

**RASHTRIYA ISPAT NIGAM LIMITED
VISAKHAPATNAM STEEL PLANT**

NIT NO.PUR 8.66.IOF/0029 dtd.25/08/2018

Tender document downloaded from www.vizagsteel.com by

Messers: _____

(Signature and seal of the tenderer)

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The EMD is remitted with the tender by

DD No./UTR NO. _____ dated _____ for _____

of _____ Bank _____ Branch

(Signature and seal of the tenderer)

OPEN TENDER

RASHTRIYA ISPAT NIGAM LIMITED
VISAKHAPATNAM STEEL PLANT
(A Government of India Undertaking)
VISAKHAPATNAM-530 031

MATERIALS MANAGEMENT DEPARTMENT
(PURCHASE WING)
BLOCK-A, ADMINISTRATIVE BUILDING
VISAKHAPATNAM STEEL PLANT
VISAKHAPATNAM-530 031 (A.P) INDIA

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OPEN TENDER NOTIFICATION

NIT NO.PUR 8.66.IOF/0029 dtd.25/08/2018

Sealed tenders are invited for Supply 1,50,000 WMT $\pm 10\%$ of Iron Ore Fines (Indigenous), in 3 shipments of 50,000WMT $\pm 10\%$, as per the specification, terms and conditions etc indicated in the NIT enclosed.

Last date & time for receipt of Tenders : 07/09/2018 by 10: 30 HRS (IST)

Tenderers who are interested in participating in the tender can download the tender documents from our Website: www.vizagsteel.com 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 documents, the tender document shall be sent by post free of cost on written request from the tenderer. **The tenderers should refer to RINL's website regularly for any corrigendum.**

EXECUTIVE DIRECTOR (MM)

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

**OPEN TENDER
NOTICE INVITING TENDER
FOR SUPPLY OF IRON ORE FINES FROM INDIGENOUS SOURCES.**

No.PUR.8.66.IOF/0029 Dated: 25/08/2018 Please visit our Company website for taking note of any further corrections/modifications/addendums to the tender terms and quote accordingly.	TENDER DUE ON 07/09/2018, 10:30 Hrs.
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Sub: Supply of Iron Ore Fines

Quotations are invited from reputed Indigenous Iron ore Suppliers, i.e. Mine Owners/ Traders/Stockists for supply of **1,50,000 WMT $\pm 10\%$ of Iron Ore Fines** (Indigenous), in 3 shipments of 50,000WMT+/- 10%, as per the specification, terms and conditions etc indicated in the NIT enclosed.

The bidders shall submit their bids as detailed at clause-1, submission of tender documents.

1. Submission of Tenders Documents for supply of Iron Ore Fines:

- a) Please quote your price on **“CFR, Gangavaram Port Limited, Visakhapatnam”** basis, including all taxes & statutory levies as applicable and freight charges and excluding applicable GST.
- b) The tenders complete in all respects conforming to the Specification, commercial Terms & Conditions and General Conditions for Indigenous Supply RINL shall be submitted as under:

1.1 Cover.1 – Earnest Money Deposit.

- a) **Earnest Money Deposit:** The bidders shall furnish an interest free Earnest Money Deposit of Rs. **50,00,000/-** (Rupees Fifty Lakhs only) by way of Demand Draft/ RTGS in favour of RINL, payable at Visakhapatnam along with the tender. Please note that Tenders without EMD, will be summarily rejected.
- b) The Earnest Money Deposit (EMD), enclosed in a separate sealed cover duly superscribed as **“COVER.1-EARNEST MONEY DEPOSIT”**, indicating Tender Document number & Date and Due Date of Opening of the Tender.

1.2 Cover.2 – Techno Commercial Tender comprising of

- (a) Check list for submission of bid : Annexure - 1
- (b) Specification of Iron Ore Fines: Annexure-2
- (c) Purchaser's Commercial Terms & Conditions including General Conditions for Indigenous Supply RINL : Annexure-3
- (d) Copy of the Un- Priced Bid without indicating Price : Annexure- 4
- (e) Price Bid – to be submitted in a Sealed cover : Annexure-5
- (f) Details of Mines and facilities of bidder : Annexure-6
- (g) Integrity Pact between RINL and the Bidder : Annexure-7
- (h) Format of Bank Guarantee for Security Deposit : Annexure-8
- (i) Check list for Bank Guarantee: Annexure-8A
- (j) Particulars of Bank details for making payment through RTGS mode:Annexure-9
- (k) RINL RTGS details: Annexure-10
- (l) Shipping Terms & conditions for delivering the material on CFR basis:Annexure-11.

The above annexures duly signed and seal affixed on all the pages as an indication of acceptance by the bidder are to be submitted as part of techno-commercial bid. The Techno-Commercial tender comprising the above shall be enclosed in a separate sealed cover duly superscribed as "**COVER.2 – TECHNO-COMMERCIAL BID**", indicating Tender Document number & Date and Due Date of Opening of Tender.

1.3 Cover.3 – Price BID :

The **Price** in the format **furnished** at **Annexure – 5, i.e., price bid** to this tender document duly filled in & signed shall alone be enclosed in a separate sealed cover duly super scribed as "**COVER.3 – PRICE BID**" and indicating Tender Document number & Date and Due Date of Opening of Tender.

1.4 Cover.4 – Common Outer Cover :

Cover at (1.1), (1.2) & (1.3) above shall be kept in a common sealed outer cover duly superscribed as "**TENDER FOR SUPPLY OF IRON ORE FINES**" and indicating Tender Document number & Date and Due Date of Opening of Tender. The cover at (1.4) above shall reach the Purchaser before **10.30 HRS on or before 07/09/2018.**

Important Note:

- i) If the Common Outer Cover as above is not sealed and marked as required, RINL will not assume any responsibility for the bid's misplacement or premature opening.
- ii) RINL, at its discretion, may amend the tender terms and also extend the due date for submission of bids. Any future corrigendum/amendments/ alterations/modifications to this tender shall be published in RINL website www.vizagsteel.com only. The prospective bidders are requested to visit these websites from time to time to take note of any updates and submit their bid/quote accordingly.

2. RINL shall receive the completed bid documents as above, either through Registered Post or Courier Service or Speed Post or to be dropped in person into the "PURCHASE TENDER BOX" placed in the office of;

**Executive Director (Materials Management),
Purchase Department, III Floor, Main Admn. Building,
Rashtriya Ispat Nigam Limited - Visakhapatnam Steel Plant,
VISAKHAPATNAM – 530 031.**

The bids received in any other form such as FAX, e-mail, in open condition, incomplete condition, and after the due time & date of opening or delayed receipt caused under any other circumstances will be rejected.

3. TENDER OPENING:

3.1) Techno-Commercial Bid opening:

Techno-commercial Tenders submitted as above will be opened at the above address at **10.30 AM on 07/09/2018**. The bidder or his authorized representative can witness the opening of tenders, if they wish to do so along with the authorization letter from the bidder.

If due date for opening of the tenders happens to be a Public holiday or a declared holiday for the Buyer, the opening of tenders will be done on the next working day at the same time specified originally for opening.

3.2) Price Bid opening:

The hard copies of the Price bids of those bidders, who meet the Techno-Commercial terms and other conditions, will only be opened separately with advance intimation of time & date of opening after completion of reverse e-auction. The bidder or his authorized representative can witness the opening of Price bids if they wish to do so along with the authorization letter.

4. FORMATS AND SIGNING OF BIDS:

All the envelopes and their contents shall be legibly filled up, signed and seals affixed on all the pages by the Bidder or a person or persons duly authorized. The person or persons signing the bid shall sign on all pages of the bid as an indication of his /their acceptance of the tender terms & conditions. Any interlineations, erasures or overwriting /corrections shall be valid only if the person or persons signing the bid attest them. **Conditional bids shall be rejected without assigning any reasons thereof.**

5. The tender documents should not be altered/ tampered with by the bidders and it can only be downloaded. The downloaded tender document should be affixed with seal and signature on all the pages and to be sent along with techno-commercial offer. In case it is found to be altered/ tampered with, such offers will be rejected and EMD will be forfeited. The company also reserves the right to ban such bidders for future participation in the tender.

6. **ESTABLISHMENT OF CREDENTIALS OF UN-LISTED VENDORS:**

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

- 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 copies of Commercial invoice / Transit permit or Bulk permits issued by respective State Mining Department/ Purchase orders/contract copies for the same (or) similar tendered item(s)//Third party Sampling & Analysis report against the supplies made for the Iron ore fines in respect of other major customers as a proof for successful execution of Purchase Orders / Contracts.
- f) Self-Certified copy of Indian Bureau of Mines (IBM) Registration certificate
- g) Self-Certified ISO certificate if any.

Kindly note that the above information is required to assess the credibility of the vendor not presently enlisted with RINL / VSP. The Tender of un-listed vendor shall necessarily accompany the above documents. The Tender of such un-listed vendor shall be rejected, if RINL/VSP finds that the credibility of the un-listed Vendors is not satisfactory on the basis of the documents furnished / to be furnished. Further, the Tenderer is required to submit the duly filled **Annexure-6** for credentials along with the Tender. The format of the **Annexure -6** is enclosed to the Tender Document. 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.

7. **SPECIAL NOTE**

- 7.1 No deviation from the tender terms is permissible. Bidders shall strictly comply with the requirements of all the tender terms.
- 7.2 The bidder should read and understand clearly the tender terms, general and special conditions before submission of documents and submission of bid.
- 7.3 The Bidder shall bear all the costs associated with the preparation and submission of its bid, and the Buyer shall not be responsible or liable for these costs, regardless of conduct or outcome of the bidding process.
- 7.4 The bids cannot be withdrawn after the tender closing time. If the bidder withdraws the bid after tender closing time, his EMD shall be forfeited.
- 7.5 If, on check, it is found that there are discrepancies between the rates given by the bidder in words and figures, then the rates quoted in words shall be taken as correct.
- 7.6 RINL reserves the right to obtain required commercial and technical Clarifications/information/documents from the Bidders before opening of price bid. Obtaining such clarifications shall not entitle the Bidders to revise the price quoted.
- 7.7 RINL reserves the right to accept or reject any or all of the tenders (Cancellation of Tendering Process), if need arises, at its discretion without assigning any reasons thereof. RINL also reserves the right to reject any or of all of the tenders in case bidders are not furnished the requisite details/documents as specified in the tender and in this regard, no further communication will be sent to bidders.

7. **EVALUATION OF BIDS:**

- a) **First stage: Techno-Commercial evaluation:**
 - i) Issue of Enquiry: by RINL
 - ii) Receipt of quotation in Two Bid system – by RINL directly from bidders, i.e. Techno-Commercial and Price Bid in two separate sealed covers.
 - iii) The Techno-commercial evaluation.
- b) **Second stage: Reverse auction**

All techno-commercially qualified bidders will be allowed to participate in the **reverse e-auction** process to be held by RINL.

c) **Third stage: Composite price comparative statement**

After the receipt of the price comparative statement of Reverse e-auction conducted by RINL in the second stage, the sealed price bids of all the techno-commercially acceptable tenderers received along with the techno-commercial offers will be opened and a composite price comparative statement shall be made (i.e. price bid submitted in a sealed cover & Reverse e-auction prices of all the tenders). Placement of order shall be considered on the TA & CA lowest L1 price (LNIP) so arrived.

- d) In case of L-1 price discovered through reverse e-auction and L-1 price found on opening of sealed price bid, being same, between two different parties, RINL shall place the order on the bidder whose L-1 price has been discovered through reverse e-auction.
- e) If no bid is received within the specified time & duration of the reverse e-auction, then RINL at its discretion may scrap the reverse e-auction process and open only sealed price bids of the techno-commercially qualified bids. Accordingly Contract will be finalized on L-1 basis.

CHECK LIST FOR SUBMISSION OF BID.

1	EMD	Furnished Yes/ No
2	Confirmation of Acceptance of Security Deposit as per Annexure-8	Acceptance Indicated Yes/ No
3	Confirmation of Acceptance of Specification of Iron Ore Fines as per Annexure-2.	Acceptance Indicated Yes/ No
4	Confirmation to acceptance of Purchaser's Commercial Terms & Conditions including General Conditions for Indigenous Supply, RINL- Annexure-3.	Acceptance Indicated Yes/ No
5	Un-priced Bid (without price) enclosed with Techno- Commercial Bid (Annexure 4)	Submitted Yes/ No
6	Price Bid: Price on CFR, GPL basis, including all taxes & statutory levies as applicable and freight charges, except GST as applicable is indicated in Annexure-5 for supply of Iron Ore Fines.	Submitted Yes/ No
7	Details of Mines & Facilities with supporting documents furnished as per Annexure-6.	Enclosed Yes/ No
8	Conformation of acceptance of Integrity Pact (Annexure-7)	Signed Copy attached Yes/ No
9	Confirmation of acceptance of RINL's Evaluation of Tenders.	Acceptance Indicated Yes/ No
10	Confirmation to acceptance that iron ore is sourced from legitimate source only and it will be ensured that Iron Ore from illegitimate source is not supplied.	Acceptance Indicated Yes/ No
11	Confirmation to adherence to applicable statutory laws pertaining to iron ore selling/ purchase.	Acceptance Indicated Yes/ No
12	Confirmation to acceptance to RTGS payment as per Annexure-10	Acceptance Indicated Yes/ No
13	Confirmation to acceptance to RINL Shipping Terms & conditions for delivering the material on CFR basis as per Annexure-11.	Acceptance Indicated Yes/ No

TECHNICAL SPECIFICATIONS OF 'IRON ORE FINES'

S.No	Technical Parameters	Units (Limits)	Specifics
(1)	(2)	(3)	(4)
Chemical Composition :			
1)	Fe	% Min	63.0
2)	Alumina (Al ₂ O ₃)	% Max	3.0
3)	Phosphorus	% Max	0.07
4)	Sulphur	% Max	0.07
5)	Moisture	% Max	8.0
Physical Composition :			
6)	Above 10 mm	% Max.	5.0
7)	Below 10 mm	% Min.	80.0
8)	Under Size (-150 Microns)	% Max.	15.0

BONUS / PENALTY CLAUSE IS AS PER CLAUSE NO.12 OF ANNEXURE-3

1. Fe:

It is to be ensured that under any circumstances, **Iron ore Fines shall not be supplied with Fe content less than 62.50%.** if Fe content less than 62.50% buyer shall have the right to reject the shipment.

2. Alumina (Al₂O₃)

Al₂O₃ beyond 3.0% is not acceptable. The supplier should ensure that Iron ore fines shall not be supplied with **Al₂O₃** content beyond 3.0% Max.

3. Moisture

For excess moisture than the specifications (i.e. above 8% upto 10%), the actual CFR value of the material for the excess moisture content shall be deducted by Buyer for payment to the Seller, and if moisture goes above 10% buyer shall have the right to reject the shipment.

COMMERCIAL TERMS AND CONDITIONS

1. MATERIAL: IRON ORE FINES.

2. QUANTITY: 1,50,000WMT $\pm 10\%$, without any transshipment.

3. PRICE:

- a) Bidders are requested to submit their Quotations only in INR, on “CFR, Gangavaram Port Limited, Visakhapatnam” basis, including all taxes & statutory levies as applicable and freight charges, excluding GST.
- b) The price quoted by the Bidder shall be firm during the Bidder's Performance of the contract and shall not be subjected to any escalation/variation on any account. Bids submitted with adjustable price/ variable price/ conditional price will be treated as non- responsive and rejected.
- c) Any additional levies and Taxes. i.e. either new or Revisions to the existing ones introduced by the Government during the currency of the contract, with a character of being passed on to the buyer, the same shall be paid extra by RINL to the Seller on exhibiting the same in the invoice or recoverable from the Seller as the case may be.
- d) Goods and Service Tax (GST): Percentage applicable to be indicated.

4. PAYING AUTHORITY:

GM (F&A)/c, RINL, III Floor, Main Admn. Building Visakhapatnam-530 031 and/or his authorized representative.

5. CONSIGNEE:

DGM (RMD)/c , RMD Department, RINL, Visakhapatnam - 530031 and/or his authorized representative.

6. DELIVERY:

Supplies shall be made on “CFR, Gangavaram Port Limited, Visakhapatnam”, basis by Coastal movement.

The delivery and other details are furnished below.

6.1 DELIVERY, SAMPLING AND DETERMINATION OF QUALITY:

6.1.1 DELIVERY:

6.1.1.1 The convergence of supplies shall commence immediately from the date of placement of Purchase Order at the rate of about 50,000 WMT±10% per shipment, without any transshipment and the total ordered quantity shall be delivered within a maximum period of 45 days from the date of purchase order. Depending on the Buyer's Plant requirement, the Buyer may seek change in rate of supplies.

6.1.1.2 The successful bidder shall make necessary arrangements for transportation of Iron Ore Fines from the mine head/ stock yard and up to the Load Port identified by him for loading on to the ship. The successful bidder should make necessary arrangements for plots at the Port identified by him for convergence of Iron Ore Fines. Subsequently the material has to be loaded by the successful bidder in the vessel nominated by them for transporting the same to Gangavaram Port Ltd. (GPL), Visakhapatnam. RINL will subsequently make the required arrangements for transportation of IOF from GPL.

6.1.1.3 The Title to the Materials passes from the Seller to the Buyer when the MATERIALS are placed on board of the vessels at the Load Port.

6.1.2 SAMPLING AND DETERMINATION OF QUALITY:

(a) LOAD PORT ANALYSIS:

The supplier has to ensure that Iron Ore Fines as per the tender specification only is loaded. To ensure the same, quality of Iron Ore Fines being loaded should be sampled and analyzed as per (BIS) IS: 1405-2010 & IS:1493-2011 Sampling & Testing Procedure by a mutually accepted Registered Independent Assayer. Cost of load port Sampling and Analysis is to Seller's Account. Please note that the load port analysis carried out by the seller is for ensuring that the material loaded conforms the tender specification of the product only and is the basis for claiming initial payment. It shall be the responsibility of the Seller to ensure that material loaded is always as per the specification of the product as detailed at Annexure-2. The Buyer, if necessary, may depute its representative or its nominated agency at his cost to witness and observe the loading operations/ sampling and analysis at the load port/port plot at his own cost. Seller would extend full co-operation to Buyer to achieve this objective.

(b) DISCHARGE PORT ANALYSIS:

The discharge port analysis to be carried out by a mutually accepted Registered Independent Assayer as per IS: 1493-2011 Testing Procedure for the representative samples of the Product collected by the same Assayer as per (BIS) IS: 1405–2010 sampling procedure. Cost of discharge port Sampling and Analysis is to Buyer's Account. The discharge port analysis will be final for determining the quality of the material and the payment will be adjusted accordingly.

(c) The Seller, if necessary, may depute its representative or its nominated agency at his cost to witness and observe the un-loading operations/ sampling and analysis at the discharge port/port plot at his own cost. Buyer would extend full co-operation to Seller to achieve this objective. Samples will be collected at the discharge port either from the wharf or from the loaded tippers/trucks as desired by the Buyer's In- charge at the site. The results obtained thereof are binding on both the parties and shall be final for both acceptance of material as well as for settlement of payment after adjusting for the penalties.

7. DETERMINATION OF QUANTITY AND WEIGHMENT:

- 7.1 The determination of the quantity at the load port will be carried out by the conducting draft survey by an independent inspection agency (through approved marine surveyors) appointed by the Seller. All expenses in this regard will be to the seller's account.
- 7.2 The determination of the quantity at the disport will be carried out by conducting draft survey by an independent inspection agency (through approved marine surveyors) appointed by the Buyer. All expenses in this regard will be to the buyer's account. The Seller may at his own expense, depute his representative to be present at the time of determination of the discharge Port Draft survey weight.
- 7.3 The weight of the material in WMT (Determined based on the moisture content as analyzed by a mutually accepted Registered Independent Assayer as per 6.1.2 (b) above) as per discharge Port draft survey report shall be final for all purposes including payment. Adjustments if any to be made after release of initial 50% payment, will be effected while releasing the balance 50 % payment, based on the quantity determined under this clause. The discharge Port Draft survey weight in WMT is binding on both parties and shall form basis for drawing final 50% commercial invoice

8. UNLOADING & STACKING:

Unloading of Iron Ore Fines from the vessel on to the wharf and transferring the same to the stacking yard shall be arranged by RINL.

9. PAYMENT:

- 9.1 RINL shall release 50% payment against submission of Bill of Lading against submission of the following original documents:
- a) 3/3 Negotiable Bills of Lading (Charter Party Bill of Lading acceptable)
 - b) Seller's signed Commercial Invoice
 - c) Load Port Draft Survey Report of third party surveyor.
 - d) Load Port Sampling and Analysis Report by a mutually accepted Registered Independent Assayer.
- 9.2 Balance 50% after 30 days from the date of Bill of Lading against submission of following documents:
- a) Final Signed commercial invoice in 3 original and 3 copies.
 - b) Copy of Discharge Port Draft Survey Report of third party surveyor appointed by the buyer.
 - c) Copy of Discharge Port Analysis Certificate issued by a mutually accepted Registered Independent Assayer appointed by the buyer at the receiving end.
- 9.3 Determination of Quality as at Clause No. 6.1.2 (b) and determination of Quantity and weightment as at Clause.7.2 & 7.3 of tender document (NIT) may please be read with while considering this balance payment.

10. EARNEST MONEY DEPOSIT:

- a) Tender must be accompanied by a crossed Demand Draft in favour of RINL Limited, Visakhapatnam for Rs.50,00,000/-(Rupees Fifty Lakh only) issued by any Nationalized or scheduled Bank and payable at Visakhapatnam as EMD, which will not carry any interest. EMD from Co-operative and Gramin Banks will not be accepted. EMD can also be remitted through RTGS transfer.
- b) EMD amount shall be refunded to the unsuccessful bidder after identification of the L-1 bidder and the same will not carry any interest till it is returned.
- c) The EMD will be forfeited if the tender is revoked during its validity period by the bidder or the bidder increases the prices unilaterally after opening of the tender and during the validity period of the tender or the successful bidder fails to submit the Security Deposit, as stipulated in Clause 11, within the specified period or the successful bidder does not accept the LOI/Purchase Order and does not commence supplies within the specified period.
- d) EMD of the successful bidder(s) shall be returned on submission of Security Deposit.

11. SECURITY DEPOSIT (SD):

The successful bidder shall furnish SD by way of RTGS/Demand Draft/Bank Guarantee in lieu of Security Deposit equivalent to 10% of the total value of the contract, within 15 days from the date of issue of Purchase Order. The Demand Draft /RTGS/Bank Guarantee should be issued by any Nationalized or Scheduled Bank, which will not carry any interest. The Bank Guarantee and Demand Draft from Co-operative and Gramin Banks will not be accepted. In case Bank Guarantee is submitted, it should be as per the prescribed format and kept valid for a period of three months from purchase order date with a claim period of one month thereafter for proper fulfillment of contract. If required the BG should be extended from time to time. The Security Deposit will be forfeited in case the supplier does not complete supplies as per the terms and conditions of the purchase order. The security deposit will be returned without any interest after completion of supplies and after fulfillment of all the contractual obligations. The check list format is enclosed at Annexure – VA of this tender document.

The Bank Guarantee shall be kept valid and in full force and effect during the period of the contract and shall continue to be enforceable for a period of 120 (One hundred and twenty) days from the date of delivery of the last consignment.

In case of non-receipt of Security Deposit from the successful tenderer(s) as above, equivalent amount of SD shall be withheld by RINL from any available/due amount of Vendors.

The Security Deposit shall be released after 90 days from the date of receipt of last consignment or one month after consumption of the total material supplied, subject to clearance from user department, whichever is earlier, under the under the Purchase Order (Acceptance to Tender).

12. **PRICE ADJUSTMENT: BONUS/PENALTY:**

- a) For each one percent increase in the Fe content above 63.00 % stipulated in Annexure-2, the price shall be increased by Rs. 108/- per WMT fraction pro rata. For example, if quoted price is Rs. 2,000/-Per WMT, for 63.00% Fe and Fe received is 64.0%., then the amount payable in WMT will be $2,000 + [(64.00 - 63.00) * 108] = \text{Rs.} 2,108/-$.
- b) For iron ore fines supplied with Fe content below 63.00% and up to 62.50%, i.e., for each 0.5% percent decrease in the Fe content stipulated in Annexure-2, the price shall be decreased by Rs.108/- per WMT fraction pro rata. For example, if quoted price is Rs.2,000/-per WMT for 63.0% Fe and Fe received is 62.50%, then the amount payable per WMT is $2,000 - [(63.00 - 62.50) * 108 / 0.5]$, i.e., $2,000 - (0.5 * 108 / 0.5) = \text{Rs.} 1,892/-$.
- c) It is to be ensured that under any circumstances, **Iron ore Fines shall not be supplied with Fe content less than 62.50%.**
- d) The supplier shall submit invoices for the supplies made and final payment however shall be made after price and quantity adjustments as per relevant terms above.

13. EVALUATION OF TENDERS:

Tenders received which conform to Tender Specification, Commercial Terms & Conditions will be evaluated based on “CFR,Gangavaram Port, Visakhapatnam ” basis, including all taxes & statutory levies as applicable and freight charges, excluding GST. The method of arriving at the L-1 bidder will be as per Point No.7 (evaluation of bids) of Notice Inviting Tender. Order will be placed on “CFR, Gangavaram Port, Visakhapatnam” basis at the discretion of RINL.

- 13.1 RINL shall also have the option of conducting SRM Live Auction (Reverse E-Auction) in SAP-SRM platform without Start Bid Price prior to opening of the Sealed Price bids of all the Technically & Commercially Acceptable (TA & CA) tenderers. 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 User ID (Vendor Code) and Password. User manual for participation in e-auction is available in our portal mentioned above. All the tenderers would be required to quote prices only on the basis of Landed Net of Input Tax credit Price (LNIP).
- 13.2 RINL will inform all the TA & CA Tenderers of the date and time of reverse e-auction for participation. After the Reverse e-auction is conducted, the lowest bid tenderer shall submit the breakup of LNIP in the format of our Illustration immediately after completion of reverse e-auction. The price bids of all the TA & CA tenderers irrespective of their participation in the reverse e-auction , shall be opened next schedule working days, so as to enable them (or) their authorised representatives to be present at the time of opening, if they so desire.
- 13.3 Based on the prices so received through reverse e auction and the Sealed Price Bids in the physical mode of Tender, a composite comparative statement shall be made considering the lower of prices of the Sealed 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) shall be provided before the reverse e- auction. .

14. ORDER FOR PART OF TENDERED QUANTITY:

RINL reserves the right to accept the bids for part quantity of the tendered quantity and the bidder shall confirm acceptance to part quantity at the Price/ Rate quoted for the tendered quantity.

15. PARALLEL CONTRACT:

RINL reserves the right to enter into parallel contract for procurement of Iron Ore Fines during the currency of the contract and the bidder shall confirm his acceptance of the same.

16. VALIDITY:

The offer to be kept valid for **90 days** from the date of opening of the techno-commercial tenders. Tenders with inadequate validity will be rejected.

17. JURISDICTION OF COURTS:

Since the contract is executed at Visakhapatnam, the courts at Visakhapatnam will have jurisdiction on any dispute for adjudication arising out of the contract/agreement.

If any disputes or differences arising out of the subject contract finalized against the subject tender shall be decided only by the Courts or Tribunals situated in Visakhapatnam city irrespective of place of signing agreement. No suit or other legal proceedings shall be instituted elsewhere.

18. FORCE MAJEURE:

The successful bidder will not be liable for the delay in transporting the Iron Ore Fines for reasons of "Force Majeure" such as acts of God, acts of public enemy, acts of Government, fires, floods, strikes, lockouts etc.

The successful bidder shall within 10 days from the day of resulting such delay, notify to the RINL in writing the cause of delay. The RINL shall verify and grant such extension of time as the facts may justify.

No price variation shall be allowed during the period of force majeure and penalty would not be levied for this period.

19. LIQUIDATED DAMAGES:

In the event of the SUPPLIER'S failure to deliver the MATERIAL within the time(s) as agreed to, the SUPPLIER shall have to pay as liquidated damages (and not by way of penalty), a sum equivalent to 0.5% of the price of any MATERIAL which the SUPPLIER 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 **Para 18** herein above. The maximum amount of Liquidated Damages levied on any shipment will be 10% of the value of the MATERIAL in that shipment. Delivery of the MATERIAL after the same has become liable for levy of liquidated damages under this Clause shall not operate as a waiver of this right.

20. INSURANCE:

Insurance will be covered by the Purchaser under their Open Marine Policy. Immediately on shipment, the seller shall send Fax / mail message to RINL Ph- 0891-2518683 / 2742154, e-mail : GM (MM) RINL, 3rd Floor, Main Admn. Building, Visakhapatnam Steel Plant, Visakhapatnam-530 031, furnishing the following details in your message:

- a) Name of the consignee: RINL , Visakhapatnam Steel Plant Visakhapatnam.
- b) Name of the Vessel:
- c) Bill of Lading No. & date:
- d) Description of Cargo and quantity:
- e) CFR value:
- f) Port of shipment and Port of Discharge:
- g) Purchase Order Number and date:

20. RISK CONTRACT:

In the event of the successful bidder not being able to supply Iron Ore Fines, in compliance with terms and conditions stipulated in the Purchase Order, RINL reserves the right to obtain supplies through other sources at the risk and cost of the successful bidder.

21. FRAUD PREVENTION POLICY OF RINL

Every one may take a note that a “Fraud Prevention Policy” is being followed at RINL, which provides a system for prevention detection / reporting of any fraud. It also forbid everyone from involvement in any fraudulent activity and that where any fraudulent activity is suspected by anyone, the matter must be reported to the “Nodal Officer” (Chief Vigilance Officer) as soon as he / she comes to know of any fraud or suspected fraud.

22. TERMINATION OF THE AGREEMENT.

22.1 If the successful bidder/Company fails or neglects to observe or perform or commits or allows to be committed breach of any of the terms, conditions, provisions or stipulations of the Agreement on its part to be observed and performed and if such breach is remediable, fails to remedy the same within 30 days of notice by specifying such default and requiring such default to be remedied then RINL will be entitled to terminate the Agreement.

22.2 RINL reserves the right to terminate the Agreement without any liability, in case the successful bidder/Company

- i) fails to furnish the signed document within the stipulated period (as specified by the successful bidder/Company) after acceptance of the Letter of Award/Intent.
- ii) Goes into liquidation.

23. LAW GOVERNING AGREEMENT:

“The Contract shall be Governed and interpreted in accordance with the laws in India. Any provision required to be included in a Contract of this type by any applicable and valid Law, Ordinance, Rule or Regulation shall be deemed to be incorporated herein”.

24. **INTEGRITY PACT:**

Tenderer is required to unconditionally accept the “Integrity Pact” enclosed to the Tender Document at Annexure-VI 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, is liable for rejection.

- 24.1 The details of Independent External Monitors nominated for this Tender are given hereunder :

<u>Nodal Officer:</u>	<u>IEM</u>
Shri A. Bhattacharya GM (MM-Purchase) Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant, Administration Building – 3 rd Floor Visakhapatnam – 530031 Phone No : 0891-2519503 Mobile: +91 9866126149 Fax No : 0891-2518753 E-mail: agnimitra@vizagsteel.com	Shri Siva Prasad Rao Address: Flat No. 4 H, South Park Apartment, Opp. HDFC Bank, Nallagandla By pass Road, Nallagandla, Serilingampally, Hyderabad – 500 019 Mobile No : +91 9908511188 Email Id : sivaprasadrao1950@gmail.com spr50@rediffmail.com
	Shri V V R Sastry Address: # 957, 9thMain, 3rd Stage, 3rdBlock, Basaveswaranagar, Bangalore, Karnataka, Pin – 560 079 Mobile No : +919845279327 Email Id : ryvvr@gmail.com ;
	Shri P K Vijay Kumar Address: Madharam, Vaniyan Lane Punkunnam (Post), Thrissur, Kerala, Pin – 560 079 Mobile No : +918547381122 Email Id : menon78@gmail.com

25. LEGITAMACY OF SUPPLIES:

The supplier should ensure that iron ore emanates from legitimate sources and approved mines only. As such, no illegitimate or uncertified iron ore is to be supplied. To this effect documentary evidence in the form of clearance from Department of Mines of the state concerned shall be produced.

26. OPTION CLAUSE:

RINL reserves the right to exercise option clause to place order for an additional quantity up to 50,000 WMT $\pm 10\%$ of Iron Ore Fines at the same price, terms and conditions, exercisable within one month from the date of receipt of original quantity, on mutual consent.

27. GENERAL CONDITIONS OF CONTRACT:

Bidder to confirm acceptance to the General Conditions of Contract for indigenous supplies- RINL. However, the terms and conditions as contained in this tender enquiry shall prevail over General Conditions of Contract wherever applicable and to the extent applicable. (The General Conditions of Contract-RINL can be down loaded from RINL website: www.vizagsteel.com).

I/We have read and understood the conditions of the tender as detailed and as a proof of my/ our acceptance of the same without any alterations and modifications I/We affix my/our signatures as follows:

Place:

Date:

ANNEXURE-4

No.....

Date:.....

...

UN-PRICED BID FORMAT BLANKING THE PRICE PORTION
 (To be submitted along with the Techno-Commercial bid duly signed and seal affixed)

Name of the Bidder :

QUANTITY : **1,50,000WMT ± 10% of Iron Ore Fines.**

PORT(S) OF LOADING :

Sl	Particulars	Price in INDAIN RUPEES (Rs/- per WMT)	
		In Figures	In Words
1	Supply of Iron Ore Fines as per specification at Annexure-2 on “CFR, Gangavaram Port, Visakhapatnam” basis, including all taxes & statutory levies as applicable and freight charges and excluding applicable GST		This is Un-Priced bid. Do not indicate price.
2	GST HSN /SAC code		
	GST Rate (%)		

Confirmation by the Bidder.

- 1) The price quoted will remain firm throughout the period of the contract (till completion of supplies) with provisions of clause No.12 of Annexure-3 (Price Adjustment: Bonus/Penalty).
- 2) The Price quoted in above table is inclusive of all taxes & statutory levies as applicable and freight charges, excluding GST as applicable.
- 3) Please note that quotations on Ex-Mines basis will not be considered.

ANNEXURE-5

No.....

Date:.....

...

PRICED BID**PRICED BID FORMAT BLANKING THE PRICE PORTION**
(To be submitted in a separate sealed cover)

Name of the Bidder :

QUANTITY : **1,50,000 WMT \pm 10% of Iron Ore Fines.**

PORT(S) OF LOADING :

Sl	Particulars	Price in INDIAN RUPEES (Rs/- per WMT)	
		In Figures	In Words
1	Supply of Iron Ore Fines as per Specification at Annexure-2 on “ CFR, Gangavaram Port, Visakhapatnam ” basis, including all taxes & statutory levies as applicable and freight charges and excluding applicable GST	Rs.per WMT.	Rupees..... per Wet Metric Tons only).
2	GST HSN /SAC code		
	GST Rate (%)		

Confirmation by the Bidder.

- 1) The price quoted will remain firm throughout the period of the contract (till completion of supplies) with provisions of clause No.12 of Annexure-3 (Price Adjustment: Bonus/Penalty).
- 2) The Price quoted in above table is inclusive of all taxes & statutory levies as applicable and freight charges, excluding GST as applicable.
- 3) Please note that quotations on Ex-Mines basis will not be considered.

Details of Mines & Facilities of Bidder.**A) In Case the bidder is a mine owner:**

NAME OF BIDDER:

	Information to be furnished by the bidder.		Confirmation by the Bidder
1	Name of the Mine owner with complete details of Postal address.	:	
2	Complete details of location of the Mines & its distance to RINL, Visakhapatnam and address of the mine location.	:	
3	Mining Lease No, & Validity.	:	
4	Copy of the Mining Lease agreement enclosed.		Yes /No
5	Extent of Mining Deposits.	:	
6	Mechanical Crushing & Screening facilities (indicate number of crushers & screens with capacities & output per day in MT).	:	
7	Loading arrangements at Mine head (Specify whether by pay loader or conveyor system).	:	
8	Loading Capacity (per day basis).	:	
9	Monthly Supply Capacity as per the existing facilities (in MT).	:	
10	Quantity that can be earmarked to RINL per month (in MT).	:	
11	IBM Registration number (enclose copy)		
12	Any other information.		Attach sheet

Note: In case mining lease has expired and application for renewal has been filed, the tenderer shall enclose a copy of the renewal application & acknowledgement from the Mines and Geology department.

Details of Mines & Facilities of Bidder.**B) In Case the bidder is a Trader or stockist:**

NAME OF BIDDER:

	Information to be furnished by the bidder.		Confirmation by the Bidder
1	Name(s) of the Mines with complete details of Postal address (es), from where the iron ore will be sourced.	:	
2	Distance of Mines location(S)/Stack yard to RINL, Visakhapatnam and address of the Mines location(S)/Stack yard.	:	
3	Extent of Mining Deposits (to be furnished mine wise).	:	
4	Loading arrangements at Mine head (Specify whether by pay loader or conveyor system).	:	
5	Loading Capacity (per day basis).	:	
6	Monthly Supply Capacity as per the existing facilities (in MT).	:	
7	Quantity that can be earmarked to RINL per month (in MT).	:	
8	IBM Registration number (enclose copy)		
9	Any other information.		Attach sheet

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):

- B) 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).

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.

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.

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.

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.

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 duly furnishing Authorization to sign Integrity Pact.
- (4) Should one or several provisions of this Pact turnout to be invalid, the remaining part of the Pact remain valid. In this case, the parties will strive to come to an agreement with regard to their original intentions.
- (5) Wherever he or his is indicated in the above sections, the same may be read as he/she or his/her, as the case may be. Similarly, wherever Counterparty or Bidder or Contractor is mentioned, the same would include both singular and plural.

(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)

ANNEXURE-8

PROFORMA OF BANK GUARANTEE (BG) FOR

PERFORMANCE GUARANTEE (PG)/ SECURITY DEPOSIT 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/ Purchase Order NO..... Dated (hereinafter called the said Acceptance to Tender/ Purchase Order NO/ Agreement) for the supply of _____ metric tons of **Iron Ore Fines** _____ (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/ Purchase Order 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/purchase order and that it shall continue to be enforceable for (a) four 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/purchase order 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/purchase order 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)

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: “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:**

Bank Account Data for RTGS/NEFT Mode of Payment

1. Name of the Bidder/party/Tenderer :
2. Option : RTGS/NEFT
3. Bank Name :
4. Branch Name & City :
5. Account Number :
6. Account Type :
7. Beneficiary Bank's IFSC Code :

(Signature of Suppliers/Service Providers/Bidder)

Name :

Designation :

Certificate

Certified that the above particulars are found correct and matching with our records in respect of the above Beneficiary.

Signature of Branch Manager
Bank Seal.

**ELECTRONIC PAYMENT (RTGS) REQUEST FORMAT
(TO BE FILLED IN CAPITAL LETTERS)**

ALL FIELDS ARE MANDATORY

Name of the Organization : Rashtriya Ispat Nigam Limited

Address : Visakhapatnam Steel Plant
Main Administrative Building
Visakhapatnam – 530 031

Bank Name : State Bank of India

Account Number :

3	1	5	6	3	1	8	8	2	4	2
---	---	---	---	---	---	---	---	---	---	---

Type of Account : Cash Credit

MICR Code :

5	3	0	0	0	2	0	5	9
---	---	---	---	---	---	---	---	---

Swift Code :

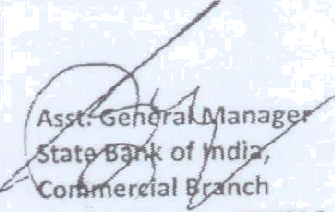
S	B	I	N	I	N	B	B	7	4	5
---	---	---	---	---	---	---	---	---	---	---

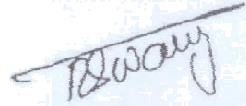
IFSC CODE :

S	B	I	N	0	0	1	4	4	0	7
---	---	---	---	---	---	---	---	---	---	---

BANK ADDRESS : COMMERCIAL BRANCH, 1st FLOOR, BALAJI METRO
D.NO.:43-29-54/B, NARONA ROAD,
CHAMBERS, DONDAPARTHY,
VISAKHPATNAM – 530016

I/We hereby accept to receive our payment through Electronic Fund Transfer System. Please also note that payments should be made within the validity date of offer letter issued. Please instruct your banker to indicate your name in the Structural Message Report.


Asst. General Manager
State Bank of India,
Commercial Branch
Visakhapatnam – 530016
Date : 02/05/2011


Asst. General Manager (Finance)
RINL,
Administrative Building,
Visakhapatnam – 530 031

T.N. VENKATA SWAMY
Asst. General Manager (F&A)
VISAKHPATNAM STEEL PLANT
VISAKHPATNAM-530 031

**TERMS AND CONDITIONS FOR DELIVERY OF MATERIAL ON THE BASIS OF
CFR (FREE OUT) GANGAVARAM PORT (GPL)**

1.0 TYPE OF VESSELS:

- 1.1 The SELLER shall effect shipment in single-decker, suitable vessels based on shipment size and of age preferably less than 15 years but not exceeding 18 years, subject to the approval of the PURCHASER.
- 1.2 The vessels nominated by the SELLER 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 Iron Ore Fines in bulk and shall be maintained as such for the duration of the voyage.
- 1.3 Seller confirms that vessel possesses valid statutory certificates and complies with all directives of Government of India / DG (Shipping) regarding suitability and/or acceptability of vessel in respect of class/age/other technical parameters in Indian waters/ports. 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.
- 1.4 The Seller shall ensure that the vessels engaged by them for shipment of the MATERIALS under this Acceptance to Tender / Agreement shall comply with the limitations/requirements/conditions at discharge port, Gangavaram Port (GPL).

2.0 GENERAL CP PROVISIONS: The SELLER shall ensure that the Charter parties governing shipments of the MATERIALS under this Acceptance to Tender / Agreement contain, inter-alia, the following provisions :

- 2.1 The SELLER 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).
- 2.2 On sailing and 5 days prior to vessels ETA VISAKHAPATNAM, India, the Master of the Vessel shall give E-mail / Facsimile advice to the PURCHASER. Thereafter, the Master of the vessel, shall E-mail / Facsimile at one day intervals regarding ETA of vessel, to the PURCHASER (Facsimile : +91-891-2518753 / 2518756, E-mail: bvenky@vizagsteel.com; dvrvikumar@vizagsteel.com; ashokkumar@vizagsteel.com) as well as to the Port Office of the PURCHASER.

III FLOOR, ROOM NO.418, MAIN ADMINISTRATIVE BUILDING, RASHTRIYA ISPAT NIGAM LIMITED, VISAKHAPATNAM STEEL PLANT, VISAKHAPATNAM-530031. E-mail: tns.port@gmail.com, [ketha mm@vizagsteel.com](mailto:ketha_mm@vizagsteel.com)).

- 2.3 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 port(s) of discharge at all times and in each case free of expense to the PURCHASER.
- 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 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.
- 2.6 The SELLER to ensure that the vessels nominated and accepted comply with ISPS code / requirements. Failure on the part of the vessel to comply with the code's requirements and any delay caused by such failures shall be to vessel / SELLER's account.
- 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 SELLER shall on receipt of E-mail / Facsimile 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 / SELLER.
- 2.8 The overtime of the crew shall be to the account of the vessel unless ordered by the PURCHASER.
- 2.9 Vessel damage: As regards damages, if any, caused to the vessel during discharge at Gangavaram Port, the claims for damage, if any, are to be settled directly with the Gangavaram Port authorities. Such claims shall be lodged by the Master of the vessel promptly after the damage has been sustained and then confirmed in writing duly supported by the Third Party Damage Report prior to vessel's departure from the port of discharge, failing which the claim shall stand barred and stevedore shall stand absolved and relieved of all responsibility.
- 2.10 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 there of shall be to the account of the vessel even if the vessel is on demurrage.
- 2.11 The time used for gangway placement, grab fixing (in case of Geared vessel), draft survey and Customs formalities will be on vessel's account and time used not to count as laytime even if the vessel is already on demurrage.

- 2.12 No time shall be counted during rain periods or other bad weather periods, as mentioned in SOF and on NWWD, as declared by Gangavaram Port (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 SELLER to the PURCHASER on nomination of vessels for shipment and on completion of loading of vessels at Load port :

- 3.1 The SELLER shall nominate each vessel to the PURCHASER by E-mail / Facsimile 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 ship Owners (v) Class (vi) Type (vii) Length Overall (viii) Beam (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) Quality of the MATERIALS proposed to be loaded (xiv) Laydays and ETA the vessel at loading port (xv) Rate of Demurrage / Despatch as per Charter Party (xvi) IMO No. of the Vessel (xvii) DWT and Max. Draft of the Vessel.

The PURCHASER shall e-mail / Facsimile to the SELLER within 1 (One) working day its acceptance or otherwise of the above nomination.

- 3.2 The SELLER shall consign the Vessel, to PURCHASER or their agent, for Cargo related work at the Indian port(s) of discharge and the customary agency fee as per the Vizagapatam Chamber of Commerce is payable by the vessel to such agent. The vessel shall appoint its own protective agents for vessel related work at the Indian port(s) of discharge.
- 3.3 Within 24 hours of sailing of the vessel from the loadport, the SELLER shall give the following details by Facsimile/e-mail 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 & Sailing Draft.
- vi) ETA Gangavaram Port, India.

- 3.4 In case PURCHASER is not able to produce original Bill of Lading on arrival of vessel at discharge ports, Owners/Master to instruct their discharge port agents to issue the delivery orders and allow discharge of cargo against the ordinary Letter of Indemnity issued by the PURCHASER.

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.

- 4.2 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) :

Upon arrival of the Vessel within the port of discharge and in free pratique, whether in berth or not, 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 Para 2.2 herein above) the Notice of Readiness (NOR) of the Vessel to discharge cargo (MASTER's NOR) 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 unless used and if used, actual time to count.
- 6.2 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.
- 6.3 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.
- 6.4 Time lost by reason on any or all of the following causes preventing discharge of the cargo shall not be computed as laytime even 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, bore tides, bad weather.
 - iv) Stoppage of work, whether partial or general, by workmen, Longshoremen, Tug- boat men or other hands essential to working of vessel or discharge of cargo from 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 RATE:

- 7.1 The SELLER 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.

7.3 Subject to the provisions herein above, for the vessels handled at Gangavaram Port, the PURCHASER shall guarantee to discharge the cargo at the average rate of **20,000 MT per WWD of 24 consecutive hours on SHINC terms.**

7.4 SHINC provisions shall be applicable after commencement of laytime.

8.0 STATEMENT OF FACTS (SOF): 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

- a) Master of the vessel/agents of the vessel at the port of discharge.
- b) Agents / Representative(s), if any of the SELLER at the port of discharge, and
- c) Representative of PURCHASER.

9.0 DEMURRAGE / DESPATCH SETTLEMENT: In the TIME SHEET based on the aforesaid STATEMENT OF FACTS, the computation of laytime shall be based on the provisions contained herein above. Despatch, if any, shall be calculated on the basis of "Working time saved". The rate of Demurrage / Despatch Money shall be as per Charter Party of the vessel subject to a maximum of USD 36,700 / USD 18,350. In the case of despatch, the SELLER 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 SELLER.

9.1 The SELLER shall submit Laytime statement within 30 days of completion of discharge. On agreement of Laytime calculations between the SELLER and PURCHASER, 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 90 days from the date of completion of discharge.