vide **Clause 23.0 herein below**.

14.0 **RISK PURCHASE:**

- 14.1 The cancellation of the Acceptance to Tender / Agreement as stated in **Clause 13.1 herein above** may be either for whole or part of the Acceptance to Tender / Agreement at PURCHASER's option. In the event of the PURCHASER terminating the Acceptance to Tender / Agreement in whole or in part, he may procure, on such terms and in such manner as he deems appropriate, supplies similar to those so terminated and the SELLER shall be liable to the PURCHASER for any excess costs for such similar supplies. However, in case of part termination of Acceptance to Tender / Agreement by the PURCHASER, the SELLER shall continue the performance of the Acceptance to Tender / Agreement to the extent it is not terminated under the provisions of this Clause.

15.0 **RECOVERY OF SUMS DUE:**

- 15.1 Whenever under this Acceptance to Tender / Agreement any sum of money is recoverable from and payable by the SELLER, the PURCHASER shall be entitled to deduct such sum from any amount then found payable to the SELLER by the PURCHASER or which at any time thereafter may be found to be payable to the SELLER by the PURCHASER under this or any other Acceptance to Tender / Agreement with the PURCHASER or any other unit of Rashtriya Ispat Nigam Ltd. Should this sum be not sufficient to cover the full amount recoverable, the SELLER shall pay to the PURCHASER on demand the remaining balance amount. This action is without prejudice to the right of the PURCHASER to take legal action against the SELLER for the breach of the Acceptance to Tender / Agreement.
- 16.0 **RESPONSIBILITY:**
- 16.1 The PURCHASER on the one hand and the SELLER on the other hand shall be responsible for the performance of all their respective obligations under this Acceptance to Tender / Agreement.
- 17.0 **TRANSFER AND SUB-LETTING :**
- 17.1 The SELLER shall not sublet, transfer, assign or otherwise part with the Acceptance to Tender / Agreement or any part thereof, either directly or indirectly, without the prior written consent of the PURCHASER.
- 17.2 The SELLER shall be entirely responsible for the execution of the Acceptance to Tender / Agreement by the subcontractor, if any, permitted by the PURCHASER. For this purpose, the SELLER shall at his own cost ensure adequate inspection of the subcontractor's works by an inspection organisation acceptable to the PURCHASER.
- 18.0 **EXPORT LICENSE :**
- 18.1 It shall entirely be the responsibility of the SELLER to obtain the requisite Export License and to comply fully and to honour all procedures, regulations, policy, relevant laws of his country for export of the MATERIAL to India and he shall keep the PURCHASER indemnified for any losses which may accrue to the PURCHASER because of any defect therein.
- 19.0 **TAXES AND DUTIES:**
- 19.1 In case of Imported Supplies, The SELLER shall be entirely responsible for all taxes, stamp duties, Licence fees and other such levies imposed outside the PURCHASER'S country and the price indicated in the contract shall be deemed to be inclusive of all such taxes and duties, unless otherwise specifically mentioned.
- 19.2 In case of Indigenous Supplies, the prices shall be deemed to be inclusive of all taxes, duties and levies applicable on the due date for submission of tender. The prices shall remain firm and fixed during the period of the contract. For supplies on CST basis, C-Form shall be issued by the Purchaser. Any increase / imposition of taxes and duties shall be reimbursed at actuals and any decrease / withdrawal of taxes and duties shall be deducted based on the documents evidencing the taxes and duties applicable on the date of supply as well as the due date for submission of tender. In case the increase / imposition of taxes and duties is during the extended period of contract, reimbursement shall not be made unless specifically agreed at the time of extension. In case of supplies from Andhra Pradesh State, the Supplier shall be registered under VAT and shall submit VAT Invoice to enable the Purchaser to avail the Input Credit.

- 19.2.1 All purchases shall be subjected to TDS provisions if any as per GST Act. Further Supplier shall comply with all the necessary statutory compliances including but not limited to providing GST invoices or other documentation as per GST law relating to the above supply to RINL, uploading the details of the invoice, payment of taxes, timely filing of valid statutory returns for the tax period in the Goods and Service Tax Portal.

In case the Input Tax Credit of GST is denied or demand is recovered from RINL on account of any act of the Supplier, including but not limited to non-payment of GST charged and recovered, non generation of E-Way Bill, non-filing of Returns, non-uploading/ improper uploading of valid invoices raised on RINL in the Returns etc., the Vendor/supplier shall indemnify RINL in respect of all claims of tax, penalty and/or interest, loss, damages, costs, expenses and liability that may arise due to such non-compliance. Such amount shall be recovered from any payments due to the Supplier or from security deposit or any other amount available with RINL in the same contract or in other contracts including future contracts.

If any tax has been paid by the Supplier in pursuance of any demand on account of suppression, fraud or wilful misstatements of facts; then the same shall not be passed on to RINL through debit notes or invoices or supplementary invoices.

20.0 **IMPORT LICENCE:**

- 20.1 Import of the MATERIAL is presently under Open General Licence.

21.0 **COMPLETENESS OF THE ACCEPTANCE TO TENDER/ AGREEMENT AND MODIFICATION:**

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

22.0 **WAIVER:**

- 22.1 Failure to enforce any condition herein contained shall not operate as a waiver of the condition itself or any subsequent breach thereof.

23.0 **FORCE MAJEURE:**

- 23.1 If either the SELLER or the PURCHASER be prevented from discharging its or their obligation under this Acceptance to Tender / Agreement by reason of arrests or restraints by Government of people, war blockade, revolution, insurrection, mobilization, strikes, civil commotion, Acts of God, Plague or other epidemics, destruction of the MATERIAL by fire or flood or other natural calamity interfering with the production, loading or discharge, the time for delivery shall be extended by the time or times not exceeding one year, during which production, loading or discharge is prevented by any such causes as herein above mentioned. . Provided further that if the performance in whole or in part of any obligations under this Acceptance to Tender is prevented or delayed by reasons of any such causes as

herein above mentioned for a period exceeding 60 days, the non-affected party may at its option terminate the contract.

The party(Affected Party) invoking protection under this clause shall within 15(fifteen) days of the occurrence of Force Majeure causes put the other party (Non-Affected Party) on notice supported by Certificate from the Chamber of Commerce or concerned Governmental authority and shall likewise intimate the cessation of such causes. The delivery shall be resumed by the Party / Parties within 15 (fifteen) days from the cessation of the Force Majeure causes.

#### **24.0 ARBITRATION:**

24.1 In the event of any dispute arising between the Parties in relation to or under this Acceptance to Tender, the same shall be settled by Arbitration conducted in accordance with the Rules of Arbitration of the Indian Council of Arbitration (ICA). The decision of the Arbitration Tribunal shall be final and binding. Cost of arbitration to be borne by the losing party. The venue of arbitration shall be Visakhapatnam, India and arbitration shall be conducted in English language. The arbitral award shall be enforced in accordance with the provisions of the Arbitration and Conciliation Act, 1996

In case of any legal proceedings are instituted against Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant, they shall be instituted in the appropriate Civil courts of Visakhapatnam and the Courts at Visakhapatnam only shall have Jurisdiction.

#### **25.0 LEGAL INTERPRETATIONS:**

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

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

#### **26.0 LANGUAGE**

26.1 All Documents, all correspondence and communications to be given under this Acceptance to Tender, and all other documentation to be prepared and supplied under this Acceptance to Tender shall be written in English, and the Acceptance to Tender shall be construed and interpreted in accordance with English language.

26.2 If any of the documents, correspondence or communications are prepared in any language other than the English language, then the such documents, correspondence or communications must be accompanied by an English translation duly signed by the Translator concerned and Self Attested by the Seller, and such translation shall prevail in matters of interpretation.

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

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

impleader claims or counter claims against the Govt. of India arising out of this Acceptance to Tender / Agreement and covenants not to sue the Govt. of India as to any manner, claim, cause of action or thing whatsoever arising of or under this Acceptance to Tender/ Agreement.

Kindly acknowledge receipt of this Acceptance to Tender/ Agreement.

Thanking you,

Yours faithfully,  
For RINL / VSP  
( )

# ANNEXURE -I TO

ACCEPTANCE TO TENDER / AGREEMENT NO PUR. ....../ , Dt.

## TECHNICAL SPECIFICATION FOR 'LOW ASH METALLURGICAL COKE'

| Sl. No. | Technical particulars | Specifications guaranteed by the tenderer | Absolute Max. / Min. Limits |
|---------|-----------------------|---|-----------------------------|
| (1)     | (2)                   | (3)                                       | (4)                         |
| 1.      | MOISTURE              |   | 10.0 % MAX *                |
| 2.      | ASH                   |   | 13.5% MAX.                  |
| 3.      | VOLATILE MATTER       |   | 1.5% MAX                    |
| 4.      | b) SULPHUR            |   | 0.6% MAX                    |
|         | b) PHOSPHORUS         |   | 0.035% MAX                  |
| 5       | a) M10                |   | 8.0% MAX                    |
|         | b) M40                |   | 80.0% MIN                   |
| 6       | a) CSR                |   | 62.0% MIN                   |
|         | b) CRI                |   | 22 % MIN. – 26% MAX         |
| 7       | a) MEAN SIZE          |   | 50 - 55 MM                  |
|         | b) + 90 MM            |   | 8.0% MAX                    |
|         | c) - 30 MM            |   | 8.0% MAX                    |

\* In case of exceptional circumstances, consignments loaded / unloaded during winter or heavy rains, as per the certification of Meteorological Department / Independent Inspection Agency, the Absolute Maximum Tolerance Limit of Total Moisture (on "as received" basis) may go up to 11% and by reducing the Invoice Weight as per **Clause 7.1.2 of PART-VII** of Global tender.

**Note :** No bonus/increment will however be applicable for improvement in specification observed over the values offered and guaranteed by the SELLER.

**TERMS AND CONDITIONS FOR DELIVERY OF THE MATERIALS ON THE BASIS OF  
FOB (TRIMMED) PORT(S) OF LOADING**

- 1.0 **TYPE OF VESSELS:** The PURCHASER shall as far as possible, charter Gearless/Geared vessels required for carriage of the MATERIALS under this Agreement upon the terms of the AMERICANISED WELSH COAL CHARTER PARTY with such variations or deletions therein or additions thereto as are necessary to make it conform to the provisions of this Order and as further elaborated herein below.
- 2.1 The PURCHASER shall charter single decker vessels(with DWT over 40,000 MT)suitable for bulk loading of **30,000 metric tons** with a shipping tolerance of plus or minus **10% (Ten percent)** per voyage, at Ship Owner's or Charterer's (i.e. PURCHASER'S) option of LAM COKE. In case vessels of other size are available for meeting the requirements, the PURCHASER shall have the option of chartering and nominating such vessels also. While chartering the vessels, the PURCHASER shall take into account the details furnished by the SUPPLIER to the PURCHASER regarding the Material loading facilities, acceptable dimensions of the vessels, clearance dimensions of the Material loading gantries and sailing draught at the Load Port(s).
- 2.2 The vessel nominated by the PURCHASER shall be classed highest Lloyds or equivalent, be in thoroughly seaworthy condition, comply in every respect with all International and Local regulations, comply with all regulations governing the carriage by sea of LAM Coke in bulk and shall be maintained as such for the duration of the voyage.
- 3.0 **GENERAL CP PROVISIONS:** The Charter Party / Parties between the Ship owner(s) and the PURCHASER in respect of the vessel(s) fixed by the PURCHASER for carriage of the MATERIALS under this Order shall, interalia, provide for the following.
- 1) The Ship owner shall bear and pay all port dues (except port loading charges), tonnage dues, light dues and other taxes, assessments and charges which are customarily payable at the Loadport(s) on or with respect to the vessel(s).
  - 2) The Master of the vessel shall give Fax / e-mail advice(s) at the intervals of 7 days, 72 hours, 48 hours and 24 hours to the SUPPLIER regarding the ETA of the vessel and the quantity required to be loaded into the vessel at the Loadport.
  - 3) The Master of the vessel shall provide free use of light on board the vessel as may be required for working the vessel at the Loadport(s) and in each case free of expense to the SUPPLIER.
  - 4) The Master of the vessel shall allow on board the vessel the authorised representative(s) of the Independent Inspection Agency / Marine Surveyors at the Loadport(s) to witness / inspect and supervise the loading of the MATERIALS into the hatches of the vessel as well as to carry out draught surveys.
  - 5) Bills of Lading shall be prepared on the basis of the Draught Survey Weight determined by the Independent Inspection Agency through approved Marine Surveyors at the Loadport and such Bill(s) of Lading shall be endorsed by the Master of the vessel or the agents of the Ship owner at the Loadport within 24 hours after completion of loading. The Bills of Lading must be issued in the latest 'CONGEN BILL FORM' only.
  - 6) The Master of the vessel or the agents of the Ship owner at the Loadport shall release Bill(s) of Lading marked "Freight payable as per Charter Party" immediately after completion of loading.

- 4.1 **SHIPMENT SCHEDULE (LAY DAYS):** Based on the delivery schedule agreed upon between the PURCHASER and the SUPPLIER, the PURCHASER shall nominate vessel about two weeks prior to effecting of the shipment. The SUPPLIER shall confirm to the PURCHASER by E-mail / Fax the acceptance of such vessel(s) within 1 (One) working day of the nomination such thereof. The laydays for each vessel shall be narrowed down to 10 days, in advance of the ETA of the vessel at the Loadport.
- 4.2 The PURCHASER shall endeavor to nominate vessels as per the delivery period. The SUPPLIER may however, accept vessels with minor changes in laydays and quantities.
- 4.3 The SUPPLIER shall take necessary steps to ensure that sufficient quantity of the MATERIAL is ready for delivery at the Loadport(s) as to enable the nominated vessel to off take the ordered quantity within the delivery period.
- 4.4 After nomination of the vessel by the PURCHASER as stated above if the SELLER fails to provide the stem and thereupon the PURCHASER is called upon to pay the dead freight and any other charges, the same shall be to the account of the SELLER.
- 5.0 Upon the fixture of any vessel by the PURCHASER for carriage of the MATERIALS under this Order, the PURCHASER shall intimate to the SUPPLIER relevant particulars of such vessel. The PURCHASER reserves the right to appoint his own agent(s) at the Loading port(s).
- 6.0 The SUPPLIER shall arrange to deliver / load the MATERIALS FOB (TRIMMED) into the vessel(s) nominated by the PURCHASER and accepted by the SUPPLIER at the Port(s) of loading.
- 7.0 The SUPPLIER shall arrange for a safe loading berth for the vessel at the notified Loading port.
- 8.1 **GUARANTEED LOAD RATE:** The SUPPLIER shall guarantee to deliver / load the MATERIALS into the vessel(s) (FOB Trimmed), at the rates and terms mentioned herein under:

|   |  |
|---|--|
| For Vessels with Capacity to ship Parcel of | Guaranteed Rate of Loading Terms per Weather Working Day (PWWD) of Twenty Four Consecutive Hours Sundays Holidays included (SHINC) |
| 30,000 +/-10%                               | 15,000 Metric Tonnes   |

- 8.2 If any overtime work is performed by the crew of the vessel at the port of loading at the instance of the SUPPLIER, crew's overtime shall be borne and paid for by the SUPPLIER.
- 9.1 **NOTICE OF READINESS(NOR):** Upon arrival of the vessel at the outer anchorage or at the pilot station of the Loadport, whether the vessel is in free pratique or not and in berth or not, Master of the vessel shall serve on the SUPPLIER the Notice of Readiness (MASTER'S N/R) of the vessel to load cargo at any time in or out of office hours on all days (SHINC).
- 9.2 If the vessel, whether in free pratique or not, is found by the SUPPLIER not to be ready in any other respect to load after its berthing, the specific grounds on which the vessel is found not to be ready to load, shall be recorded by the SUPPLIER in the STATEMENT OF FACTS which is also to be accepted and signed by the Master / Agent of the vessel at the Loadport. In such an event, the laytime shall not be deemed to have commenced until the vessel is in fact ready to load in all respects.

## **10.0 TIME COUNTING PROVISIONS:**

10.1 In the Statement of Facts, there should be proper notation as to the delays attributable to shore side or to the Vessel. The delays attributable only to the Vessel do not count as time used unless the Vessel is already on demurrage. All other delays (like shore side Electrical / Mechanical breakdowns, waiting for tide, waiting time to maintain under keel clearance etc.) to count as time used. Once the Vessel is on Demurrage, the Vessel shall always be on Demurrage. Steaming time from anchorage to berth on arrival of Vessel at Load port and time used for Draft survey / check not to count, even if the Vessel is already on demurrage. Statement of Facts should be signed by all concerned.

10.2 Laytime (i.e loading time) shall commence 24 hours after the time at which MASTER'S N/R is served, whether the vessel is in berth or not and in free pratique or not, unless the loading of the MATERIALS sooner commenced, in which event laytime shall count from the actual time of commencement of loading. Any time lost by the vessel in waiting for berth shall also count as loading time.

11.0 The SUPPLIER shall arrange to deliver / load the MATERIALS into the vessel and to trim the MATERIALS inside the hatches of the vessel by mechanical or manual means at the option of the SUPPLIER in accordance with the instructions of and to the satisfaction of the Master or the Chief Officer of the vessel free of risk and all expenses either to the vessel or to the PURCHASER. Claims for damage caused to the vessel by stevedores, if any, are to be settled between the SUPPLIER and the Ship Owners, without any implication to PURCHASER. The SUPPLIER shall remain responsible for settlement of such claims. Any damage shall be notified in the SOF.

The Master / Agent of the vessel at the Loadport should notify in SOF in writing of any alleged damage to the vessel by the stevedores and failure to so notify shall bar any claim thereof. In any event, any such claim shall be barred if not made prior to the departure of the vessel from the Loadport where damage is alleged to have occurred.

12.0 Should the SUPPLIER fail to deliver / load the MATERIALS into the vessel(s) in full or in part for reasons excluding Force Majeure the SUPPLIER shall be liable to the PURCHASER for all payments or expenses which the PURCHASER may incur by reason of such non delivery including dead freight or extra freight, demurrage to the vessel and/or any other charges and expenses of whatsoever nature which may be incurred by the PURCHASER.

13.0 Immediately on completion of loading of the material into the Vessel, within 48 hours the Supplier shall furnish the following details of shipment by E-mail and fax to the PURCHASER and the Insurance Company to enable the PURCHASER to take necessary Marine Insurance Cover.

- i) Name of the Vessel
- ii) B/L weight and value of the cargo
- iii) Name of the port of shipment
- iv) Date and time of commencement and of completion of loading
- v) Date and time of sailing of the Vessel from the port of shipment & Sailing Draft.
- vi) ETA VISAKHAPATNAM, INDIA.
- vii) No. and Date of Bill of Lading.

14.0 Immediately on completion of loading, the SUPPLIER shall obtain from the Master of the vessel or the Agents of the vessel at the Loadport 'CLEAN ON BOARD' shipped Bill(s) of Lading.

15.0 Immediately after completion of loading, a STATEMENT OF FACTS shall be made out at the Loadport duly signed by the Master of the vessel / Agents of the vessel at the

Load port and the SUPPLIER or their Agents at the Loadport. Before sailing of the vessel from the Loadport, copies of the Statement of Facts shall be handed over to the Master of the vessel / Agents of the vessel at the Loading port.

**16.0 DEMURRAGE / DESPATCH SETTLEMENT:**

- 16.1 In the TIME SHEET based on the aforesaid STATEMENT OF FACTS, the computation of laytime allowed and laytime used shall be based on the terms and conditions contained hereinabove. Despatch, if any, shall be calculated on the basis of "working time saved". The rate of demurrage / despatch shall be as stipulated in Charter Party relating to the vessel. In the case of demurrage, the SUPPLIER shall remit the agreed amount of demurrage to the PURCHASER. In the case of despatch, the PURCHASER shall remit the agreed amount of despatch to the SUPPLIER. The SUPPLIER should submit Loadportlaytime statement including SOF, demurrage / despatch calculation within 30 days from the date of B/L for each vessel. .
- 16.2 On final settlement of Lay time calculations between the SUPPLIER and PURCHASER in respect of each Vessel, demurrage / despatch payment shall be effected directly within 30 days from the date of receipt of the claim (Debit Note). In any case, settlement of demurrage / despatch should be completed within 120 days from the date of B/L.
- 17.0 All the shipping documents like Original B/L, Certificate of Country of Origin, Load port Sampling and Analysis Certificate, Load port Draft Survey Weight Certificate etc. should be sent by the SUPPLIER to the PURCHASER immediately after completion of loading and in any case not later than 7 days from the date of B/L by AIR MAIL / COURIER so that the documents are received by the PURCHASER well before the arrival of Vessel at the discharge port to take immediate delivery of the cargo.
- 18.0 The SUPPLIER shall agree to comply with the International Ship and Port Facility Security (ISPS) Code stipulated by the International Maritime Organisation, which has come into effect w.e.f. 1st July'2004. Failure on the part of the SUPPLIER to comply with the ISPS code's requirements and / or the Load port not conforming with the ISPS code and any delays caused by such failures shall be to the SUPPLIER's account who shall be fully responsible for all the consequences arising out of it.

Note :

1. Name, Address, FAX / e-mail and telephones numbers for serving Notice regarding ETA of the Vessel and Notice of Readiness of the Vessel to the SUPPLIER at the Load port as per Para 3.2 and 9.0 hereinabove:

M/s \_\_\_\_\_

**TERMS AND CONDITIONS FOR DELIVERY OF THE MATERIALS ON THE BASIS OF CFR (FREE OUT), VISAKHAPATNAM PORT / GANGAVARAM PORT**

**1.0 TYPE OF VESSELS:**

- 1.1 The SUPPLIER shall effect shipment in single-decker Gearless/Geared vessels (with DWT over 40,000 MT), subject to the approval of the PURCHASER,

The vessel nominated by the SUPPLIER shall be classed highest Lloyds or equivalent, be in thoroughly seaworthy condition, comply in every respect with all International and Local regulations, comply with all regulations governing the carriage by sea of LAM Coke in bulk and shall be maintained as such for the duration of the voyage.

The Vessels shall preferably be less than 15 years of age but not exceeding 20 years of age. Entire extra insurance on cargo, if any, by reason of Vessel's age, Flag or Class to be for SUPPLIER's account.

The SUPPLIER shall confirm that the nominated Vessel possesses valid statutory certificates and complies with all directives of Government of India / DG (Shipping) reg. suitability and / or acceptability of Vessel in respect of class / age / other technical parameters in Indian waters / ports. The SUPPLIER shall confirm that the nominated Vessel is able to meet all discharge port limitations / requirements / conditions. The holds of each Vessel shall be cleaned before loading, to avoid contamination. The Vessel nominated to the PURCHASER should not carry cargo for any other party than the PURCHASER.

- 1.2 RINL reserves the right to handle the vessel either at Visakhapatnam Port (VPT) or at Gangavaram Port (GPL), INDIA. The Supplier shall ensure that the vessel engaged by them for shipment of the MATERIALS under this Order comply with the limitations and is able to meet all limitations/requirements/conditions at the discharge port (GPL / VPT).

- 2.0 **GENERAL CP PROVISIONS:** The SUPPLIER shall ensure that the charter parties governing shipment of the MATERIALS under this Order contain, inter-alia, the following provisions:

- 2.1 Immediately on sailing of the vessel, the Master of the Vessel shall give Fax / E-mail advice regarding ETA VISAKHAPATNAM, INDIA to the PURCHASER. Thereafter, the Master of the vessel, shall Fax / E-mail at intervals of 14 days / 10 days / 7 days / 72 hours / 48 hours / 24 hours regarding ETA of vessel to the PURCHASER (Fax: +91-891-2519511/ 2518753 / 2518756, E-mail: tns\_mm@vizagsteel.com; bvenky@vizagsteel.com; dvavikumar@vizagsteel.com) as well as to under mentioned port office of the PURCHASER:

III FLOOR, ROOM No. 418 22, MAIN ADMINISTRATIVE BUILDING, RASHTRIYA ISPAT NIGAM LIMITED, VISAKHAPATNAM STEEL PLANT, VISAKHAPATNAM - 530031 (Ph./Fax: +91-891-2519520 / +91-891-2566097, E-mail: ketha\_mm@vizagsteel.com & tns.port@gmail.com)

- 2.2 The SUPPLIER shall arrange for the vessel to bear and pay all port dues / charges (except port unloading charges), tonnage dues, light dues, and other taxes, assessments and charges which are customarily payable at Indian Port(s) of discharge on or with respect to the vessel(s).

- 2.3 Each Geared vessel shall hold a valid Gear Certificate in conformity with the International Dock Safety Convention, covering the duration of each voyage and confirming that all the gears have been duly tested. The Gear Certificate shall be made available by the Master of the vessel to the representative of the PURCHASER for perusal, after the berthing of the vessel.
- 2.4 The Master of the vessel shall allow on board the vessel the representatives of the independent cargo inspection agency / marine surveyors appointed by the PURCHASER and provide such information / assistance as may be required by them in connection with the performance of their assigned duties.
- 2.5 The Master of the vessel shall provide free use of light on board the vessel as may be required for working the vessel at the ports of discharge at all times and in each case free of expense to the PURCHASER.
- 2.6 The opening and the closing of the hatches of the vessel shall always be done by the vessel's crew and the cost involved therein and the time used thereof shall be to the account of the vessel even if the vessel is on demurrage.
- 2.7 In the event of the Master of vessel exercising lien on the cargo (i.e the MATERIALS) for non-payment of freight, extra freight, dead freight, demurrage and damages for detention of the vessel at the Indian port(s) of the discharge, the SUPPLIER shall on receipt of Fax / Email intimation from the PURCHASER, take immediate remedial measures and shall cause appropriate instructions being issued to the Master of the vessel to proceed with the discharge of cargo (i.e the MATERIALS). Any time lost between the receipt of notice of lien by the PURCHASER from the Master of the vessel and the withdrawal of such notice shall be to the account of the vessel.
- 2.8 The overtime of the crew shall be to the account of the vessel unless ordered by the PURCHASER.
- 2.9 In case of claim for damage caused to the Vessel during discharging, such claims to be presented by the Master immediately after the damage has been sustained with the third party damage report, failing which, PURCHASER shall not be responsible. Claims for damage caused to Vessel by Stevedore during discharge at GPL / VPT are to be settled between Ship-owners and Stevedore, failing which, PURCHASER to remain responsible for settlement of such claims. In all cases, the Vessel is to notify the PURCHASER / Stevedore, in writing, prior to Vessel's departure from discharge port, of any alleged damage to the Vessel by Stevedore along with third party damage report and failure to do so notify shall bar any claim thereafter.

The Master of the Vessel shall get a joint survey conducted with the Stevedore to determine the extent of damage sustained to the Vessel. The joint survey must be conducted before departure of the Vessel from the port in which damage took place. Failure to submit final claim within 30 days from the date of discharge completion, will debar the claim and relieve PURCHASER / Stevedore of all responsibilities. In the absence of a joint survey, the claim shall stand barred and PURCHASER / Stevedore shall stand absolved and relieved of all responsibility.

- 2.10 The time used for opening and closing of hatches, Customs formalities, gangway placement, grab fixing and draft survey will be on vessel's account and time used not to count as laytime even if the vessel is already on demurrage.
- 2.11 No time shall be counted during rain periods, as mentioned in SOF and on NWWD, as declared by Visakhapatnam Port Trust (VPT) / Gangavaram Port Ltd., (GPL), even if discharge operation is continued for some part of time unless the vessel is on demurrage.

**3.0 INTIMATIONS TO BE SENT BY THE SUPPLIER TO THE PURCHASER ON NOMINATION OF VESSELS FOR SHIPMENT AND COMPLETION OF LOADING OF VESSELS AT LOADPORT:**

3.1 SUPPLIER shall so arrange for each shipment of MATERIALS hereunder to conform with agreed Delivery Schedule and shall nominate each vessel 30 days in advance to the PURCHASER by Fax / E-mail including the following details of the vessel(s) viz.

- i) Name of the vessel
- ii) Flag
- iii) Year Built
- iv) Name and nationality of the shipowners
- v) Class
- vi) Type
- vii) Length overall
- viii) Beam length
- ix) Number of hatches / holds
- x) Dimensions of hatch openings
- xi) Number of cranes and their capacities
- xii) Number of grabs and their sizes and lifting capacity per cycle
- xiii) Quantity of the MATERIALS proposed to be loaded
- xiv) Laydays and ETA of the vessel at loading port
- xv) Rate of demurrage / despatch
- xvi) IMO No. of the Vessel
- xvii) DWT and Max. Draft of the Vessel

3.2 The PURCHASER shall Fax / Email to the SUPPLIER within 2 (two) working days his acceptance or otherwise of the above nomination.

3.3 The PURCHASER reserves the right to appoint his own Charterer / protective agent at the Indian port(s) of discharge at the customary agency fee payable by the Vessel to such agent. The Vessel shall appoint its own agents at the Indian port(s) of discharge. The SUPPLIER shall consign the Vessel(s) to RINL / their Agent(s) at the Indian Port(s) of Discharge at customary agency fees payable by the Vessel / Owners to such agent(s). The charterers agency fees must be paid to the agent nominated by RINL within 30 days of completion of discharge at the respective port (s).

3.4 Within 48 hours of sailing of the vessel from the Loadport, the SELLER shall give the following details by Fax to the PURCHASER :

- i) Name of the vessel
- ii) B/L weight and value of the cargo
- iii) Name of the port of shipment
- iv) Date and time of commencement and of completion of loading and
- v) Date and time of sailing of the vessel from the port of shipment.
- vi) ETA VISAKHAPATNAM East Cost India.

**4.0 OPTION FOR DISCHARGE OF CARGO AT SECOND SAFE BERTH BY THE PURCHASER:**

4.1 The PURCHASER shall have the option to discharge cargo from the vessel at a second safe berth at the same port of discharge. In the event of PURCHASER exercising the option as aforesaid, the expenses involved in shifting the vessel to the second safe berth shall be to the account of vessel and the time used in shifting shall not count as laytime. If the port authorities order the shifting of the vessel to another safe berth at the same port of discharge, the time involved in shifting and the cost thereof shall be to the account of the vessel.

**5.0 SERVICE OF NOTICE OF READINESS FOR DISCHARGE OF CARGO (I.E.THE MATERIALS) BY THE MASTER OF THE VESSEL (MASTER'S N/R):**

- 5.1 Upon arrival of the Vessel within the port of discharge and in freepratique and after being ready in all respects to discharge the cargo, the Master of the Vessel shall serve on the concerned port office(s) of the PURCHASER (referred to in Clause 2.1(a) herein above) the Notice of Readiness (NOR) of the Vessel to discharge cargo (MASTER's N/R) in writing  
at any time in or out of the office hours.

**6.0 TIME COUNTING PROVISIONS:**

- 6.1 Time to count 24 hours after NOR is served by the Master of the Vessel and accepted on arrival of the Vessel within port limits and whether in berth or not and in free pratique and ready in all respects to discharge the cargo unless used. If Used, actual time to count. If turn time of 24 hours expires on Saturday afternoons, Sundays, Holidays the Lay time shall commence at 0930 hours on the next working day.
- 6.3 The time taken by the vessel for proceeding from anchorage to the berth shall be treated as transit time and shall be to the account of the vessel, even if the vessel is on demurrage.
- 6.4 If, after berthing, the vessel is found by the Port Authorities / PURCHASER not ready in all respects to discharge, Laytime will not commence until the vessel is in fact ready in all respects to discharge.
- 6.5 For Geared Vessels, In the event of breakdown of gear / cranes / winches and other equipment of the vessel by reason of disablement or insufficient power etc. the period of such insufficiency shall not count as Laytime, irrespective of whether the Vessel is on demurrage or not.
- 6.5 Time lost by reason of any or all of the following causes preventing discharge of the cargo shall not be computed as Laytime unless the vessel is already on demurrage.
- i) War, rebellion, tumult, political disturbances, insurrections
  - ii) Lockouts, Strikes, Riots, Civil commotion
  - iii) Epidemics, Quarantine, Landslips, Floods, Frost or Snow, boretimes, bad weather.
  - iv) Stoppage of work, whether partial or general, by workmen, Longshoremen, Tug-boat men or other hands essential to the working of the vessel or discharge of cargo from the vessel.
  - v) Accidents at the wharf.
  - vi) Intervention of Sanitary, Customs and/or other constituted authorities.
  - vii) Stoppage, whether partial or total, on rivers and canals.
  - viii) Any other cause beyond the control of the PURCHASER.

**7.0 GUARANTEED DISCHARGE RATES:**

- 7.1 The SUPPLIER shall deliver the MATERIALS free in vessel's holds in one or two safe berths, reachable on arrival always afloat at the nominated port of discharge.
- 7.2 The Master of the vessel shall make available all the hatches for discharge of cargo, throughout the period the vessel is worked for discharge of cargo, unless the MATERIALS in other hatches is completely discharged.

Subject to the provisions herein above, the average guaranteed discharge rate will be 20,000MT at mechanized berth or 15,000MT at other than mechanized berth PWWO of 24 consecutive hours basis 5 hatches on SHINC terms. SHINC provision shall be applicable after commencement of lay time.

**8.0 STATEMENT OF FACTS (SOF):**

8.1 Immediately after completion of discharge, and before the sailing of the vessel from the port of discharge, a statement of facts shall be made out at the port of discharge duly signed and distributed amongst.

- i) Master of the vessel/agents of the vessel at the port of discharge.
- ii) Agents / Representative(s), if any of the SUPPLIER at the port of discharge.
- iii) Representative of PURCHASER.

**9.0 SETTLEMENT OF DEMURRAGE / DESPATCH MONEY ACCOUNT IN RESPECT OF EACH SHIPMENT:**

9.1 In the time sheet based on the aforesaid STATEMENT OF FACTS, the computation of laytime used shall be based on the provisions contained herein. Despatch, if any, shall be calculated on the basis of 'Working time saved'. The rate of demurrage / despatch shall be as stipulated in Charter Party relating to the vessel. The Supplier shall produce a copy of the Charter Party showing the rate of demurrage / dispatch to the Purchaser. In the case of despatch, the SUPPLIER shall remit the agreed amount of despatch to the PURCHASER. In the case of demurrage, the PURCHASER shall remit the agreed amount of demurrage to the SUPPLIER. The SUPPLIER / PURCHASER shall submit claim within 30 days of completion of discharge. The final settlement of the account of demurrage / despatch in respect of each vessel shall be effected directly between the SUPPLIER and the PURCHASER on the above basis, within 120 days from the date of discharge completion.

**PROFORMA OF BANK GUARANTEE (BG) FOR  
PERFORMANCE GUARANTEE (PG) BOND**

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

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

To  
Rashtriya Ispat Nigam Limited,  
Visakhapatnam Steel Plant,  
Administrative Building,  
Visakhapatnam – 530 031.

Bank Guarantee No. Dt.

**LETTER OF GUARANTEE**

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

and (b) hereinabove, as the case may be. Payment under this LETTER OF GUARANTEE shall be made promptly upon our receiving the notice to that effect from the PURCHASER on demand and without protest or demur.

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

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

7. We, \_\_\_\_\_ (name of the bank and branch) hereby further agree that the Guarantee herein contained shall not be affected by any change in the constitution of the SELLER and/or the PURCHASER.

FOR AND ON BEHALF OF  
Name of the bank & branch

Signature:  
Name:  
Duly Constituted Attorney & Authorised Signatory  
Designation  
Name of the bank & branch  
Issuing Bank IFSC Code :

Place : Visakhapatnam  
Date:

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

(NAME AND ADDRESS TO BE SPECIFIED)

**ANNEXURE - III A OF ACCEPTANCE TO TENDER / AGREEMENT**

**CHECK LIST FOR BANK GUARANTEES**

**Name of the party submitting BG:**

**Party Code:**

**Tender No:**

**Name of the Bank issuing BG:**

**Branch issuing the BG:**

**BG No.:**

**BG Date:**

**BG Value:**

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

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

**Signature of the Tenderer**

**Date: .....**

**DECLARATION REGARDING INCOME TAX**

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

To

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

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

Ref: Acceptance to Tender (Contract) No. #.

\*\*\*

Dear Sirs,

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

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

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

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

Yours faithfully,

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

# To be Left blank by the Tenderer, and RINL / VSP will fill up the contract /AT number in case of an Order is placed on the tenderer.

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

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

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

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

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

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

**Verification**

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

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

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

Signature of the person providing the information

**Notes :**

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

**ADDITIONAL TERMS AND CONDITIONS FOR INDIGENOUS SUPPLIES BY RAIL**

**1.0 MODE OF DISPATCH & WEIGHMENT:**

1.1. Material has to be supplied through Railway BOXN wagons only. Necessary Railways approval (ED RM clearance) for transport of material through BOXN rakes and its timely arrangement at loading point shall be the Seller responsibility. The wagons shall have to be covered with tarpaulin and the tarpaulin cover secured properly.

1.2. Materials should be dispatched by Rail, to Visakhapatnam Steel Plant in Train Loads under E-payment/ Pre paid system in BOX-N wagons only. If the consignor fails to dispatch in train loads then the difference of freight between train loads and wagon loads of the particular consignment will be recovered from the bills of the seller. In case of any reason railway is not able to supply rake size as per train load then the supplier shall ensure to take necessary action to get in writing from authorized officer of Railways (prior to dispatch) for not booking in train load and then submit to VSP to claim from railways, so as not to effect any deduction from supplier's bill for such cases.

1.3. The clear RR weight shall be the basis for payment towards quantity. In case the clear RR is not available, the actual RR weight if weighed at en-route will be the basis of receipt of material at the destination and will form basis for payment. If actual RR wt is not available then Purchaser's weigh bridge weight will be the basis of payment on individual rake basis.

1.4. Due to unavoidable circumstances, if some/all wagons are not weighed at the Purchaser's weigh bridge, then the weighted average of weighed wagons will be the basis for payment for the un-weighed wagons.

1.5. As in all these cases, the Railways will be charging freight according to chargeable weights; the Seller should ensure that the wagons are invariably loaded according to the capacity of the wagons. Under loading/ overloading charges levied by railways, if any shall be to account of the seller.

1.6. In case the rake is found to be under loaded, dead freight and other incidental expenses, if any, involved due to under loading will be debited to the Sellers account. The coke being lighter material, there will be dead freight with respect to chargeable weight, however the tenderer has to ensure full rake loading with a minimum guaranteed load of 2300 tonne. Dead freight will be calculated if the loading is less than the guaranteed load from individual rake to rake basis. Party should not load more than 2500 MT a rake of 59 BOXN wagons of moisture content up to 5%. If moisture content is more than 5%, the limit of 2500 MT will be proportionately adjusted. Payment for material will be restricted to limit of 2500 MT or the adjusted quantity as above.

1.7. In case the wagons are found to be overloaded, the penal freight, if levied by the railways and other incidental expenses, if any, involved due to overloading of the wagons will be debited to the Sellers account.

1.8. To calculate the dead freight Short/excess will be adjusted / accounted on individual rake to rake basis.

1.9. Transit insurance, if required, shall be arranged by the Purchase against their open general insurance policy with their underwriters. For this purpose dispatch details indicating purchase order number and date, quantity dispatched, wagon no. etc. shall be intimated to the Purchase immediately after dispatch by the seller

1.10. RR should not be made out on #SELF# failing which demurrage/wharf age shall be on sellers account (Consignee DGM(RMD), Visakhapatnam Steel Plant siding, Visakhapatnam).

1.11. The supplier should ensure that wagon numbers are correctly mentioned in the RR in order to avoid mismatch between received wagons and dispatched wagons.

1.12. Demurrage and wharfage incurred by the Purchaser on account of Sellers violation of advice suspending or restricting supplies shall be entirely to Seller's account.

1.13. The seller shall be responsible for the timely indenting of adequate number of wagons and arrange to load the wagons as required, to fulfill the delivery schedule / instructions. Detention charges, idle gang charges etc at the loading point, if any, shall be to the sellers account.

1.14. Basis for calculation of minimum guaranteed load of 2300T, maximum rake load of 2500T, chargeable freight, dead freight and other incidental expenses if any, is based on assumption that B F coke is transported through trainload of 59 BOXN wagons with permissible carrying capacity of 68 Tons per wagon. However, at the time of supply, in case Railway provides different variety of BOXN or BOST wagon rake having permissible carrying capacity of more than or less than 68 Tons per wagon, the minimum guaranteed load of 2300T, maximum rake load of 2500T, chargeable freight, dead freight and other incidental expenses if any shall be re worked accordingly, and necessary amendment shall be issued to that effect.

1.15. Payment of Railway freight shall be to VSP account & arranged by VSP on pre-paid basis before despatch of rake from the loading point to avoid payment of Railway Surcharge. The Seller shall inform the Purchaser regarding the readiness of the material to be loaded into railway wagons, 5 days in advance for making necessary arrangements for payment of Railway freight to Railways. Indenting and loading in to the wagons is the responsibility of the Seller. However any additional financial implication on account of freight & other charges than the intended delivery shall be to Supplier account and will be deducted from the amounts due to be paid to supplier.

1.16. Due to delay in information regarding despatch of the rake by Seller and in case the rake is booked on "To - Pay" basis, the Surcharge payable to Railways is to be borne by the Seller.

1.17. The party should inform dispatch details immediately after loading the rake (wagon numbers, no of wagon etc.)

1.18. The original RR should be sent immediately after the RR preparation by Speed Post/ courier to DGM (RMD), Rail Bhavan, Visakhapatnam Steel Plant, Visakhapatnam 530031

## **2.0 SAMPLING & ANALYSIS**

Sampling and Analysis of LAM Coke as well as appointment of public analyst:

2.1. Sampling and analysis at Supplier's / Factory premises & Railway Loading Point for all the parameters as indicated in the technical specifications stipulated under **ANNEXURE-I** to Draft Acceptance to Tender / Agreement, shall be done as per relevant Indian Standards at Sellers cost by any of the Public Analysts/ Assayers (Approved by the Purchaser from the List of minimum 2 Public Analysts offered by the Supplier in their Techno-Commercial Offer) who has NABL accreditation for carrying out the Job of Sampling & Analysis of LAM Coke.

2.2. Out of the List of Public Analyst, the Purchaser will select two public analysts in rotation if needed. The public analyst will perform the sampling and analysis in presence of Purchase's representative if present; otherwise these activities will be performed solely by Public Analyst. On instruction of the Purchase the Seller has to replace the public analyst by a public analyst of Purchaser choice from the List. However VSP reserve the right to consider the analysis of Lab/Test house subject to mutual consent for approval of the Purchaser.

2.3. If the material of the stacks identified for Visakhapatnam Steel Plant (VSP) inside the suppliers factory premises is found to be within the acceptable limit by Public Analyst inspection report, Purchaser shall give the clearance for transfer of material from factory premises to loading site. Public Analyst agency shall also certify the same tested lot of the factory premises has been shifted to loading side.

2.4. The SELLER shall furnish to the PURCHASER the certificate of Sampling and Analysis issued by the Public Analyst at the Loading Point indicating all the parameters mentioned in the Technical Specification.

2.5. The final quality acceptance & payment shall be based on the Public Analyst analysis report of Loading point only where VSP officials may be present & may be associated with sampling & testing. Loading into wagons shall also be supervised by the Public analyst & also same shall be certified in the report.

2.6. Public Analyst should ensure that the material found beyond the Absolute Limit indicated in the Technical specification based on the Public Analyst analysis report at the loading point is not loaded at any cost.

3.0 Permissible percentage variation between analysis results of Public Analyst / Assayer report at loading point and Purchase's Lab Result((Difference between Public Analyst result and Purchase's Lab result )/Public Analyst result) × 100 is given in the following Table.

| Sl. No. | Technical Parameters | Permissible % Variations between lab to lab results. |
|---------|----------------------|--|
| 1       | Ash                  | 8.00%  |
| 2       | Volatile Matter      | 10.00%   |
| 3       | Sulphur              | 2.00%  |
| 4       | CSR                  | 3.00%  |
| 5       | CRI                  | 3.00%  |

3.1. The sample drawn by the Public Analyst/Assayer at loading point shall be divided into three parts. One part will be for analysis by Public Analyst, 2nd part will be sent to the Purchase by the Seller addressing the sample to DGM (QATD)/I/c, Visakhapatnam Steel Plant, Visakhapatnam for carrying out test at Purchase's lab. The 3rd part will be kept as #Referee Sample# in safe custody of Public Analyst for 90 days from the date of drawing of sample for Umpire analysis by mutually agreeable Public Analyst, if necessary.

3.2. Whenever the variations between Lab to Lab results for any Parameter(s) is/ are found to be beyond the permissible ranges, as given at Para above, and if Purchase's Lab result is not acceptable to the supplier or vice versa, the analysis of #Referee Sample# shall be carried out with respect to such Parameter(s) by mutually agreed Neutral Public Analyst/ lab and its results will be final and binding on both the parties. Copy of loading point analysis report of each rake should be sent directly to DGM (RMD)/I/c, VSP. VSP however reserves the right to check & test the material on receipt at its site.

#### **4.0 CONTINUOUS VARIATIONS :**

4.1. If at any time during the currency of this Order, there are continuing variations between the quality of the MATERIAL stipulated under **ANNEXURE-I** to Draft Acceptance to Tender / Agreement and at the PURCHASER's end (either on the Loading point Sample obtained from Seller or Unloading point sample taken by PURCHASER), the PURCHASER and the SUPPLIER shall meet within a specific time frame of three or four (3/4) weeks from the date of intimation of such discrepancies by the PURCHASER to the SUPPLIER, to investigate the reasons for such discrepancies and to arrive at a mutually agreeable settlement of issues as may have arisen out of the discrepancies.

4.2. If no agreeable solution as envisaged in **Clause 4.1 above** is arrived at, the PURCHASER reserves the right to terminate the Order. Therefore, utmost precaution shall be exercised by the SELLER at the time of delivery of each rake to ensure that the specifications stipulated under **ANNEXURE-I** to Draft Acceptance to Tender / Agreement are strictly complied with.

**PART – VIII OF TENDER DOCUMENTS**

**(GLOBAL TENDER NOTICE / RFx No. 2100006933 Dt.30.03.2018)**

**A) LETTER OF ASSURANCE OR AUTHORITY FROM LOW ASH METALLURGICAL COKE COKERY OWNER / PRODUCER**

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

Dear Sir,

Sub: Your Tender Notice / RFx No. 2100006933 Dt. 30.03.2018

We..... (name & address) an established and reputed **Low Ash Metallurgical Coke** Cokery owner / Producer of..... (name and address of Cokery) do hereby make an offer in response to the subject Invitation to Tender.

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

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

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

Yours faithfully,  
(NAME)

for & on behalf of M/s.....

(Signature and Name of **Low Ash Metallurgical Coke** Cokery owner / Producer with seal)

---

(**Note:** This letter of authority should be on the Letter Head of **Low Ash Metallurgical Coke** Cokery owner / Producer and should be signed by a person competent and having the power of attorney to bind the **Low Ash Metallurgical Coke** Cokery owner / Producer).

**B) LETTER OF AUTHORITY FROM LOW ASH METALLURGICAL COKE COKERY OWNER / PRODUCER**

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

Dear Sir,

Sub: Your Tender Notice / RFx No. 2100006933 Dt. 30.03.2018.

We..... (name and address) an established and reputed **Low Ash Metallurgical Coke** Cokery owner / Producer of..... (name and address of Cokery) do hereby authorise M/s.....(Name and address of Seller) to make an offer in response to this invitation to Tender.

No Company/firm or individual other than M/s.....is authorised to represent us in regard to this business against this specific Tender.

In the event, the offer made by M/s ..... being considered by RINL for acceptance both M/s.....and ourselves shall be jointly and severally responsible for the due and timely performance of the Acceptance to Tender / Agreement.

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

Yours faithfully,  
(NAME)

for & on behalf of M/s.....

(Signature and Name of **Low Ash Metallurgical Coke** Mine owner / Producer with seal)

(Note: This letter of authority should be on the Letter Head of **Low Ash Metallurgical Coke** Cokery owner / Producer and should be signed by a person competent and having the power of attorney to bind the **Low Ash Metallurgical Coke** Cokery owner / Producer).

**PART – IX OF TENDER DOCUMENTS**

**(GLOBAL TENDER NOTICE / RFx No. 2100006933 Dt.30.03.2018)**

**DECLARATION REGARDING INDIAN AGENT**

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

Dear Sir,

Sub: Your Tender Notice / RFx No. 2100006933 Dt. 30.03.2018 for supply of **Low Ash Metallurgical Coke**.

1. With reference to the subject Tender, we wish hereby inform you that we have appointed ..... as our Indian Agent. The other details are given below:

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

2. We are aware that the commission / remuneration, if any, payable to the Indian agent, shall be paid by you in India in Indian Rupees by converting it at the Closing Bid Rate as per Reuters on the previous working day of Bill of Lading (B/L) Date and it

shall not be subject to any further exchange variation and shall be paid only in Indian Rupees after deducting income tax as applicable and other statutory dues, if any. In case of such deductions, necessary certificate shall be issued as per government notification/ law of the land.

3. In the event of an Agreement materialising, the terms of payment shall provide for payment of the net value of the materials delivered in each consignment, after deduction of the amount of commission / remuneration, if any, payable to Indian agent, which shall, under normal circumstances, be released to the concerned Indian Agent on the basis of net invoice weight, 90 (ninety) days after the discharge and acceptance of the cargo in India and on settlement of the demurrage / despatch claims relating to Loadport and Disport.
4. It is declared that the Indian Agent is an Independent Agent and is acting on behalf of the non-resident in the normal course of his business as a broker, general Commission Agent or as an Independent Agent and ;
  - (a) He does not have and habitually exercises in India , an authority to conclude contracts on behalf of the non – resident ;
  - (b) He does not habitually maintains in India a stock of goods or merchandise from which he regularly delivers goods or merchandise on behalf of the non-resident ;
  - (c) He does not habitually secures orders in India, mainly or wholly for the non-resident or for that non-resident and other non-residents controlling, controlled by, or subject to the same common control, as that non-resident ;
  - (d) He does not work mainly or wholly on behalf of the non–resident (principal non – resident) or on behalf of such non – resident and other non-resident which are controlled by the principal non – resident or having a controlling interest in the principal non – resident or are subject to the same common control as the principal non – resident ;

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

Thanking you,

Yours faithfully,

Dated:

(Signature and Seal of Tenderer)

## PART – X OF TENDER DOCUMENTS

(GLOBAL TENDER NOTICE / RFx No. 2100006933 Dt. 30.03.2018)

### INTEGRITY PACT

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

And

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

#### Preamble

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

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

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

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

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

- (1) The Bidder/ Contractor commits to take all measures necessary to prevent corruption and commits to observe the following principles during his participation in the Tender process/during the contract execution(in case of Bidder to whom the contract has been awarded).
  - a. The Bidder/Contractor will not, directly or through any other person or firm, offer, promise or give to any of the Principal's employees involved in the Tender process or the execution of the contract or to any third person any material or other benefit which he/she is not legally entitled to, in order to obtain, in exchange, any

advantage of any kind whatsoever during the Tender process or during the execution of the contract or to vitiate the Principal's Tender process or contract execution.

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

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

- (1) A transgression is considered to have occurred, if the Principal after due consideration of the available evidence, concludes that a reasonable doubt is possible.
- (2) If the Bidder/Contractor, before award of contract or after award of contract has committed a transgression through a violation of Section 2 above or in any other form such as to put his reliability or credibility in question, the Principal is entitled to disqualify the Bidder from the Tender process or to terminate the contract, if already awarded, for that reason, without prejudice to other remedies available to the Principal under the relevant GCC of the Tender/contract.
- (3) If the Bidder/Contractor has committed a transgression through a violation of any of the terms under Section 2 above or in any other form such as to put his reliability or credibility into question, the Principal is entitled also to exclude the Bidder / Contractor from future Tenders/Contract award processes. The imposition and duration of the exclusion will be determined by the Principal keeping in view the severity of the transgression. The severity will be determined by the circumstances of the case, in particular the number of transgressions, the position

of the transgressors within the company hierarchy of the Bidder /Contractor and the amount of the damage.

- (4) If it is observed after payment of final bill but before the expiry of validity of Integrity pact that the Contractor has committed a transgression through a violation of any of the terms under Section 2 above during the execution of contract, the Principal is entitled to exclude the Contractor from future Tenders/Contract award processes.
- (5) The exclusion will be imposed for a Period not less than six (6) months and, up to a maximum period of three (3) years.
- (6) If the Bidder / Contractor can prove that he has restored/ recouped the damage to the Principal caused by him and has installed a suitable corruption prevention system, the Principal may revoke the exclusion before the expiry of the period of such exclusion.

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

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

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

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

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

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

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

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

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

- (1) The Principal appoints competent and credible Independent External Monitor with the approval of Central Vigilance Commission. The IEM reviews independently, the cases referred to him or written complaints with all details received directly by him to assess whether and to what extent the parties concerned complied with the obligations under this Integrity Pact,
- (2) In case of complaint/representations on compliance of the provisions of the Integrity Pact by any person/agency, the complaint/representation can be lodged by the aggrieved party with the Nodal Officer for IP of RINL or directly with the IEM. The Nodal Officer shall refer the complaint /representation so received by him to the IEM for his examination. Similarly, RINL in case of any doubt regarding compliance by any or all the bidders can lodge its complaint / make a reference to IEM through Nodal Officer. For ensuring the desired transparency and objectivity in dealing with the complaints arising out of the Tendering process, the matter should be examined by the full panel of IEMs who would look into the records, conduct an investigation and submit their joint recommendations to the Management.
- (3) The IEM is not subject to instructions by both the parties and performs his functions neutrally/independently. The IEM will submit report to the CMD, RINL.
- (4) The Bidder(s)/Contractors(s) accepts that the IEM has the right to access without restriction, to all Tender/contract Documentation of the Principal including that provided by the Bidder/Contractor. The Bidder/Contractor will also grant the IEM, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his Tender/contract Documentation. The same is applicable to unrestricted and unconditional access to Tenders / contract Documentation of Subcontractors also. The IEM is under contractual obligation to treat the information and Documents of the Bidder(s)/ Contractor(s)/Subcontractor(s) with confidentiality.
- (5) IEM will have the right to attend any meeting between RINL and Counterparties in respect of the cases falling under the purview of IP.
- (6) As soon as the IEM notices, or believes to notice, a violation of this Pact, he will inform the Principal and request the Principal to discontinue or take corrective action or to take other relevant action. The IEM can, in this regard, submit non binding recommendations. Beyond this, the IEM has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.
- (7) The IEM will submit a written report to the CMD-RINL within four (04) to six (06) weeks from the date of reference or intimation to him by the Principal/ receipt of the complaint and, should the occasion arise, submit proposals for corrective actions for the violations or the breaches of the provisions of the agreement noticed by the IEM.

- (8) IEM may also submit a report directly to the CVO of RINL and the Central Vigilance Commission, in case of suspicion of serious irregularities attracting provisions of the PC Act/ applicable Law.
- (9) Expenses of IEM shall be borne by RINL/VSP as per terms of appointment of IEMs.
- (10) The word 'Monitor' means Independent External Monitor and would include both singular and plural.

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

- (1) This Pact comes into force upon signing by both the Principal and the Bidder/Contractor. It expires for the Contractor twelve (12) months after the last payment under the contract, and for all unsuccessful Bidders, six (06) months after the contract has been awarded and accordingly for the Principal after the expiry of respective periods stated above.
- (2) If any claim is made/ lodged during the valid period of the IP, the same shall be binding and continue to be valid even after the lapse of this Pact as specified above, unless it is discharged/determined by CMD of RINL.

**Section 10 – Other provisions:**

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

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

(Office Seal)

Place -----

Date -----

Witness 1:  
(Name & Address)

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

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

Witness 2:  
(Name & Address)

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

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

1.0 There shall be compulsory registration of Indian Agents of foreign suppliers/contract Agencies with RINL in respect of all Global (Open) Tenders and Limited Tenders. An agent who is not registered with RINL shall apply for registration in the prescribed Application Form.

1.1 Registered agent needs to submit before the placement of order by RINL, an Original certificate issued by his foreign supplier/ contract Agency (or an authenticated Photostat copy of the above certificate duly attested by a Notary Public) confirming the agency agreement and giving the status being enjoyed by the agent alongwith the details of the commission/ remuneration/ salary/ retainer being paid by them to the agent(s).

1.2 Wherever the Indian representative has communicated on behalf of their foreignsupplier/contract Agency and/or the foreign supplier/contract Agency have stated that they are not paying any commission to their Indian agent(s) but paying salary or retainer, a written declaration to this effect given by the foreign supplier/contract Agency should be submitted before finalizing the contract.

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

2.1 Bidders of Foreign nationality shall furnish the following details in their quotation/bid:

2.1.1 The name and address of their agent(s)/representative(s) in India, if any, and the extent of authorization and authority given to them to commit them. In case the agent(s)/representative(s) is a foreign Company, it shall be confirmed whether it is a really substantial Company and details of the company shall be furnished.

2.1.2 The amount of commission/remuneration included in the quoted price(s) for such agent(s)/representative(s) in India.

2.1.3 Confirmation of the Bidder that the commission/remuneration if any, payable to his agent(s)/representative(s) in India, may be paid by RINL in Indian Rupees only.

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

3.1 Bidders of Indian Nationality shall furnish the following details/certificates in/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.

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## PART – XI OF TENDER DOCUMENTS

(GLOBAL TENDER / RFx No. 2100006933 Dt. 30.03.2018)

### **TERMS & CONDITIONS FOR PURCHASE PREFERENCE**

#### **1.0 PURCHASE PREFERENCE AND OTHER BENEFITS TO MSEs:**

- 1.1. Purchase preference is accorded to Public Sector Undertakings wherever applicable as per Government policy/ guidelines.
- 1.2. Purchase preference is accorded to Local Micro & Small Entrepreneurs (Local SSIs) and non-local MSEs as at 1.3 below, subject to subject to submission of documents as stipulated vide clause 2.1 below. Further, in case of difficulty in downloading of Tender Document, the Tender Document shall be sent by Post free of cost on written request from the Tenderer and exemption shall be given from submission of Earnest Money Deposit (EMD) for such MSEs.
- 1.3. Local and non-local Micro and Small Enterprises (MSE) those are technically and commercially acceptable shall be considered for extension of purchase preference, where their offer is within 15% of L-1 offer and they match the L-1 offer.

The quantity shall be divided into N+1 shares, where N is the no.of sources. The distribution shall be done among the L-1 tenderer and other eligible tenderers (Who are in the range of purchase preference and match the L-1 price), as below:

- i. The L1 shall be awarded 2 shares of quantity, except in cases where L1 is not a Local MSE and there is/are eligible Local MSE/s. In such cases, the lowest eligible Local MSE shall be awarded 2 shares of quantity and the L1 shall be awarded 1 share from any balance shares of quantity.
- ii. One each of any balance shares shall be awarded to the other eligible tenderers in the order of preference given below (in the order of ranking within each preference category):
  - a) Local MSEs – Till the total quantity on Local MSEs equals or exceeds 50%
  - b) MSEs – Till the total quantity on MSEs (including Local MSEs) equals or exceeds 20%
  - c) Others

Illustrative distribution based on the above principle is given in Annexure-9 of the following link.

<https://www.vizagsteel.com/code/tenders/ittfolder/ITT%20Version%201.14%20-20.02.18.pdf>

- 1.4. Where there is/are eligible Local MSE/s and it is not possible to split the order, 100% of the order quantity shall be placed on the lowest eligible local SSI.
- 1.5. Quantity reserved for SC/ST MSEs:  
"20% from the 20% quantity (i.e 4% of the tendered quantity) offered to the eligible MSEs shall be reserved for MSEs owned by SC/STs, who are eligible by being Technically and Commercially acceptable, quoting price in the range of Purchase Preference and matching the L1 price. In the absence of such agencies, the reserved quantity shall be met from other MSEs".

#### **2.0 CONDITION FOR AVAILING BENEFIT UNDER CLAUSE 9.4 of Part-VII of Tender**

## AND 1.0 above By MSEs

- 2.1 The MSE Unit shall get themselves registered with MSME Data Bank, being operated by NSIC, under SME Division, M/o MSME and submit Notary attested copy of valid SSI / MSE Registration Certificate / Entrepreneur Memorandum acknowledgement Part-II / Udyog Aadhar Memorandum issued by any of the following for the items/item category for which they are registered for availing the relevant benefits as stipulated at Clause No. 9.4 of Part-VII of Tender & 1.0 above.

MSEs participating in the tender must submit valid certificate of registration with any one of the below agencies indicating the details of the particular tendered item/item category along with their bid. **The Micro and Small Enterprise/s not registered for the particular item/item category for which the tender is relevant, will not be eligible for any exemption/preference.** The registration certificate issued from any one of the below agencies must be valid as on tender opening date (TOD). The successful bidder should ensure that the same is valid till the end of the contract period. The MSEs, who have applied for registration or renewal of registration with any of the below agencies/bodies, but have not obtained the valid certificate as on tender opening date (TOD), are not eligible for exemption/preference.

- a) For all MSEs:
- i. Fdsfd District Industries Centre, (Acknowledgement of Entrepreneur Memorandum - EM Part –II)
  - ii) National Small Industries Corporation (NSIC)
  - iii) Any other body specified by Ministry of Micro, Small and Medium Enterprises.
- b) For Local MSEs:
- i. District Industries Centre of Visakhapatnam
  - ii) District Industries Centre of Srikakulam /Vizianagaram / East Godavari district i.e. units located within 100kms of road distance of Visakhapatnam Steel Plant and falling under the Jurisdiction of respective District Industries Centre. In case of refractory items, units located within 200 kms of road distance of Visakhapatnam Steel Plant and following under the jurisdiction of respective District Industries Centre.
  - iii) NSIC registered units and other MSEs falling within the above jurisdictions, i.e., in (i) or (ii).
- 2.2 MSEs owned by SC/ST entrepreneurs are required to submit supporting documents like caste certificate (duly notarized) of the Proprietor / Partners issued by the Tahsildar / MRO / Magistrate or any Government authorized department.

**PART – XII OF TENDER DOCUMENTS**

**(GLOBAL TENDER / RFx No. 2100006933 Dt. 30.03.2018)**

**Price Schedule for FREIGHT OFFER FOR `VISAKHAPATNAM PORT' (VPT) for Imported Supplies for a Parcel size of 30,000 MT +/-10%**

| <b>S.No.</b> | <b>Item</b>   | <b>Pl. furnish the details</b> |
|--------------|---|--------------------------------|
| 1            | <b><u>FREIGHT RATE / MT FOR `VISAKHAPATNAM PORT'</u></b><br><b>(US\$ / EURO in figures as well as in words)</b> |                                |

.....  
Signature and Seal of the Tenderer