



**RASHTRIYA ISPAT NIGAM LIMITED**

(Government of India Enterprise)

MATERIALS MANAGEMENT DEPARTMENT (Purchase Wing)

Block-A, Administrative Building, Visakhapatnam Steel Plant

Visakhapatnam 530 031 (AP) INDIA

Phone: +91 891 2519503 / 3500234 Ext. 21015, Fax: +91 891 2518753 / 2518756

E.Mail: a\_chowdhury@vizagsteel.com / fahd.rahman@vizagsteel.com / kandregula@vizagsteel.com /  
ketha\_mm @vizagsteel.com/vvsomaraju@vizagsteel.com

**Sub : Notice for Supply of Steel (150X150 blooms & Finished Product) by RINL to interested parties Against funding/supply of major raw materials like Coking Coals / BF Coke, PCI Coal, Iron ore / Pellets.**

**Ref: Forward E- Auction No: Conversion Model ( Event Number : 9100001653) dtd. 25/01/2024( Mode of Auction : "YANKEE")**

1. Rashtriya Ispat Nigam Ltd,(RINL), Visakhapatnam Steel Plant,(VSP), Visakhapatnam under the Ministry of Steel, Government of India, is engaged in the business of manufacturing and marketing of iron and steel products.
2. RINL intends to supply steel to interested parties arranging major raw materials like Imported Hard Coking Coal, Imported Soft coking Coal, PCI Coal, BF Coke and Iron ore Fines/Lumps /Pellets or equivalent funds. RINL/VSP invites online bidding from the interested parties for the same.
3. The interested parties can participate online forward E Auction through our website <http://www.srm.vizagsteel.com>. by registering with the site and submitting the required EMD on or before the dates mentioned below. Registration is online.

SL. No.	Description	Parties to quote conversion charges in Rs /MT (Excluding GST)	Total Quantity Offered per Month (MT)	No.of Lots	Lot Size (MT)
1	Supply of steel (Blooms 150mmx150mm) Concast blooms – IS 2830 (Grade extra/Quality extra/ Product extra applicable as per Annexure-1) by RINL for arranging for major raw materials like Imported Hard Coking Coal / Imported Soft Coking Coal, BF Coke, PCI Coal and Iron Ore Fines/Lumps/Pellets or equivalent funds. Finished Products also shall be supplied at prevailing Minimum Operating Price (MOP) for respective product on date of delivery (Ex-Plant basis) shall be applicable.	To quote in price E-Auction (Bidders with maximum conversion charge shall be considered for selection as successful bidders)	90,000	18	5,000

4. **Criteria of selection:** Bidders with maximum conversion charge (Excluding GST) shall be considered for selection as successful bidders.
5. **Period of engagement :** Six Months.
6. **Brief details of the Contract:**

6.1 RINL intends to supply steel to interested parties arranging for major raw materials ( Imported Hard Coking Coal / Imported Soft Coking Coal, BF Coke, PCI Coal and Iron Ore Fines and Iron ore Lumps / Iron ore Pellets or equivalent funds.)

6.2 **Steel to be offered by RINL: 150X150 Concast Blooms – IS 2830;** Finished products are subject to availability and For Finished products prevailing Minimum Operating Price (**MOP**) for respective product on date of delivery (Ex-Plant basis) shall be applicable and “Product at Extra cost” shall be finalized as per difference in price between the prevailing Minimum Operating Price (MOP) for respective finished product on date of delivery (Ex-Plant basis) and 150X150 Concast blooms – IS 2830 at Vizag.

However, in case of less/non-availability of Finished Products, blooms of required grade only shall be supplied to the successful bidder.

For Finished products, prevailing Minimum Operating Price (**MOP**) for respective product on date of delivery (Ex-Plant basis) shall be applicable. All efforts shall be made to fulfil the requirement of successful bidder in terms of Grade/Quality/sizes of Blooms / Finished products to the extent possible. In order to facilitate faster delivery as per choice, list of available products shall be shared with successful bidder in the first week of every month.

Grade Extra Quality Extra applicable as per **Annexure- 1**.

6.3 **Monthly Quantity of steel to be offered:** 90,000 t per month with minimum lot size of 5,000 t or multiples thereof.

6.4 **Raw Materials to be arranged by Successful bidder at Ex-Plant RINL / VSP :**

- (i) Successful bidders shall arrange for equivalent funds to procure required quantity (as per the table below) of Imported Hard Coking Coal / Imported Soft Coking Coal, BF Coke, PCI Coal and Iron Ore Fines and Iron Ore Lumps / Iron ore Pellets as per the Landed cost including GST at RINL (On request from successful bidder), RINL shall furnish the Landed Cost details for the corresponding month).
- (ii) Successful bidders securing 20,000 t of Steel per month or more ;
  - (a) Shall have the option to arrange of Imported Hard Coking Coal / Imported Soft Coking Coal, BF Coke, PCI Coal and Iron Ore Fines and Iron Ore Lumps / Iron ore Pellets as per **specifications at Annexure-2**.

<b>Raw material to be supplied by interested party for each 5,000 t of Steel</b>		
<b>Material</b>	<b>t/t of Bloom</b>	<b>Qty(tons) for 5000 t of Steel</b>
Imported HCC	0.59	2950
Imported SCC	0.32	1600
Imported PCI	0.12	600
BF Coke		As per (b) below
Iron Ore Lumps	0.67	3350
Iron Ore Fines	0.96	4800
Iron Ore Pellets		As per (b) below

(b). In case successful bidders opt for arranging BF Coke in lieu of Coking Coals and Pellets in lieu of Iron Ore Fines & Iron ore Lumps, equivalent quantity of BF coke and Pellets shall be based on previous months' average index price for all imported raw materials and that for indigenously sourced raw materials shall be based on corresponding months' average index price/published prices.

7. **Mode of arrangement of Raw materials for successful bidders who secure 20,000 t of Steel or more per month.** Coking Coals / BF Coke and PCI Coal shall be arranged by the successful bidder and Iron Ore Fines and Iron ore Lumps / Pellets with 63% Fe content (acceptable upto 61% with penalty) shall be arranged by the successful bidder. If the successful bidder securing 20,000 t of Steel or more is not able to arrange any / all the above specified materials in required quantities, he shall have the option to make up for the shortfall in value by arranging higher quantities against any of the other above specified materials by arranging equivalent funds to procure required quantity of raw materials as per clause 6.4 above as per the landed cost incl.GST at RINL.(On request from successful bidder, RINL shall furnish the Landed Cost details for the corresponding month).
8. **Bidding Mechanism :** Yankee model bidding for the Steel lots to be secured by interested parties. Though the bidding shall be for the base grade as at Sl.No.3 above, successful bidder shall have the choice to select required Quality /grade of Bloom(as per Annexure -1) and finished product (see sl.no.6.2 above). Yankee Auction Logic is placed at Annexure –3
9. **Bid Parameter :** Premium on start bid conversion charges (Rs./ t) (Bidder with maximum conversion charge/t shall be considered for selection as successful bidder for specific lot(s)).
10. **Start bid price for conversion charge: Rs.9,000/-** per tonne.(Grade Extra and quality extra as applicable). **Bid Increment : Rs.50/- PMT.** Successful bidder shall have the option to pay the Conversion charges also in form of raw materials as per clause no 3 above.
11. Last Date and time for accepting the **Pre Bid EMD and letter of Interest is up to 10.30 Hrs on 09.02.2024.**
12. Start time and date of bidding in the Auction is **15.00 Hrs on 12-02-2024.**

13. Duration of the Auction : 45 minutes (duration is subject to automatic closing time extension).
14. **Quality Incentive / Penalty** : Incentive / penalty as applicable due to variation from specifications (as per annexure 2) for Coking Coals, PCI Coal, Iron Ore / pellets / BF Coke shall be adjusted / charged extra over and above the final accepted conversion charges.
15. **Third Party analysis for Raw Materials being supplied by successful bidder**: Successful bidders securing more than 20,000 t of steel per month and opting for supply of materials shall appoint a mutually agreed third party carrying out inspection/ analysis and issuing certificate for quality of Coking Coals, BF Coke, PCI Coal, Iron Ore / pellets at the load point and at unloading point of RINL. Analysis (except moisture) at unloading point at RINL is final and binding.
16. **Weighment of Raw Materials** : The RR weight shall be the basis for quantity supplied by successful bidder as per options at Sl. No. 6.4 above.
17. **Confirmation letter for supply of steel by RINL** : RINL shall issue confirmation letter for supply of monthly quantity of steel within 5 working days of receipt of all raw materials or arranging the equivalent fund by the successful bidder.
18. **Payment terms for successful bidder**: Payment of 100% conversion charges and other charges as brought out at Sl No. 6.2 shall be made by the successful bidder within 5 working days of the date of issue of confirmation letter by RINL.
19. **Delivery period of steel** : 45 - 60 days from the date of receipt of conversion charges & other charges as specified by the successful bidder.
20. **Delivery of steel** : Blooms of required grade/desired product shall be earmarked separately at RINL stock yard at Visakhapatnam for Ex-Plant delivery as per RINL weighment. Loading of Steel material will be done by RINL/VSP and is free of Cost.
21. **EMD / SD** : **EMD of Rs 10,00,000/-**. (Rupees Ten lakhs) in the form of RTGS/NEFT in favor of Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant is payable by the bidder. Bidders without EMD will not be allowed to participate in the E-auction. **The bank account details are**
22. **furnished as below;**

<b>Name of the Organization</b>	:	<b>Rashtriya Ispat Nigam Limited</b>											
<b>Address</b>	:	<b>Visakhapatnam Steel Plant Main Administrative Building Visakhapatnam – 530 031</b>											
<b>Bank Name</b>	:	<b>State Bank of India</b>											
<b>Account Number</b>	:	<table border="1"><tr><td>3</td><td>1</td><td>5</td><td>6</td><td>3</td><td>1</td><td>8</td><td>8</td><td>2</td><td>4</td><td>2</td></tr></table>	3	1	5	6	3	1	8	8	2	4	2
3	1	5	6	3	1	8	8	2	4	2			
<b>Type of Account</b>	:	<b>Cash Credit</b>											
<b>MICR Code</b>	:	<table border="1"><tr><td>5</td><td>3</td><td>0</td><td>0</td><td>0</td><td>2</td><td>0</td><td>5</td><td>9</td></tr></table>	5	3	0	0	0	2	0	5	9		
5	3	0	0	0	2	0	5	9					
<b>Swift Code</b>	:	<table border="1"><tr><td>S</td><td>B</td><td>I</td><td>N</td><td>I</td><td>N</td><td>B</td><td>B</td><td>7</td><td>4</td><td>5</td></tr></table>	S	B	I	N	I	N	B	B	7	4	5
S	B	I	N	I	N	B	B	7	4	5			
<b>IFSC CODE</b>	:	<table border="1"><tr><td>S</td><td>B</td><td>I</td><td>N</td><td>0</td><td>0</td><td>1</td><td>4</td><td>4</td><td>0</td><td>7</td></tr></table>	S	B	I	N	0	0	1	4	4	0	7
S	B	I	N	0	0	1	4	4	0	7			
<b>BANK ADDRESS</b>	:	<b>COMMERCIAL BRANCH, 1st FLOOR, BALAJI METRO D.NO.:43-29-54/B, NARONA ROAD, CHAMBERS, DONDAPARTHY, VISAKHPATNAM – 530016</b>											

The format for “ Letter of Interest & EMD submission” is placed at Annexure-4

**EMD amount shall be returned** to unsuccessful bidders within 7 working days at the request of the bidder. For successful bidder, EMD shall be converted as Security deposit, which shall be returned after successful completion of the contract. In case successful bidder fails to supply the required raw materials/arranging the funds for raw materials/pay the conversion charges within specified period, EMD/SD shall be forfeited. The bidders will be allowed to bid for all the lots of the e-auction with the Pre-bid amount of Rs.10,00,000/-. GST shall be applicable on forfeiture of EMD(Earnest Money Deposit) if levied by RINL on bidder and shall be recovered along with GST applicable thereon. GST shall be charged by grossing up the EMD amount with the applicable GST rate. RINL shall issue tax invoice in favor of Bidder for such recovery.

23. **Quality Assurance of steel** : To be certified by RINL and quality issues, if any shall be handled through RINL Quality complaint system.
24. **Accounting of Raw Materials & Invoicing of Sale of Steel** : The Material arranged by successful bidder shall be accounted at landed cost at RINL, based on invoices of bidder. RINL will claim Input Tax Credit (ITC) on the value of material supplied by the bidder based on bidder's Tax Invoice. RINL shall derive Ex-Plant Selling price per tonne of Concast Blooms-150 X 150- IS 2830 or the product to be supplied at Landed cost of Raw materials supplied and /or equivalent fund arranged as per clause 7 above by the bidder per tonne of Steel net of ITC availed by RINL plus accepted conversion charges after adjusting any incentive / Penalty as per clause 14 above per tonne plus other charges towards grade/quality/product extra per tonne plus GST shall be extra on the selling price which shall be paid by bidder before delivery of product after adjusting ITC amount availed by RINL for Material supplied by the bidder.

25. **Reconciliation:** On monthly basis and final settlement on account of any accounting balances shall be done at the end of the contract.
26. **Delay charges :** In case of RINL failing to supply as per agreed delivery schedule: RINL shall compensate @ Rs 250 /t/month pro-rata for days of delay and complete the supply within 30 days. In case successful bidder fails to lift the material as per agreed delivery schedule: To lift the quantity within 30 days with delay charges of Rs 50/t per week pro-rata days.
27. **Foreclosure :** In case of either party desiring to discontinue the arrangement, the same shall be notified at least 1 month in advance. Both parties shall discharge pending obligations as per the schedule.
28. RINL/VSP reserves the right to reject any or all the offers without assigning any reason what so ever.
29. Detailed terms & conditions of Contract/Auction are enclosed at **Annexure –A** , Integrity Pact at **Annexure-B** & Dispute resolution/Arbitration and Conciliation please refer **Annexure-C**.
30. RINL shall not be responsible for any difficulty in downloading of clear and complete tender documents from the website. The tenderers shall be deemed to have read and understood the complete tender documents uploaded by RINL/VSP on its website. Corrigendum /Addendum/ Amendments/clarifications, etc, if any, shall be hosted on websites only. Bidders are requested to visit the website regularly.
31. Bidders are advised to refer to all the Terms & Conditions and user manual which is available in [www.srm.vizagsteel.com](http://www.srm.vizagsteel.com) for better understanding before participating in the auction.
32. RINL/VSP reserves the right to reject any or all the offers without assigning any reason what so ever.

**(General Manager)**

**CONTACT DETAILS OF RINL EXECUTIVES:**

- |    |  |
|----|--|
| 1) | Regarding Auction &Raw Materials : Shri. VV Somaraju, GM(MM)-(+91)-9866009207<br>Shri. K.V Rao, DGM(MM)- (+91) 9959233369 &<br>Shri. K.Sreenivasa Rao, DGM(MM)- (+91) 9618484858       |
| 2) | Regarding Steel : Shri. SK Agarwal,DGM(MKTG)ITD I/c - (+91) 8454946757 &<br>Shri. M. Vijaya Kumar, DGM (MKTG) ITD -(+91) 9866332734<br>Shri.K.S.Babu, DGM(Mktg) T&A – (+91) 8500669690 |

## Annexure –A

### **RASHTRIYA ISPAT NIGAM LIMITED VISAKHAPATNAM STEEL PLANT**

#### **Terms and conditions for Supply of Steel (150X150 blooms & Finished Products) by RINL to interested parties against funding / supply of major raw materials like Coking Coals / BF Coke, PCI Coal , Iron ore / Pellets.**

1. RINL intends to supply steel to interested parties arranging major raw materials like Coking Coals / BF Coke, PCI Coal and Iron ore Lumps / Fines/Pellets or equivalent funds through Conversion Model for which online e-auction is being done.
2. The bidder has to quote the Conversion charges for per MT for supply of Blooms 150x150 IS 2830. Details of the Raw Materials with respect to quantity, quality are mentioned in the Auction notice.
3. Quality incentive/penalty, third party analysis of Raw materials, delivery of Steel, delay charges will be as per terms of auction notice.
4. **INSTRUCTIONS TO THE BIDDER**
  - a) If due to any reason the date of auction is postponed to any other date, information regarding the same will be displayed in the website and emailed to the parties.
  - b) Bidding will be accepted online only. Please refer 'User Manual' made available in our website for further details.
  - c) The lots are notional and are not made as physically separate entities for prime materials.
  - d) The bid for conversion charges per MT shall be submitted by the bidders exclusive of GST .The GST and other levies applicable, if any, will be charged extra.
  - e) The Letter of Interest & EMD ( as per Annexure 4) duly filled in and signed along with EMD details and should be submitted within the prescribed date / time as mentioned in the Auction Notice. Regular customers may also opt to utilize the replenishable (permanent) EMD facility. The customers may visit our web site or contact the branch manager for further details in this regard. RINL will not be responsible for any delay in submission of EMD/letter of interest.
  - f) Customers can also submit their letter of interest through "Digital Signature Certificate" (DSC), Ministry of Corporate Affairs has authorized the Certifying Agencies to issue Digital Signature Certificates to participants, which facilitate to submit the signed instructions through web. (For further details participants are advised to visit the website at 'www.mstcecommerce.com').
  - g) The bidder should sign on the Letter of Interest in acceptance of all Terms and Conditions of Auction Sale. The customers with replenishable (permanent) EMD shall submit the Letter of Interest at the time of submission of EMD and their user-ID shall be validated for all e-auction by the branch, as long as the EMD is maintained with the Branch.
5. **EMD of Rs 10,00,000/-**. (Rupees Ten lakhs) in the form of RTGS/NEFT in favor of Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant is payable by the bidders. Bidders without EMD will not be allowed to participate in the E-auction. The Bank details for submission of EMD is as per Auction Notice. The bidders will be allowed to bid for all the lots of the e-auction with the Pre-bid amount of Rs.10,00,000/-. GST shall be applicable on forfeiture of EMD(Earnest Money Deposit) if levied by RINL on bidder and shall be recovered along with GST applicable thereon. GST shall be charged by grossing up the EMD amount with the applicable GST rate. RINL shall issue tax invoice in favor of Bidder for such recovery.
6. **EMD / SD / REFUND / FORFEITURE**
  - a) EMD amount shall be returned to unsuccessful bidders within 7 working days at the request of the bidder
  - b) In case successful bidder fails to supply the required raw materials/arranging the funds for raw materials/pay the conversion charges within specified period, EMD/SD shall be forfeited
  - c) No interest shall be paid on EMD.
  - d) EMD amount shall be blocked and treated as Security Deposit for the highest bidder of the lot towards faithful and satisfactory performance of the contract and shall be released/refunded after successful completion of contract. In case the successful bidder withdraws his offer before expiry of

the validity or does not execute the contract as per the acceptance by RINL, the EMD/SD shall be forfeited.

- e) In case of forfeiture, GST shall be applicable on Security Deposit/EMD. The Security Deposit/EMD, duly grossed up with GST is indicated above. RINL shall Issue tax invoice in favor of the customer for such recovery/forfeiture. In case, the statutory obligations in GST rules undergo changes/modification, the same shall be applied.

#### 7. ISSUE OF ACCEPTANCE OF QUOTATION / CONCLUSION OF CONTRACT :

- a) RINL, VSP shall issue Letter of Acceptance of bid to the successful bidders. Letter of Acceptance of bid shall be issued for each bidder/ lot separately.
- b) Such acceptance letter shall be issued based on final conversion Charges per MT of the successful bidder and accepted by VSP.
- c) RINL shall issue confirmation letter for supply of monthly quantity of steel within 5 working days of receipt of all raw materials or arranging the equivalent fund by the successful bidder.
- d) **RINL/VSP reserves the right to reject any or all the offers/quotations without assigning any reason what so ever. No claim shall be entertained in this regard.**

#### 8. FINANCIAL ARRANGEMENT

- a) The successful bidder should pay the 100 % conversion charges and other charges(Grade extra, Quality extra, Product extra) as brought out in 6.2 of auction notice with in five working days from date of issue of confirmation letter by RINL, by RTGS/NEFT(online payment) in favor of Rashtriya Ispat Nigam Limited, as mentioned in the Acceptance Letter.
- b) The bidder has to pay full amount as per the confirmation Letter for enabling VSP to issue Sales Order for the lot quantity. Sales Order for part quantity of any physical lot will not be issued.

#### 9. DELIVERY OF MATERIAL

- a) Materials will be delivered from the stockyard of the Branch Sales Office /HQs conducting the auction and purchaser has to arrange his own transport. Loading will be carried out by VSP, wherever possible as per Auction Notice.
- b) Trucks/trailers will be placed at loading point as per the direction of VSP. Loading on trucks / trailers/rail will be as per the instruction of VSP's representative at the place of loading. The bidder / purchaser will not be allowed to pick or choose the material. If any material other than the subject auction lot is found in the vehicle at the time of loading or weighment or at the time of issue of gate pass, etc., suitable action will be taken as per VSP's rules and regulations and also consider the same as breach of contract under the auction.
- c) The risk and property of the material will pass on to the bidder immediately after loading the materials into their vehicles / wagons.
- d) Weight as per the weighbridge at VSP's stockyard or HQs will be final and no dispute will be entertained after the material leaves VSP premises.
- e) If the bidder intends to take the deliveries through his representative he must authorize his representative by a letter of authorization giving name and details of such representative. The letter of authorization will be with the signature of the representative duly attested by the bidder, who signed on the auction documents.

#### 10. DELIVERY SCHEDULE / EXTENSION

- a) The bidder should lift the entire quantity of the lot quoted and accepted by the Company within the delivery time indicated in the auction notice.
- b) **Delay Charges :** In case of RINL failing to supply as per agreed delivery schedule: RINL shall compensate @ Rs 250 /t/month pro-rata for days of delay and complete the supply within 30 days. In case successful bidder fails to lift the material as per agreed delivery schedule: To lift the quantity within 30 days with delay charges of Rs 50/t per week pro-rata days.

#### 11. TAXES & DUTIES



- a) GST shall be charged extra as applicable
- b) For the sales from plant and stockyard, GST, octroi and others statutory levies etc will be charged extra.
- c) **Accounting of Raw Materials & Invoicing of Sale of Steel :** The Material arranged by successful bidder shall be accounted at landed cost at RINL, based on invoices of bidder. RINL will claim Input Tax Credit (ITC) on the value of material supplied by the bidder based on bidder's Tax Invoice. RINL shall derive Ex-Plant Selling price per tonne of Concast Blooms-150 X 150- IS 2830 or the product to be supplied at Landed cost of Raw materials supplied and /or equivalent fund arranged as per clause 6 above by the bidder per tonne of Steel net of ITC availed by RINL plus accepted conversion charges after adjusting any incentive / Penalty as per clause 14 of this Auction Notice per tonne plus Other charges towards grade/quality/product extra per tonne plus GST shall be extra on the selling price which shall be paid by bidder before delivery of product after adjusting ITC amount availed by RINL for Material supplied by the bidder

## 12. GENERAL

- a) The Company at its entire discretion may terminate the contract without any notice to the bidder in case there is any malafide intention noticed during lifting of materials from VSP. In the event of such termination of contract, and RINL shall have right to recover the losses, if any, incurred during disposing off such material.
- b) Bidder will not be entitled to claim any compensation of whatsoever nature if termination/cancellation is imposed by VSP for any reason.
- c) **Foreclosure :** In case of either party desiring to discontinue the arrangement, the same shall be notified at least 1 month in advance. Both parties shall discharge pending obligations as per the schedule.
- d) Any damage caused to VSP's property or its contractor's personnel within VSP's premises by the bidder during the operation of the contract will be to his account and are recoverable.
- e) Except the matters covered by the terms of the contracts, where a decision is provided or where it is declared to be final, if at any time, any question, dispute or difference whatsoever shall arise between RINL, VISAKHAPATNAM STEEL PLANT and the CUSTOMER upon, or in relation to or in connection with the Contract either party may forthwith give to the other notice in writing of the existence of such question dispute or difference and the same shall be referred to the adjudication of an arbitrator to be nominated by RINL, VISAKHAPATNAM STEEL PLANT. The award of the arbitrator shall be final and binding on both the parties and the provisions of the Arbitration and Conciliation Act, 1996, and the rules there under and any statutory modification thereof shall be deemed to apply to and be incorporated in this contract.

The performance of the obligations under the contract shall unless otherwise directed by the Arbitrator, continue during the Arbitration proceedings and no payment due or payable by the parties shall be withheld on account of such proceedings. The Arbitrator shall make a reasoned award. The venue of Arbitration shall be at Visakhapatnam, Andhra Pradesh, India (for auctions conducted at HQ)

- f) All suits or proceedings relating to any dispute or any claim arising out of or in the course of performance of the contract shall be subjected to the exclusive jurisdiction of the courts at Visakhapatnam only (for auctions conducted at HQ).

\*\*\*\*\*

## **Annexure-B**

### **INTEGRITY PACT FORMAT**

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

And

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

#### **Preamble**

Principal intends to award, under laid down organizational procedures, Supply of steel (150X150 blooms & Finished Products) by RINL to interested parties against funding/ Supply of major raw materials like Coking coals, BF Coke, PCI Coal and Iron ore Lumps / Fines / Pellets against e-auction NO 9100001653 dated 25.01.2024. 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 an Independent External Monitor(s) (IEM(s)) by name at the tender stage/will appoint in case of receipt of any reference, from the panel of IEMs, for monitoring the tender process and the execution of the contract in order to ensure compliance with the Integrity Pact by all the parties concerned.

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

- (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 for, or the execution of a contract, demand, take a promise for or accept, for self or for third person, any material or non-material benefit which the person is not legally entitled to.
  - (b) The Principal will, during the tender process treat all bidders with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidders the same information and will not provide to any Bidder confidential/additional information through which the Bidder(s) could obtain an advantage in relation to the tender process or the contract execution.
  - (c) The Principal will exclude from the process all known prejudiced persons.
- (2) If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the IPC/ PC Act, or if there be a substantive suspicion in this regard, the Principal will inform Chief Vigilance Officer of RINL and in addition can initiate disciplinary action.

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

- (1) The Bidder/ 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(s)/Contractor(s) will not, directly or through any other person or firm, offer, promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or other benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract or to vitiate the Principal's tender process or contract execution.
  - (b) The Bidder(s)/ Contractor(s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process or to vitiate the Principal's tender process or execution of the contract.
  - (c) The Bidder(s)/Contractor(s) will not commit any offence under the IPC/ PC Act; further the Bidder(s)/Contractor(s) will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship regarding plans, technical proposals and business details including information contained or transmitted electronically.
  - (d) The Bidder(s)/Contractor(s) of foreign origin shall disclose the name and address of the Agent(s)/representative(s) in India, if any. Similarly the Bidder(s)/Contractor(s) of Indian Nationality shall furnish the name and address of the foreign supplier/contract Agency, if any. Further details, as mentioned in the Guidelines on Indian Agents of Foreign "Suppliers/contract agencies", shall be disclosed by the Bidder(s)/Contractor(s) wherever applicable. Further, as mentioned in the Guidelines, all the payments made to the Indian agent(s)/representative(s) have to be in Indian Rupees only.

**Copy of the Guidelines on Indian Agents of Foreign "Suppliers/contract agencies" is enclosed.**

- (e) The Bidder(s)/ Contractor(s) will, when presenting his bid, disclose any and all payments he has made or committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
  - (f) The Bidder/Contractor signing IP shall not approach the Courts while representing the matters to IEMs and he/she will await their decision in the matter
- (1) The Bidder(s)/Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.

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

- (1) A transgression is considered to have occurred, if the principal after due consideration of the available evidence, concludes that a reasonable doubt is possible.
- (2) If the Bidder(s)/Contractor(s), before award of contract or after award of contract has committed a transgression through a violation of Section 2 above or in any other form such as to put his reliability or

credibility in question, the Principal is entitled to disqualify the Bidder(s) from the tender process or to terminate the contract, if already awarded, for that reason, without prejudice to other remedies available to the Principal under the relevant GCC of the tender/contract.

- (3) If the bidder/Contractor has committed a transgression through a violation of any of the terms under Section 2 above or in any other form such as to put his reliability or credibility into question, the Principal is entitled also to exclude the bidder / Contractor from future tenders/Contract award processes. The imposition and duration of the exclusion will be determined by the principal keeping in view the severity of the transgression. The severity will be determined by the circumstances of the case, in particular the number of transgressions, the position of the transgressors within the company hierarchy of the bidder /Contractor and the amount of the damage.
- (4) If it is observed after payment of final bill but before the expiry of validity of Integrity pact that the contractor has committed a transgression through a violation of any of the terms under Section 2 above during the execution of contract, the Principal is entitled to exclude the Contractor from future tenders/Contract award processes.
- (5) The exclusion will be imposed for a minimum period of six (6) months and a maximum period of three (3) years.
- (6) If the bidder / Contractor can prove that he has restored/ recouped the damage to the principal caused by him and has installed a suitable corruption prevention system, the Principal may revoke the exclusion before the expiry of the period of such exclusion.

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

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

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

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

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

- (1) The Bidder(s)/Contractor(s) undertakes to demand from all his subcontractors a commitment in

conformity with this Integrity Pact, and to submit it to the Principal before seeking permission for such subcontracting.

- (2) The Principal will enter into agreements with identical conditions as this one with all Bidders and Contractors.
- (3) The Principal will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

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

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

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

- (1) The Principal appoints competent and credible Independent External Monitor(s) with clearance from Central Vigilance Commission & Transparency International (India). The IEM(s) reviews independently, the cases referred to him/them to assess whether and to what extent the parties concerned comply with the obligations under this Integrity Pact.
- (2) In case of 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 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 so inform the Principal

and request the Principal to discontinue or take corrective action or to take other relevant action. The IEM can in this regard submit non-binding recommendations. Beyond this, the IEM has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.

- (7) The IEM will submit a written report to the CMD, RINL within four (04) to six (06) weeks from the date of reference or intimation to him by the Principal and, should the occasion arise, submit proposals for corrective actions for the violations or the breaches of the provisions of the agreement noticed by the IEM.
- (8) IEM may also submit a report directly to the CVO of RINL and the Central Vigilance Commission, in case of suspicion of serious irregularities attracting provisions of the IPC/ PC Act.
- (9) Expenses of IEM shall be borne by RINL/VSP as per terms of appointment of IEMs.
- (10) The word '**Monitor**' means Independent External Monitor and would include both singular and plural.

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

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

#### **Section 10 – Other provisions:**

- (1) This 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 agreement turnout to be invalid, the remaining part of this agreement remain valid. In this case, the parties will strive to come to an agreement to their original intentions.
- (5) Wherever he or his is indicated in the above sections, the same may be read as he/she or his/her, as the case may be. Similarly, wherever Counterparty or Bidder or Contractor is mentioned, the same would include both singular and plural.
- (6) In the event of any dispute between the Principal and the contractor relating to those contracts where Integrity Pact is applicable, in case, both the parties are agreeable, they may try to settle dispute through mediation before the panel of IEMs in a time bound manner. If required, the organization may adopt any mediation rules for this purpose. The fees / expenses on dispute resolution shall be equally shared by both the parties.

In case the dispute remains unsolved even after mediation by the panel of IEMs, the

organization/Principal may take further action as per the terms & conditions of the contract.

\_\_\_\_\_  
**(For & On behalf of the Principal)**  
**(Office Seal)**

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

**Place** -----

**Date** -----

**Witness 1**  
**(Name & Address)**

**Witness 2**  
**(Name & Address)**

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

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

\_\_\_\_\_

**GUIDELINES FOR INDIAN AGENTS OF**  
**FOREIGN “SUPPLIERS/CONTRACT AGENCIES”**

- 1.0** There shall be compulsory registration of Indian Agents of foreign suppliers/contract Agencies with RINL in respect of all Global (Open) Tenders and Limited Tenders. An agent who is not registered with RINL shall apply for registration in the prescribed Application Form.
- 1.1** Registered agent needs to submit before the placement of order by RINL, an Original certificate issued by his foreign supplier/ contract Agency (or an authenticated Photostat copy of the above certificate duly attested by a Notary Public) confirming the agency agreement and giving the status being enjoyed by the agent along with the details of the commission /remuneration /salary /retainer being paid by them to the agent(s).
- 1.2** Wherever the Indian representative has communicated on behalf of their foreign supplier/contract Agency and/or the foreign supplier/contract Agency have stated that they are not paying any commission to their Indian agent(s) but paying salary or retainer, a written declaration to this effect given by the foreign supplier/contract Agency should be submitted before finalizing the contract.

**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.

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

1. Sri B Prasada Rao, Ex-CMD, BHEL
2. Shri Anil Kumar Upadhyay, Retd IFS

Please see our website [www.vizagsteel.com](http://www.vizagsteel.com))

RINL VIGILANCE: TOLL FREE NO. 1800425 8878

1.0 SETTLEMENT OF DISPUTES:-	Annexure -C
<p>a) If any dispute of any kind whatsoever shall arise between the Parties (i.e., the Employer and the Contractor) in connection with or arising out of the Contract, including without prejudice to the generality of the foregoing, any question regarding its existence, validity or termination or the execution of the Work—whether during the progress of the Work or after their completion and whether before or after the termination, abandonment or breach of the Contract—the Parties shall seek to resolve any such dispute or difference by Mutual consultation, failing which, through Conciliation, and if the Conciliation fails then through Arbitration / Commercial Courts as mentioned below.</p> <p>b) Parties further agree that following matters shall not be referred to Conciliation or Arbitration / Commercial courts:</p> <p>i) Any claim, difference or dispute relating to, connected with or arising out of Employer's decision to initiate any proceedings for suspension or banning, or decision to suspend or to ban business dealings with the Bidder / Contractor and/or with any other person involved or connected or dealing with bid / contract / bidder / contractor.</p> <p>ii) Any claim, difference or dispute relating to, connected with or arising out of Employer's decision under the provisions of Integrity Pact executed between Employer and the Bidder / Contractor.</p> <p>c) During the pendency of Mutual Consultation, Conciliation or Arbitration / Commercial courts proceedings, both the parties shall continue to perform their Contractual obligations in so far as practicable.</p>	
<p><b>1.1 <u>MUTUAL CONSULTATION</u></b>:- The Mutual Consultation shall be conducted in the following manner.</p> <p>(a) The Engineer and the Contractor shall settle the dispute amicably within 15 working days from the date, the dispute has been brought to the notice of the Engineer in writing by the Contractor.</p> <p>(b) If the dispute is not resolved or partially resolved within the aforesaid 15 working days, then the un-resolved disputes shall be brought to the notice of Dispute Settlement Cell (DSC) of RINL by either of the parties in writing within 7 working days of the lapse of aforesaid 15 working days. DSC will put up the un-resolved disputes to Claims Committee (CC) of RINL. Claims Committee consisting of independent members will look in to the disputes in a fair and transparent manner and give their recommendation with reason based on the documents submitted by the Engineer and the Contractor. The Claims Committee is a neutral body empowered to look in to the issues beyond the contractual provisions. The process of dispute resolution by Claims Committee is as follows.</p>	

- (c) DSC will put up the un-resolved disputes to Claims Committee within 7 working days from the date of receipt of the same .
- (d) The Contractor and the Engineer shall file all the documents sought for by the Claims Committee within the period as intimated by Claims Committee. The Contractor and the Engineer also may be required to be present within 10 days after filing of their documents to explain their case in the Claims Committee. Claims Committee will give its recommendations to both the parties recommending possible terms of settlement within 60 days, from the date the dispute has been brought to the notice of the DSC. If the disputes could not be resolved as per the recommendations of CC or partially resolved within the aforesaid period, the balance un-resolved disputes shall be brought to the notice of DSC by either of the parties in writing.
- e) All efforts by either party within the above period of Mutual settlement shall be kept confidential by both the parties. Parties shall not rely upon any views expressed or suggestions made by the other party, admissions made by the other party or the fact that the other party had indicated his willingness to enter into a settlement, as evidence in any Forum / arbitration or Court proceeding.
- f) The timelines mentioned in the above guidelines are with an objective to achieve expeditious conclusion of Claims Committee proceedings, However, it does not mean that any action beyond the timelines will be invalid. However, the party concerned will make all efforts to complete the actions within the stipulated time.
- g) In exceptional cases if Claims Committee requests for the extension of time with valid reasons, Competent authority of RINL may extend the time for Claims Committee.
- (h) The recommendations of Claims Committee are non-binding and the parties may decide to accept or not to accept the same. Parties are at liberty to accept the Claims Committee recommendation with any modification they may deem fit.
- (i) The Contractor and the Engineer shall give their response to DSC within 7 working days from the receipt of Claims Committee Recommendation.
- (j) If the Recommendations are acceptable to the Contractor partly or fully, RINL will consider and take a decision on Claims Committee recommendations. DSC shall communicate the decision of RINL to the Contractor within 30 working days from the date of receipt of Contractor's acceptance. If the response of the Contractor is acceptable to RINL, then a settlement agreement will be signed within 10 working days of RINL's acceptance along with the recommendation of Claims Committee .

## **1.2 CONCILIATION:-**

1. Conciliation through Outside Expert Committee (OEC) will be resorted to in cases as per the following details, where Mutual consultation has failed.
2. Claimant shall give notice for Conciliation. In cases where the Contractor is claimant then the notice shall be given to the DSC as per the contract, clearly bringing out the points of dispute and the amount claimed with documents in support of the claim and the party concerned shall not raise any new issue thereafter.

**1.2.1.Constitution of OEC:-** DSC shall process the request for Conciliation.

1. RINL will have the sole discretion to constitute OEC. OEC will be formed from the panel of experts maintained by RINL and will normally comprise three members, one member from each category i.e. Technical; Finance/Commercial; and Legal. However, there will be a single member OEC for disputes involving a claim and Counter Claims (if any) taken together upto Rs 1 crore. RINL will have authority to reconstitute an OEC to fill any vacancy or if any OEC member is not available to attend the OEC Meetings.
2. Upon constitution of the OEC, DSC/RINL will issue the appointment letters to OEC members and the parties concerned.
3. The OEC members shall give a declaration of independence and impartiality (as per Appendix-1) to both the parties before the commencement of the OEC proceedings.

**1.2.2. Proceedings before OEC:-**

1. The Claimant shall submit its Stattement of Claims to OEC members, and copy to the Respondent (i.e.,to DSC in case RINL is the Respondent) within 30 days of the issue of the appointment letter (kindly refer Appendix-2 regarding submission of Claim/Counter Claims etc.).
2. The Respondent shall file its reply and Counter Claims (if any) within 30 days of the receipt of the Stattement of Claims.
3. Parties may file their rejoinder/additional documents if any in support of their claim/Counter Claims within next 15 days. No documents shall be allowed thereafter, except with the permission of OEC
4. OEC will commence its meetings only after completion of the pleadings and in any case not beyond 90 days from its appointment.
5. In case of 3 members OEC, 2 members will constitute a valid quorum and the meeting can take place to proceed in the matter after seeking consent from the member who is not available. If necessary video conferencing may be arranged. However, OEC Recommendations will be signed by all Members. Further, efforts must be made for unanimous recommendations.
6. The parties shall be represented by their in-house employees / executives. No party shall bring any advocate or external consultant / advisor / agent etc. Ex-officers of (i) RINL as well as (ii) Consultant, who are involved in the subject contract, in any capacity are not allowed to attend and present the case before OEC on behalf of Contractor. However, ex-employees of parties may represent their respective organizations.
7. Solicitation or any attempt to bring influence of any kind on either OEC Members or RINL is completely prohibited in Conciliation proceedings and RINL reserves the absolute right to close the Conciliation proceedings at its sole discretion if it apprehends any kind of such attempt made by the Contractor or its representatives.
8. Parties agree to rely only upon documentary evidence in support of their claims and not to bring any oral evidence in the OEC proceedings.
9. OEC will give full opportunity of hearing to the parties before giving its recommendations.

10. OEC will conclude its proceedings in maximum 5 meetings, and give its recommendations within 60 days of its first meeting. OEC will give its recommendations to both the parties recommending possible terms of settlement. Competent Authority of RINL may extend the time / number of meetings, in exceptional cases, if OEC requests for the same with sufficient reasons.
11. OEC members will be paid fees and provided facilities (as detailed under para-1 of clause 1.2.4 hereinafter), subject to revision by RINL from time to time and subject to Government guidelines on austerity measures, if any.
12. Depending upon the location of the OEC members and the parties, the venue of the OEC meeting shall be either Visakhapatnam or any other place, whichever is most economical from the point of view of travel and stay etc.
13. Parties shall not claim any interest on claims/counterclaims from the date of notice invoking Conciliation till execution of settlement agreement, if so arrived at. In case, parties are unable to reach a settlement, no interest shall be claimed by either party for the period from the date of notice invoking Conciliation till the date of OEC recommendations and 30 days thereafter in any further proceeding.
14. Parties are under no obligation to refer a dispute to Conciliation or continue with Conciliation proceedings. Parties are free to terminate the Conciliation proceedings at any stage as provided under section 76(C) or 76 (d) of the Arbitration and Conciliation Act, 1996.

### **1.2.3.Actions after OEC Recommendations:-**

1. The recommendations of OEC are non-binding and the parties may decide to accept or not to accept the same. Parties are at liberty to accept the OEC recommendation with any modification they may deem fit.
  2. Either of the parties shall give its response to DSC within 7 working days of receipt of OEC Recommendation.
  3. If the Recommendations are acceptable to the Contractor partly or fully, RINL will consider and take a decision on OEC recommendations. DSC shall communicate the decision of RINL to the Contractor within 30 working days from the date of receipt of Contractor's acceptance. If the response of Contractor is acceptable to RINL, a settlement agreement under Section 73 of the Arbitration and Conciliation Act, 1996 as amended and applicable from time to time will be signed within 15 working days of RINL's acceptance and the same shall be authenticated by all the OEC Members.
  4. The timelines mentioned in the above guidelines are with an objective to achieve expeditious conclusion of OEC proceedings, However, it does not mean that any action beyond the timelines will be invalid. However, the party concerned will make all efforts to complete the actions within the stipulated time.
  5. The parties shall keep confidential
    - (i) all matters relating to the Conciliation proceedings including minutes of OEC meeting and Recommendations of OEC,
    - (ii) and shall not rely upon them as evidence in any Forum / arbitration / court proceeding,
- whether or not such proceedings relate to the dispute that is the subject of the Conciliation proceedings,
- (iii) views expressed or suggestions made by the other party in respect of a possible settlement of the dispute
  - (iv) admissions made by the other party in the course of the OEC proceedings;
  - (v) proposals made by the OEC;
  - (vi) the fact that the other party had indicated his willingness to accept a proposal for settlement made by the OEC.
6. Confidentiality extends also to the settlement agreement, except where its disclosure is necessary for purposes of implementation and enforcement. This stipulation will not apply to disclosure made by RINL to Govt, of India or its authorities, if required.
7. Subject to terms and conditions contained in the above paras, the provisions of the Part III of Arbitration and Conciliation Act, 1996 as amended and applicable from time to time shall be applicable to the Conciliation proceedings and the parties and the OEC members shall be bound by the same.

**1.2.4.Fees and facility to the OEC Members:-**

1. Each of the OEC members shall be entitled for the following fees and facilities:

All the expenditure incurred in the OEC proceedings shall be shared by the parties in equal proportion. The parties shall maintain account of expenditure and present to the other for the purpose of sharing on conclusion of the OEC proceedings. Each party shall bear their own expenses for attending the OEC meetings including any incidental expenses towards boarding / lodging, travel etc.

SI. No.	Entitlement / Facility	To be paid by
i	Fees -Rs. 20,000 per meeting subject to maximum of Rs. 2,00,000 for the whole case. In addition, one OEC member chosen by OEC shall be paid an additional amount of Rs. 10,000 towards secretarial expenses in writing minutes / OEC Recommendations	Contractor
ii	Fee for attending meeting to authenticate the settlement agreement -Rs. 10,000	Contractor
iii	Transportation in the city of the meeting by A/c Car as per entitlement or Rs. 2,000 per day	Contractor
iv	Venue for meeting:- RINL conference rooms / UKKU HOUSE / Hotels	RINL
v	Facilities to be provided to the out-stationed member:-	
a	Travel from the city of residence to the city of meeting. Economy class air tickets/ first class train tickets/ Luxury car/ reimbursement of actual fare. However, entitlement of air travel by Economy class shall	Contractor
	be subject to austerity measures, if any, ordered by Govt of India.	
b	Transport to and fro airport / railway station in the city of residence by A/c Car as per entitlement or Rs. 3,000/-	Contractor
c	Stay for out stationed members – 4 or 5 Star Hotel	RINL
d	Transport in the city of meeting by A/c Car as per entitlement or Rs.2000 per day	Contractor

2 The final expenses will be shared equally by both the parties.



### 1.3 ARBITRATION:-

1. If either the Employer or the Contractor is dissatisfied with the OEC's decision, or if the OEC fails to give a decision within reasonable time i.e., within 90 days from the date of its first meeting, then either the Employer or the Contractor may give notice to the other party, with a copy for information to the OEC of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given. For all purposes of Arbitration, The Contractor when issue notices to Employer, shall give notice to Dispute Settlement Cell (DSC) of the Employer.
2. The party wishing to refer a Dispute to Arbitration shall give notice to the other party specifying all the points of Disputes with details of the amount or claim to be referred to arbitration ("Invocation Notice"). If the claim is in foreign currency, the claimant shall indicate its value in Indian Rupee also. The closing market rate in an exchange declared by SBI on the date prior to the date of notice should be adopted for conversion of foreign currency in Indian Rupees.
3. There shall be no Arbitration for disputes involving claims more than Rs.1 crore in case of Domestic Contractor and more than Rs.10 crore in case of foreign contractor or in Consortium contracts where foreign contractor is a member. Disputes more than Rs.1 Crore and Rs.10Crore as above shall be adjudicated under the Provision of Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015 as amended and applicable from time to time.
4. For a dispute involving claims upto Rs 1 crore in case of Domestic Contractor, in case other party is Claimant, RINL will forward a list containing names of Three persons to the other party for selecting, one from the list, who will be appointed as Sole Arbitrator. In case RINL itself is the Claimant, it shall follow the above procedure and appoint the Sole Arbitrator. Such dispute shall be resolved by fast track procedure specified in Section 29B of the Arbitration and Conciliation Act, 1996 as amended & applicable from time to time.
5. For the purpose of Section 21, the Arbitration Proceeding shall commence only from the date of receipt of request for that dispute to be referred to arbitration is received (Invocation Notice) by the Respondent, complete in all respects as mentioned at para-2 above.
6. The parties agree that they shall appoint only that person as arbitrator who conveys his acceptance to the conditions of this arbitration clause.
7. Parties agree that neither party shall make claim for interest on the disputed claims. Parties further agree that Claim if any made for any such interest shall not be considered and shall be void.
8. Fee payable to the Sole Arbitrator shall be as per rules framed by the Hon'ble High Court in whose territorial jurisdiction the seat of arbitration is situated. In case no rules have been framed, the fee payable may be as per Fourth Schedule of the Arbitration & Conciliation Act, 1996 as amended and applicable from time to time. Arbitrator may fix his/her fee keeping the aforesaid schedule as guiding factor within the limits prescribed therein.

9. If after commencement of the Arbitration proceedings, the parties agree to settle the dispute mutually or refer the dispute to Conciliation, the arbitrator shall put the proceedings in abeyance until such period as requested by the parties. Where the proceedings are put in abeyance or terminated on account of mutual settlement of dispute by the parties, the fees payable to the arbitrators shall be determined as under:

(i) 20% of the fees if the claimant has not submitted statement of claim.

(ii) 40% of the fees if the pleadings are complete.

(iii) 60% of the fees if the hearing has commenced.

(iv) 80% of the fees if the hearing is concluded but the award is yet to be passed.

10. For Sole arbitrator, RINL shall make all necessary arrangements for his travel/ stay and the expenses incurred shall be shared equally by the parties.

11. The seat of the arbitration shall be Visakhapatnam. The Court/s at Visakhapatnam, Andhra Pradesh, India shall have exclusive jurisdiction over all matters of disputes. For the sake of convenience, Parties may agree to hold the proceedings at any other venue. The arbitration shall be conducted in the English language.

12. Parties agree that neither party shall amend or supplement its claims during the course of arbitral proceedings except for withdrawal of the claims made earlier.

13. The parties may, after invocation of dispute, agree for sharing the cost of Arbitration equally on 50:50 basis, subject to final decision of the Tribunal on Costs if any in the Award.

14. Subject to the above, the provisions of the Arbitration and Conciliation Act, 1996 as amended and applicable from time to time shall apply to the arbitration proceedings under this Contract.

15. Wherever the sum of the disputed claim/s made by the Claimant (foreign contractor or in Consortium contracts where foreign contractor is a member) is up to Rs.10Cr, Arbitration proceedings shall be governed by the Rules of International Commercial Arbitration of Indian Council of Arbitration (ICA), New Delhi and shall be by appointment of a Sole Arbitrator from the panel. The venue of the arbitral proceedings shall be either in New Delhi, Mumbai, Chennai, Kolkata, Hyderabad or Visakhapatnam, India and the seat of Arbitration shall be Visakhapatnam, India, for the purpose of

jurisdiction of the Court.

16. The arbitral tribunal shall give reasoned Award. The tribunal shall apportion the cost of arbitration between the parties as at para 13 above.

17. The Award rendered in any arbitration hereunder shall be final and binding upon the parties.

18. The parties agree that neither party shall have any right to commence or maintain any suit or legal proceeding concerning any dispute under this agreement until the dispute has been determined in accordance with the arbitration proceedings provided for herein and then only to enforce or facilitate the execution of an Award rendered in such arbitration.

**1.4. Disputes between CPSEs inter se and Government Departments etc.:-** In the event of any dispute or difference relating to the interpretation and application of the provisions of contract between Central Public Sector Enterprises (CPSEs)/Port Trusts inter se and also between CPSEs and Government Departments/Organizations other

than disputes related to taxation, such dispute or difference shall be taken up by either party for resolution through AMRCD as mentioned in DPE OM No.4(1)/2013-DPE(GM)/FTS-1835 dated.22.5.2018 and any other instructions/guidelines issued from time to time.

However, parties agree that before going for the AMRCD mechanism, parties shall seek to resolve any such dispute or difference through aforesaid Mutual consultation and Conciliation process mentioned under 1.1 & 1.2 above.

**1.5. Disputes with MSME:-** In the event of any dispute or difference relating to the interpretation and application of the provisions of contract between RINL and any Contractor who is a micro enterprise or small enterprise as per the Micro, Small and Medium Enterprises Development Act 2006 as amended and applicable from time to time, such dispute or difference shall be taken up by the Contractor for resolution through Micro and Small Enterprises Facilitation Council as per the Micro, Small and Medium Enterprises Development Act 2006 as amended and applicable from time to time, in case RINL is the Respondent. However, parties agree that before going for the Micro and Small Enterprises Facilitation Council, parties shall seek to resolve any such dispute or difference through aforesaid Mutual Consultation and Conciliation process mentioned under 1.1 & 1.2 above.

In case RINL is the Claimant, such dispute or difference shall be resolved through clause no. 1.0, 1.1, 1.2, 1.3 and 1.4 above..

Further, In the event of any dispute or difference relating to the interpretation and application of the provisions of contract between RINL and any Contractor who is a Medium enterprise as per the Micro, Small and Medium Enterprises Development Act 2006 as amended and applicable from time to time, such dispute or difference shall be resolved through clause no. 1.0, 1.1, 1.2, 1.3 and 1.4 above.

## **APPENDIX-1**

### **Declaration of independence and impartiality by OEC Member**

To,

1. RINL .....

2. Contractor .....

**Subject: Declaration of independence and impartiality by OEC Member in the dispute between RINL and.....under Contract No.....**

I, the undersigned, hereby accept to act as Member of the Expert Committee and conciliate in the disputes under reference between the parties above named.

I confirm that I am aware of the requirements of law particularly of the Arbitration and Conciliation Act, 1996, to act as a conciliator. I am able to act as conciliator and am available to act as Member of the Expert Committee.

I hereby declare that I am independent of each of the parties and have no ownership interest in any part of the contract under reference or any financial interest in the said contract. I have no interest in the outcome of the dispute or its settlement.

I hereby affirm that I shall act with honesty, integrity, diligence, and will remain independent and impartial while discharging my duties as conciliator/OEC Member. I will disclose any interest or relationship with the parties or the subject matter which might compromise in any manner my ability or capacity to remain impartial and independent in the matter.

The fees and other facilities offered to me and the terms and conditions contained in the appointment letter and guidelines issued by RINL are acceptable to me. I will not demand for enhancement of the same.

(Signature)

Name:

Address:

Phone:

Email:

Date:

**STATEMENT OF CLAIM(S)/COUNTER CLAIM(S)**

1. Chronology of the dispute
2. Brief of the contract
3. Brief history of the dispute.
4. Issues:
5. Details of Claim(s)/Counter Claim(s)

SI no	Description of claim(s)/Counter Claim	Amount (in INR)	Relevant contract Clause
-------	---------------------------------------	-----------------	--------------------------

6. Basis/Ground of claim(s)/counter claim(s) (along with relevant clause of contract)

Statement of Claims may kindly be restricted to maximum limit of 20 pages. Relevant documents may be compiled and submitted along with the statement of claims. The statement of claims is to be submitted to all OEC members, to other party and to the office of DSC/RINL, by post as well as the editable soft copy vide mail.

### Annexure-1

Grade categorization and Quality Extra			
Category	Sub Category	Grade	Blooms
		<b>Base grade</b>	<b>IS2830</b>
MS	MS - Prime	SAE1018	800
		SAE1008	800
		3SP	200
		4SP	300
		5SP	400
		IS1786Fe550D-M	500
		IS2830 C20MMn	400
		IS2830 C18MMn	200
		SAE1010	800
		SAE1012	800
		SAE1015	800
		SAE1020	800
	RC	SAE1012S	1000
		SAE1018 AL	1000
		IS2830 C18MMnAl	400
		IS2830C20MMnAl	600
	MC	35C8	2500
		CK45	2500
		CK45 Cr	3000
		EN8D	2500
		EN8D Cr	3000
		EN9	2500
		SAE1030	2500
		SAE1049	2500
VAS / SS	High Mn	<b>A105</b>	2000
		A105R	2400
		A572 Gr60	4500
		IS 2830 C18HMn	2800
		IS 2830 C18HMnAl	3000
		IS 2830 C18HMnAlM	3000
		C20HMnV	4500
		SA266	2800
		SAE1025S	2500
		SAE1524Cr	3000
		<b>SAE1524M</b>	<b>3000</b>
		37C15	3000
		SAE1541	3000
		<b>SAE1541Cr</b>	<b>3500</b>
		SAE1541M	3000
	Spring	31CrV3	6500
		51CrV4	8500

		SUP9	4000
		SUP6	4000
		SUP10	12000
		SUP11A	4000
	<b>Alloy</b>	16MnCr5	6000
		20MnCr5	6000
		41Cr4	3000
		40Cr4	3000



## Annexure-2

### TECHNICAL SPECIFICATIONS OF 'HARD COKING COAL' (SIZE: 0 - 50MM)

Sl. No	Technical Parameters	Unit (Limit)	RINL COAL Technical Specification	
			Desired	Absolute
1	2	3	4	5
1	Total Moisture (ARB)	% (Max)	8	12
2	Volatile Matter	% (Range)	21-27	20-28
3	Ash	% (Max)	8	14
4	Sulphur	% (Max)	0.6	1.1
5	Phosphorus	% (Max)	0.1	0.1
6	Crusible Swelling Number	Num (Min)	6	6
7	Gray King Type	Num (Min)	G 5	G 3
8	Total dilation	%(Min)	100-150	100
9	Initial Softening Temp at 1 ddpm.	°C (Min)	410+/-15	410+/-15
10	Plastic range at 1 ddpm	°C (Min)	60	50
11	Maximum Fluidity	ddpm (Min)	300	200
12	MMR of Vitrinite	% (Range)	1.11-1.35	1.08-1.45
13	Vitrinite Distribution	% (Min)	(V9-V14)=80	(V9-V14)=70
14	Vitrinite	% (Min)	60	50
15	Ash Fusion temp- Free Flow Temp. (FT)	°C (Min.)	1500	1450
16	Total Alkali(K <sub>2</sub> O+Na <sub>2</sub> O)	%Max.	2	3
17	Fractions below 0.5mm	%Max.	25	40

1) Offer shall be rejected, in case the Technical Parameters (Vital) i.e., S.Nos. 1 to 17 above are falling outside the Absolute Maximum / Minimum Limits stipulated.  
Blended Coals are also acceptable (not more than 2 coal brand components).

2) The Testing Standards followed may be one of the standards as per Appendix-I.

3) Premium and Penalties as per Appendix-II

### Appendix-I

#### STANDARDS OF THE TECHNICAL PARAMETERS OF 'IMPORTED COKING COAL'

S. No	Specifica tion Number	Technical Parameters	Unit (Limit)	Testing Standard (BS/ISO/ASTM/BIS)			
				BS	ISO	ASTM	BIS
1 a)		Sampling Method		BS ISO 13909:1to 9: 2001 BS ISO:18283:200 6	ISO 1988- 1975/ ISO 13909- Part2-2016	D 2234/D 2234M-17	IS 437-20
1 b)	001	Size (0-50 mm)	%				
1 c)	002	Fraction below 0.50mm	% (Max)	BS ISO 1953- 2015	ISO 1953- 2015	D 4749- (2019e)	
2	003	Total Moisture(As received)	% (Max)	BS 1016-1 - 1973 (1999)	ISO 589- 2008	D 3302/D3302 M-19 D 2691-19	BIS IS 1350 : PART 1 to PART-5: 1984 (REAFFIRM ED 2019)
3		<u>Proximate analysis( on air dry basis)</u>				D 7582-15	
3 a)	004	Volatile Matter	% (Range)	BS ISO 562- 2010	ISO 562- 2010	D 3175-18	
3 b)	005	Ash	% (Max)	BS ISO 1171- 2010	ISO 1171- 2010	D 3174-12	

4 a)	006	Sulphur	% (Max)	BS 1016-106.4.2:1996	ISO 334-2013 or ISO 19579	D 4239-18e1	
4 b)	007	Phosphorus	% (Max)	Withdrawn, No other standards are informatively referenced	ISO 622-2016	D 4326-13( as P2O5)	
5		<u>Coking Properties</u>					
5 a)	008	Crusible Swelling Number/Free Swelling Index	Num (Min)	BS ISO 501:2012	ISO 501-2012	D 720/D 720M-15e1	BIS IS 1353 : 1993 (REAFFIRMED 2015)
5 b)	009	Gray King Type	Num (Min)	BS 1016-107.2:1991	ISO 502-2015	NA	BIS IS 1353 : 1993 (REAFFIRMED 2015)
5 c)		<u>Audibert-Arnu Dilatometer test:</u>		BS 1016-107.3:1990	ISO 8264-1989/ISO 23873:2010 / ISO 349:2020	D 5515-2020	NA

	010	% Total dilation					
5 d)		<u>Gieseler</u> <u>Plastometer</u> <u>Test</u>		BS ISO 10329:2017	ISO 10329- 2017	D 2639- /D2639M- 19	NA
i)	011	Initial Softening Temp at 1 ddpm.	°C (Min)				
iii)	012	Plastic range at 1 ddpm	°C (Min)				
iv)	013	Maximum Fluidity	ddpm (Min)				
6		<u>Petrographic</u> <u>Analysis</u>		BS ISO 7404- 2009	ISO 7404- 2009	D 2797-11	IS:9127-1992
6 a)	014	MMR of Vitrinite	% (Range)			D 2798- 11a(2019)	BIS IS 9127 : PART 5 : 2004 (REAFFIRMED 2015)
6 b)	015	Vitrinite Distribution (V9-V14)/(V5- V10)	% (Min)			D 2798- 11a(2019)	
6 c)	016	Vitrinite	% (Min)			D 2799-13	BIS IS 9127 : PART 3 : 2002 (REAFFIRMED 2015)

S. No	Specification Number	Technical Parameters	Unit (Limit)	Testing Standard (BS/ISO/ASTM/BIS)			
				BS	ISO	ASTM	BIS
7		<u>Ash Fusion Temperatures</u> (Free Flow Temp.)		BS ISO-540-2008	ISO-540-2008	D 1857D 1857M - 2018	IS:12891-1990 (REAFFIRMED 2015)

12	017	Complete analysis of Coal ash		BS 1016-14:1963	ISO 13605-2018	D 4326-13 or D 6349 or D 3682	BIS IS 1355 : 1984 (REAFFIRMED 2019)
		Na <sub>2</sub> O	%				
		K <sub>2</sub> O	%				

## Appendix-II

### Premium and Penalties:

Sl. No.	Parameter	Basis for application of Penalty in price for evaluation in respect of deviation from the Guaranteed limits	Penalty in price "FOR VSP RMHP on Landed Cost basis" per MT
1	MMR	Penalty for every 0.01 (fractions prorata) increase in excess of the Guaranteed Min. limit of 1.35 Min.upto Absolute Min. Limit of 1.45 Min.	0.25% of the "FOR VSP RMHP on Landed Cost basis"
2	Ash	Penalty for every 1% (fractions prorata) increase in Ash content in excess of the Guaranteed specification of 8.0% Max.upto absolute max. limit of 14%	<b><u>For Ash Content &gt;8% to 10%:-</u></b> 1.50% of the "FOR VSP RMHP on Landed Cost basis". <b><u>For Ash Content &gt;10% to 14% :-</u></b> 6.0% of the "FOR VSP RMHP on Landed Cost basis".
3	Sulphur	Penalty for every 0.1% (fractions prorata) increase in Sulphur content in excess of the Guaranteed specification of 0.6% upto absolute max. limit of 1.1%	1.45% of the "FOR VSP RMHP on Landed Cost basis"
4	Total Moisture	Penalty for every 1% (fractions prorata) increase in Total Moisture over Guaranteed Specification of 8% to the Absolute Maximum Limit of 12%	Reduction of invoice weight @1.30%

**1.0 QUALITY VARIATIONS:**

- 1.1** If at any time during the currency of this Agreement, there are variations between the quality of the Materials stipulated in the Technical Specifications of the Tender Document and the analysis at the PURCHASER's end, the PURCHASER and the SUPPLIER shall meet within a specific time frame of 3 to 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 commercial settlement of the issues as may have arisen out of the discrepancies.

**TECHNICAL SPECIFICATIONS OF 'IMPORTED SOFT COKING COAL' (SIZE: 0 - 50MM)**

Sl. No	Technical Parameters	Unit (Limit)	RINL COAL Technical Specification	
			Desired	Absolute
1	2	3	4	5
1	Total Moisture (ARB)	% (Max)	8	12
2	Volatile Matter	% (Range)	26-34	22-36
3	Ash	% (Max)	8	14
4	Sulphur	% (Max)	0.6	1.1
5	Phosphorus	% (Max)	0.1	0.1
6	Crusible Swelling Number	Num (Min)	3	3
7	Gray King Type	Num (Min)	G 3	G
8	Total dilation	%(Min)	50-100	50
9	Initial Softening Temp at 1 ddpm.	°C (Min)	395+/-15	395+/-15
10	Plastic range at 1 ddpm	°C (Min)	50	45
11	Maximum Fluidity	ddpm (Min)	300	150
12	MMR of Vitrinite	% (Range)	0.85-1.05	0.8-1.10
13	Vitrinite Distribution	% (Min)	(V5-V14)=70	(V5-V14)=50
14	Vitrinite	% (Min)	50	45
15	Ash Fusion temp- Free Flow Temp. (FT)	°C (Min.)	1450	1400
16	Total Alkali(K <sub>2</sub> O+Na <sub>2</sub> O)	%Max.	2	3
17	Fractions below 0.5mm	%Max.	25	40

4) Offer shall be rejected, in case the Technical Parameters (Vital) i.e., S.Nos. 1 to 17 above are falling outside the Absolute Maximum / Minimum Limits stipulated.

Blended Coals are also acceptable (not more than 2 coal brand components).

5) The Testing Standards followed may be one of the standards as per Appendix-I.

6) Premium and Penalties as per Appendix-II



### Appendix-I

#### STANDARDS OF THE TECHNICAL PARAMETERS OF 'IMPORTED SOFT COKING COAL'

S. No	Specifica tion Number	Technical Parameters	Unit (Limit)	Testing Standard (BS/ISO/ASTM/BIS)			
				BS	ISO	ASTM	BIS
1 a)		Sampling Method		BS ISO 13909:1to 9: 2001 BS ISO:18283:200 6	ISO 1988- 1975/ ISO 13909- Part2-2016	D 2234/D 2234M-17	IS 437-20
1 b)	001	Size (0-50 mm)	%				
1 c)	002	Fraction below 0.50mm	% (Max)	BS ISO 1953- 2015	ISO 1953- 2015	D 4749- (2019e)	
2	003	Total Moisture(As received)	% (Max)	BS 1016-1 - 1973 (1999)	ISO 589- 2008	D 3302/D3302 M-19 D 2691-19	BIS IS 1350 : PART 1 to PART-5: 1984 (REAFFIRM ED 2019)
3		<u>Proximate analysis( on air dry basis)</u>				D 7582-15	
3 a)	004	Volatile Matter	% (Range)	BS ISO 562- 2010	ISO 562- 2010	D 3175-18	
3 b)	005	Ash	% (Max)	BS ISO 1171- 2010	ISO 1171- 2010	D 3174-12	
4 a)	006	Sulphur	% (Max)	BS 1016-	ISO 334- 2013 or ISO	D 4239-	

				106.4.2:1996	19579	18e1	
4 b)	007	Phosphorus	% (Max)	Withdrawn, No other standards are informatively referenced	ISO 622- 2016	D 4326-13( as P2O5)	
5		<u>Coking Properties</u>					
5 a)	008	Crusible Swelling Number/Free Swelling Index	Num (Min)	BS ISO 501:2012	ISO 501- 2012	D 720/D 720M-15e1	BIS IS 1353 : 1993 (REAFFIRM ED 2015)
5 b)	009	Gray King Type	Num (Min)	BS 1016- 107.2:1991	ISO 502- 2015	NA	BIS IS 1353 : 1993  (REAFFIRM ED 2015)
5 c)		<u>Audibert-Arnu Dilatometer test:</u>		BS 1016- 107.3:1990	ISO 8264- 1989/ISO 23873:2010 / ISO 349:2020	D 5515- 2020	NA

	010	% Total dilation					
5 d)		<u>Gieseler</u> <u>Plastometer</u> <u>Test</u>		BS ISO 10329:2017	ISO 10329- 2017	D 2639- /D2639M- 19	NA
i)	011	Initial Softening Temp at 1 ddpm.	°C (Min)				
iii)	012	Plastic range at 1 ddpm	°C (Min)				
iv)	013	Maximum Fluidity	ddpm (Min)				
6		<u>Petrographic</u> <u>Analysis</u>		BS ISO 7404- 2009	ISO 7404- 2009	D 2797-11	IS:9127-1992
6 a)	014	MMR of Vitrinite	% (Range)			D 2798- 11a(2019)	BIS IS 9127 : PART 5 : 2004 (REAFFIRMED 2015)
6 b)	015	Vitrinite Distribution (V9-V14)/(V5- V10)	% (Min)			D 2798- 11a(2019)	
6 c)	016	Vitrinite	% (Min)			D 2799-13	BIS IS 9127 : PART 3 : 2002 (REAFFIRMED 2015)
S. No	Specifica tion	Technical	Unit	Testing Standard (BS/ISO/ASTM/BIS)			

	Number	Parameters	(Limit)				
				BS	ISO	ASTM	BIS
7		<u>Ash Fusion</u> <u>Temperatures</u> <u>(Free Flow</u> <u>Temp.)</u>		BS ISO-540- 2008	ISO-540- 2008	D 1857D 1857M - 2018	IS:12891-1990 (REAFFIRMED 2015)

12	017	Complete analysis of Coal ash		BS 1016- 14:1963	ISO 13605- 2018	D 4326-13 or D 6349 or D 3682	BIS IS 1355 : 1984 (REAFFIRMED 2019)
		Na <sub>2</sub> O	%				
		K <sub>2</sub> O	%				

## Appendix-II

### Premium and Penalties:

Sl. No.	Parameter	Basis for application of Penalty in price for evaluation in respect of deviation from the Guaranteed limits	Penalty in price "FOR VSP RMHP on Landed Cost basis" per MT
1	MMR	Penalty for every 0.01 (fractions prorata) decrease below the Guaranteed Min. limit of 0.85 Min. upto Absolute Min. Limit of 0.80 Min.	0.25% of the "FOR VSP RMHP on Landed Cost basis"
2	Ash	Penalty for every 1% (fractions prorata) increase in Ash content in excess of the Guaranteed specification of 8.0% Max. upto absolute max. limit of 14%	<b><u>For Ash Content &gt;8% to 10%:-</u></b> 1.50% of the "FOR VSP RMHP on Landed Cost basis". <b><u>For Ash Content &gt;10% to 14% :-</u></b> 6.0% of the "FOR VSP RMHP on Landed Cost basis".
3	Sulphur	Penalty for every 0.1% (fractions prorata) increase in Sulphur content in excess of the Guaranteed specification of 0.6% upto absolute max. limit of 1.1%	1.45% of the "FOR VSP RMHP on Landed Cost basis"
4	Total Moisture	Penalty for every 1% (fractions prorata) increase in Total Moisture over Guaranteed Specification of 8% to the Absolute Maximum Limit of 12%	Reduction of invoice weight @1.30%

## **2.0 QUALITY VARIATIONS:**

**2.1** If at any time during the currency of this Agreement, there are variations between the quality of the Materials stipulated in the Technical Specifications of the Tender Document and the analysis at the PURCHASER's end, the PURCHASER and the SUPPLIER shall meet within a specific time frame of 3 to 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 commercial settlement of the issues as may have arisen out of the discrepancies.

**TECHNICAL SPECIFICATIONS OF 'IMPORTED PCI COAL' (SIZE: 0 - 50MM)**

Sl. No	Technical Parameters	Unit (Limit)	RINL COAL Technical Specification	
			Desired	Absolute
1	2	3	4	5
1	Total Moisture%(ARB)	% Max	10.0	13.0
2	Inherent Moisture%(ADB)	% Max	2.5	5.0
3	Volatile matter%(ADB)	% Range	18-27	15-30
4	Ash %(ADB)	% Max	9.0	12.0
5	GCV(ADB)	K Cal/ Kg	7000	6600
6	Sulphur%(ADB)	% Max	0.5	0.8
7	Hard Groove Index (HGI)	Number	50	50
8	Phosphorus%(ADB)	%Max	0.04	0.10
9	Total Alkalies (Na <sub>2</sub> O+K <sub>2</sub> O) on Ash	% Max	2.2	3.0
10	Chlorine%(ADB)	% Max	0.04	0.08
11	Ash FusionTemperature (Free Flow)	°C Min	1450	1400
12	Size	Range (mm)	0-50	0-50
13	Minus 25 mm	% Min	90	80
14	Minus 100 Mesh(0.15mm)	% Max	5	15

- 7) Offer shall be rejected, in case the Technical Parameters (Vital) i.e., S.Nos. 1 to 14 above are falling outside the Absolute Maximum / Minimum Limits stipulated.
- 8) The Testing Standards followed may be one of the standards as per Appendix-I.
- 9) Premium and Penalties as per Appendix-II

## Appendix-I

### STANDARDS OF THE TECHNICAL PARAMETERS OF IMPORTED PCI COAL

S. No	Technical Parameters	Unit	STANDARDS	
			ISO	ASTM
1	Total Moisture	%	ISO 589-2008	D 3302D 3302 M-19 D 2961-2019
2	Inherent Moisture	%	ISO 11722-2013 ( E )	D 3173/D3173 M-17a
3	Volatile matter	%	ISO 562-2010	D 3175-2018
4	Ash	%	ISO 1171-2010	D 3174-2012
5	GCV	K Cal/ Kg	BS ISO 1928-2020	ASTM D 5865/D5865 M-19
6	Sulphur	%	ISO 334-2013	D 4239-18 e1
7	Hard Groove Index (HGI)	Number	ISO-5074-2015	D 409/D 409M-12
8	Phosphorus	%	ISO 622-2016	D 4326-13(As P2O5)
9	Total Alkalies (Na2O+K2O) on Ash	%	ISO 13605-2018	D 4326-13
10	Chlorine	%	BS ISO 587 -2020	D 4208-19
11	Ash Fusion Temperature (Free Flow)	°C	ISO-540-2008	D 1857/1857M -2018
12	Size	Range (mm)	ISO 1953-2015	D 4749 –(2019e)
13	Minus 25 mm	%		
14	Minus 100 Mesh	%		



## **Appendix-II**

### **Premium and Penalties:**

<b>Sl. No.</b>	<b>Parameter</b>	<b>Basis for application of Penalty in price for evaluation in respect of deviation from the Guaranteed limits</b>	<b>Penalty in price “FOR VSP RMHP on Landed Cost basis” per MT</b>
1	Ash	Penalty for every 1% (fractions prorata) increase in Ash content in excess of the Guaranteed limits of 9.0% Max. upto absolute max. limit of 12%	<b>For Ash Content &gt;9% to 10%:</b> 1.50% of the “FOR VSP RMHP on Landed Cost basis”. <b>Ash Content &gt;10% to 12%:</b> 6.0% of the “FOR VSP RMHP on Landed Cost basis”
2	Sulphur	Penalty for every 0.1% (fractions prorata) increase in Sulphur content in excess of the Guaranteed limits of 0.5% upto absolute max. limit of 0.8%	1.45% of the “FOR VSP RMHP on Landed Cost basis”
3	Volatile Matter	Penalty for every 1% (fractions prorata) decrease in Volatile Matter content below Guaranteed limits of 18% Min. upto the Absolute limit of 15% Min.	0.8 % of the “FOR VSP RMHP on Landed Cost basis”
		Penalty for every 1% (fractions prorata) increase in Volatile Matter content in excess of Guaranteed limits of 27% Max. upto the Absolute max. limit of 30%.	0.8 % of the “FOR VSP RMHP on Landed Cost basis”
4	Moisture	Penalty for every 1% increase (fractions prorata) in Total Moisture content in excess of the Guaranteed specification of 10.0% Max upto Absolute Max. limit of 13%.	Reduction of Invoice Weight @ 1.3%

### **3.0 QUALITY VARIATIONS:**

**3.1** If at any time during the currency of this Agreement, there are variations between the quality of the Materials stipulated in the Technical Specifications of the Tender Document and the analysis at the PURCHASER's end, the PURCHASER and the SUPPLIER shall meet within a specific time frame of 3 to 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 commercial settlement of the issues as may have arisen out of the discrepancies.

**Technical specifications of Imported BF Coke with Bonus / Penalty Structure**

**A. Technical Specifications of Imported BF Coke:**

Sl No	Parameter	Desired	Absolute
1	Total Moisture (ARB)	5.0% Max	10.0% Max
2	Ash (DB)	12.5% Max	13.5% Max
3	Volatile Matter (DB)	1.0% Max	1.5% Max
4a	Sulphur (DB)	0.55% Max	0.60% Max
4b	Phosphorous (DB)	0.030% Max	0.035% Max
5a	M10	7.0 Max	8.0 Max
5b	M40	82.0 Min	80.0 Min
6a	Coke Strength after Reaction (CSR)	64.0 to 65.0	62.0 Min
6b	Coke Reactivity Index (CRI)	22.0 to 24.0	22.0 to 26.0
7a	Mean Size	50mm to 55mm	50mm to 55mm
7b	Size +90mm	5.0% Max	8.0% Max
7c	Size -30mm	5.0% Max	8.0% Max
Note : No bonus / increment will however be applicable for improvement in specification <u>other than CSR (up to 65)</u>			

- B. 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:

Rebate(s) / Diminution(s) structure for Imported BF Coke			Penalty beyond Desired /Guaranteed Limits
Sl No	Parameter	Basis for application of Rebate / Diminution in price in respect of each shipment 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 for Imported Supplies

Rebate(s) / Diminution(s) structure for Imported BF Coke			Penalty beyond Desired /Guaranteed Limits
Sl No	Parameter	Basis for application of Rebate / Diminution in price in respect of each shipment 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 for Imported Supplies
1	Total Moisture (ARB)	Weight adjustment for every 1.0% (fractions pro rata) increase in Total Moisture beyond the Desired specification of 5.0% Max up to Absolute limit of 10.0% Max	Weight adjustment @ 1.30% * (refer para-C below)
2	Ash (DB)	Penalty for every 0.1% (fractions pro rata) increase in Ash beyond the Desired specification of 12.5% Max up to Absolute limit of 13.5% Max	0.15% of FOBT
3	Volatile Matter (DB)	Penalty for every 0.1% (fractions pro rata) increase in Volatile Matter beyond the Desired specification of 1.0% Max up to Absolute limit of 1.5% Max	0.15% of FOBT
4a	Sulphur (DB)	Penalty for every 0.01% (fractions pro rata) increase in Sulphur beyond the Desired specification of 0.55% Max up to Absolute limit of 0.60% Max	0.145% of FOBT
4b	Phosphorous (DB)	Penalty for every 0.001% (fractions pro rata) increase in Phosphorous beyond the Desired specification of 0.030% Max up to Absolute limit of 0.035% Max	0.145% of FOBT
5a	M10	Penalty for every 1 unit (fractions pro rata) increase in M10 beyond the Desired specification of 7.0 Max up to Absolute limit of 8.0 Max	0.75% of FOBT
5b	M40	Penalty for every 1 unit (fractions pro rata) decrease in M40 below the Desired specification of 82.0 Min up to Absolute limit of 80.0 Min	0.75% of FOBT
6a	Coke Strength after Reaction (CSR)	i) Penalty for every 1 unit (fractions pro rata) decrease in CSR below the 64.0 up to Absolute limit of 62.0 Min	0.75% of FOBT
		ii) Bonus for every 1 unit (fractions pro rata) increase in CSR beyond the 64.0 up to 65.0	0.75% of FOBT

Rebate(s) / Diminution(s) structure for Imported BF Coke			Penalty beyond Desired /Guaranteed Limits
Sl No	Parameter	Basis for application of Rebate / Diminution in price in respect of each shipment 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 for Imported Supplies
6b	Coke Reactivity Index (CRI)	Penalty for every 1 unit (fractions pro rata) increase in CRI beyond the 24.0 up to 26.0	0.75% of FOBT
7a	Mean Size	-	-
7b	Size +90mm	Penalty for every 1% (fractions pro rata) increase in Size +90mm beyond the Desired specification of 5.0% Max up to Absolute limit of 8.0% Max	0.75% of FOBT
7c	Size -30 mm	Penalty for every 1% (fractions pro rata) increase in Size -30mm beyond the Desired specification of 5.0% Max up to Absolute limit of 8.0% Max	0.75% of FOBT

- C. Where the Total Moisture (on "as received" basis) in the MATERIALS as disclosed in the Certificate of Sampling and Analysis at Load Port exceeds the Guaranteed Limit, the Chargeable Weight at Load Port for arriving at the estimated value of the material shall be calculated by reducing the Weight @ 1.3% for every 1.0% increase (fractions prorated) of Total Moisture over Guaranteed Limit subject to the Absolute Maximum Limit of 10% for Invoice Weight. 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 limit will be 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 pro rata) up to 11%.
- D. No bonus / increment will however be applicable for improvement in specifications other than CSR (up to 65) observed over the values offered and guaranteed by the SUPPLIER.
- E. 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.
- F. Load Port analysis shall be final for dispatch, acceptance of the material, payment and for calculation of rebate/diminution.

**Technical specifications of Indigenous BF Coke with Bonus / Penalty Structure**

**G. Technical Specifications BF Coke:**

Sl No	Parameter	Desired	Absolute
1	Total Moisture (ARB)	5.0% Max	10.0% Max
2	Ash (DB)	12.5% Max	13.5% Max
3	Volatile Matter (DB)	1.0% Max	1.5% Max
4a	Sulphur (DB)	0.55% Max	0.60% Max
4b	Phosphorous (DB)	0.030% Max	0.035% Max
5a	M10	7.0 Max	8.0 Max
5b	M40	82.0 Min	80.0 Min
6a	Coke Strength after Reaction (CSR)	64.0 to 65.0	62.0 Min
6b	Coke Reactivity Index (CRI)	22.0 to 24.0	22.0 to 26.0
7a	Mean Size	50mm to 55mm	50mm to 55mm
7b	Size +90mm	5.0% Max	8.0% Max
7c	Size -30mm	5.0% Max	8.0% Max
Note : No bonus / increment will however be applicable for improvement in specification other than CSR (up to 65)			

H. 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:

Rebate(s) / Diminution(s) structure for BF Coke			Penalty beyond Desired Limits
Sl No	Parameter	Basis for application of Rebate / Diminution in price in respect of each shipment (each rake, in case of rail dispatches) for deviation from the Maximum / Minimum Guaranteed by the Supplier subject to Absolute Maximum / Minimum limits.	Penalty in price "FOR VSP RMHP on Landed Cost basis" per MT
1	Total Moisture (ARB)	Weight adjustment for every 1.0% (fractions pro rata) increase in Total Moisture in excess of the Desired specification of 5.0% Max up to Absolute limit of 10.0% Max	Weight adjustment @ 1.30% * (refer para-C below)

Rebate(s) / Diminution(s) structure for BF Coke			Penalty beyond Desired Limits
Sl No	Parameter	Basis for application of Rebate / Diminution in price in respect of each shipment (each rake, in case of rail dispatches) for deviation from the Maximum / Minimum Guaranteed by the Supplier subject to Absolute Maximum / Minimum limits.	Penalty in price “FOR VSP RMHP on Landed Cost basis” per MT
2	Ash (DB)	Penalty for every 0.1% (fractions pro rata) increase in Ash beyond the Desired specification of 12.5% Max up to Absolute limit of 13.5% Max	0.15% of the “FOR VSP RMHP on Landed Cost basis”
3	Volatile Matter (DB)	Penalty for every 0.1% (fractions pro rata) increase in Volatile Matter beyond the Desired specification of 1.0% Max up to Absolute limit of 1.5% Max	0.15% of the “FOR VSP RMHP on Landed Cost basis”
4a	Sulphur (DB)	Penalty for every 0.01% (fractions pro rata) increase in Sulphur beyond the Desired specification of 0.55% Max up to Absolute limit of 0.60% Max	0.145% of the “FOR VSP RMHP on Landed Cost basis”
4b	Phosphorous (DB)	Penalty for every 0.001% (fractions pro rata) increase in Phosphorous beyond the Desired specification of 0.030% Max up to Absolute limit of 0.035% Max	0.145% of the “FOR VSP RMHP on Landed Cost basis”
5a	M10	Penalty for every 1 unit (fractions pro rata) increase in M10 beyond the Desired specification of 7.0 Max up to Absolute limit of 8.0 Max	0.75% of the “FOR VSP RMHP on Landed Cost basis”
5b	M40	Penalty for every 1 unit (fractions pro rata) decrease in M40 below the Desired specification of 82.0 Min up to Absolute limit of 80.0 Min	0.75% of the “FOR VSP RMHP on Landed Cost basis”
6a	Coke Strength after Reaction (CSR)	i) Penalty for every 1 unit (fractions pro rata) decrease in CSR below the 64.0 up to Absolute limit of 62.0 Min	0.75% of the “FOR VSP RMHP on Landed Cost basis”
		ii) Bonus for every 1 unit (fractions pro rata) increase in CSR beyond the 64.0 up to 65.0	0.75% of the “FOR VSP RMHP on Landed Cost basis”
6b	Coke Reactivity Index (CRI)	Penalty for every 1 unit (fractions pro rata) increase in CRI beyond the 24.0 up to 26.0	0.75% of the “FOR VSP RMHP on Landed Cost basis”
7a	Mean Size	-	-

Rebate(s) / Diminution(s) structure for BF Coke			Penalty beyond Desired Limits
Sl No	Parameter	Basis for application of Rebate / Diminution in price in respect of each shipment (each rake, in case of rail dispatches) for deviation from the Maximum / Minimum Guaranteed by the Supplier subject to Absolute Maximum / Minimum limits.	Penalty in price "FOR VSP RMHP on Landed Cost basis" per MT
7b	Size +90mm	Penalty for every 1% (fractions pro rata) increase in Size +90mm beyond the Desired specification of 5.0% Max up to Absolute limit of 8.0% Max	0.75% of the "FOR VSP RMHP on Landed Cost basis"
7c	Size -30 mm	Penalty for every 1% (fractions pro rata) increase in Size -30mm beyond the Desired specification of 5.0% Max up to Absolute limit of 8.0% Max	0.75% of the "FOR VSP RMHP on Landed Cost basis"

- I. Where the Total Moisture (on "as received" basis) in the MATERIALS as disclosed in the Certificate of Sampling and Analysis at Loading point exceeds the Guaranteed Limit, the Chargeable Weight at Loading point for arriving at the estimated value of the material shall be calculated by reducing the Clear RR Weight @ 1.3% for every 1.0% increase (fractions prorate) of Total Moisture over Guaranteed Limit subject to the Absolute Maximum Limit of 10% for Invoice Weight. 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 limit will be 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 pro rata) up to 11%.
- J. No bonus / increment will however be applicable for improvement in specifications other than CSR (up to 65) observed over the values offered and guaranteed by the SUPPLIER.
- K. 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.
- L. Loading point (Rail Dispatches) analysis shall be final for dispatch, acceptance of the material, payment and for calculation of rebate/diminution.

## SPECIFICATIONS OF IRON ORE FINES (for Conversion model tender)

	Parameters	
<b><u>Chemical Composition:</u></b>	<b>Guaranteed</b>	<b>Absolute</b>
Fe	63% min	61.0% min (Acceptable below 63% with penalty)
<b><u>Physical Composition:</u></b>		
Size:	-10 mm	-10 mm
Over size (Above 10 mm):	5% max	5% max
Undersize (-150 Microns) or- 100 Mesh	15% max	25% max
Moisture in Fair Season (Oct-May)	8% max	10% max
Moisture in Rainy Season (Jun-Sep)	9% max	12% max

### **Applicable Bonus/ Penalty for Fe parameter:**

1. For every 1% of Fe variation (fractions Pro-rata) w.r.t. Guaranteed Specification, Bonus / Penalty on Basic price is applicable. However, IOF with Fe below 61% is not acceptable.
2. Applicable Bonus/ Penalty on Fe% is 5% of basic price for every 1% Fe variation (in line with declaration by NMDC from time to time) in Guaranteed value of 63% upto 61%. Below 61% Fe, material is not acceptable.
3. If Moisture above guaranteed value(8% in Fair Season & 9% in Rainy Season), Invoice weight adjustment will be done @ 1.3% upto Absolute limit.
4. The parameters, other than Fe% falling beyond the values mentioned above in the RINL's Specifications absolute limit shall be treated as not acceptable.



### SPECIFICATIONS OF IRON ORE LUMP (for Conversion model tender)

	Parameters	
<u>Chemical Composition:</u>	Guaranteed	Absolute
Fe	63% min	61.0% min (Acceptable below 63% with penalty)
<u>Physical Composition:</u>		
Size:	10 to 40 mm	10 to 40 mm
Over size (+ 40 mm)	7% max	7% max
Undersize (- 10 mm)	10% max	15% max
Moisture in Fair Season (Oct-May)	4% max	6% max
Moisture in Rainy Season (Jun-Sep)	6% max	9% max

#### Applicable Bonus/ Penalty for Fe parameter:

1. For every 1% of Fe variation (fractions Pro-rata) w.r.t. Guaranteed Specification, Bonus / Penalty on Basic price is applicable. However, IOF with Fe below 61% is not acceptable.
2. Applicable Bonus/ Penalty on Fe% is 5% of basic price for every 1% Fe variation (in line with declaration by NMDC from time to time) in Guaranteed value of 63% upto 61%. Below 61% Fe, material is not acceptable.
3. If Moisture above guaranteed value(4% in Fair Season & 6% in Rainy Season), Invoice weight adjustment will be done @ 1.3% upto Absolute limit.
4. The parameters, other than Fe% falling beyond the values mentioned above in the RINL's Specifications absolute limit shall be treated as not acceptable.

## **TECHNICAL SPECIFICATION OF IRON ORE PELLETS**

(for Conversion model  
tender)

Description	Specification	
	Guaranteed	Absolute
Total Fe %	63.0% Min	62.0% Min
Size :	9 mm to 16 mm	6 mm to 18 mm
-5mm Size	3% Max	5% Max
Tumbler Index (+6.3 MM)	95% Min	90% Min
Cold Crushing Strength (CCS) Kg/P	250 Min	220 Min
Moisture in Fair Season (Oct-May)	2% Max	4% Max
Moisture in Rainy Season (Jun-Sep)	4% Max	6% Max

### **Penalty:**

1.For every 0.5% decrease in Fe% below the Guranteed value of 63.0% upto absolute limit of 62.0% (Fractions Pro-rata), a penalty of 2.5% of Base Price per Ton shall be levied.

2.The parameters, other than Fe% falling beyond the values mentioned above in the RINL's Specifications absolute limit shall be treated as not acceptable.

**YANKEE AUCTION LOGIC**

The auction contains single material with quantity as lots. Start price & minimum increment amount are pre-fixed by seller (dealing officer). Bidders can quote for part quantities of the overall quantity. Allotment is done based on available quantity at that price.

The Auction works on the following logic:

**Bid validation rules:**

1. Quantity:
  - a. Quantity should be greater than 0 and less than or equal to the total quantity.
  - b. It should be greater than or equal to the allotted quantity if any for that bidder.
2. Price: 2 scenarios exist - no quantity has been allocated yet to the bidder and some quantity has been already allocated to the bidder {scenario 'a' & 'b'}
  - a. No quantity allotted to the bidder, yet:
    - i. If open quantity is equal to the total quantity:  
Price should be greater than or equal to the start price and less than or equal to: start price + 10 times minimum increment.
    - ii. If open quantity is greater than 0 (& not equal to total quantity), price should be greater than or equal to the start price and less than or equal to (current highest bid + 10 times minimum increment).
    - iii. If there is no open quantity, price should be greater than or equal to (current lowest bid + minimum increment) and less than or equal to (current highest bid + 10 times minimum increment).
  - b. Some quantity has been already allotted to bidder:
    - i. If open quantity exists, bid price should be greater than or equal to his allotted price and less than or equal to (current highest bid price + 10 times minimum increment).
    - ii. If there is no open quantity and his allotted price is greater than the current lowest bid, then bid price should be greater than or equal to allotted price and less than or equal to (current highest bid + 10 times minimum increment).

- iii. If there is no open quantity and his allotted price is equal to the current lowest bid, then bid price should be greater than or equal to (allotted price + minimum increment) and less than or equal to (current highest bid + 10 times minimum increment).

### 3. Quantity & Price:

If bid quantity is equal to the allotted quantity and bid price is equal to the allotted price, then bid will be rejected as there is no increase in quantity or price.

### Bid Allocation Rules:

If bid is valid as per above validation rules, bid allocation will be done as per the logic below, Already allocated bids and current bid are arranged in the order of

- i. Price (descending)
- ii. Quantity (descending)
- iii. Bid timestamp (ascending)

Starting from the first bid as per the above order, continue assigning minimum of required quantity Vs. remaining quantity till remaining quantity becomes 0.

Valid bid does not guarantee the allocation of total quantity. Allotted quantity can be less than or equal to the bid quantity based on the above allocation logic.

### Sample bid validation and allocation in Yankee auction:

Assume that total quantity available is 1000 T. Lot size is 20T (i.e. 1 Lot = 20T). So, total lots available are 50. Assume that the start price is 7500 per Ton and customers bid for quantity (as lots) and price (per ton price).

Auction start time: 10:00; Min increment: 10; as per our current validations:

Open Qty. before Bid	Bidder	Bid Time (hh:mm)	Bid Qty. in lots	Bid Price (Rs/Ton)	Allotted Qty.	Allocation matrix
50	A	10:05	10	7500	10	A-10
40	B	10:07	25	7500	25	B-25(7500); A-10(7500);
15	A	10:09	15	7500	15	B-25(7500); A-15 (7500);
10	C	10:11	20	7500	20	B-25(7500); C-20 (7500); A-5 (7500);
0	D	10:12	20	7500	invalid bid price	

0	D	10:13	20	7510	20	D-20(7510); B-25 (7500); C-5 (7500);
0	B	10:14	25	7510	25	B-25(7510); D-20(7510); C-5(7500);
0	A	10:15	10	7510	5	B-25 (7510); D-20(7510); A-5(7510);
0	D	10:16	25	7510	invalid bid price	
0	D	10:17	25	7520	25	D-25(7520); B-25(7510);
0	A	10:18	10	7515	invalid bid price	
0	A	10:19	10	7520	10	D-25(7520); A-10(7520); B-15(7510);
0	C	10:20	25	7510	invalid bid price	
0	C	10:21	25	7520	25	D-25(7520); C-25(7520);
0	B	10:22	25	7530	25	B-25(7530); D-25(7520);
0	C	10:23	10	7550	10	C-10(7550); B-25(7530); D-15(7520);
0	A	10:24	10	7540	10	C-10(7550); A-10(7540); B-25(7530); D-5(7520);
0	D	10:25	15	7535	15	C-10(7550); A-10(7540); D-15(7535); B-15(7530);
0	A	10:26	5	7560	invalid quantity	
0	B	10:27	45	7550	45	B-45(7550); C-5(7550);
0	D	10:28	10	7560	10	D-10(7560); B-40(7550);
0	D	10:29	20	7560	20	D-20(7560); B-30(7550);
0	C	10:30	10	7560	10	D-20(7560); C-10(7560); B-20(7550);
0	A	10:31	40	7570	40	A-40(7570); D-10(7560);
0	B	10:32	5	7650	5	B-5 (7650); A-40(7570); D-5(7560)
		10:33				B-5 (7650);

0	D		40	7580	40	D-40(7580); A-5(7570);
0	A	10:34	10	7590	10	B-5 (7650); A-10(7590); D-35 (7580);
0	C	10:35	20	7590	20	B-5 (7650); C-20(7590); A-10(7590); D-15 (7580);
0	D	10:36	20	7590	20	B-5 (7650); C-20 (7590); D-20 (7590); A-5 (7590);

Letter of Interest & EMD submission

To

The General Manager(MM)  
A block, Administrative Building  
Purchase Wing, MM Department  
Rashtriya Ispat Nigam Limited,  
Visakhapatnam , AP, India.-530031

Ref: Auction Notice Ref.No : 9100001653 dtd: 25/01/2024

Dear Sir,

I/We am/are interested in participating in the Online Forward Auction of **Supply of Steel (150X150 blooms & Finished Product) by RINL to interested parties Against funding/supply of major raw materials like Coking Coals / BF Coke, PCI Coal, Iron ore / Pellets.**

1. by Bidder, vide your notice referred above.
2. I/We have agreed to the terms of Registration and have registered. I/We have my/our User-Id and Password to login. User-id as registered by me/us on the System is..... .
3. I/we agree that this offer shall be valid for a period of 1 (One) month from the last date for submission of E-Auction.
4. I/we also agree that in case RINL/VSP finalizes this E-Auction through online competitive bidding, our Conversion charges(Excluding GST) quoted in online bidding shall be valid for a period of 1 month from the date of online bidding.
5. I/we hereby declare that we have read and understood and agreed to abide by and fulfil your terms and conditions of contract for award of Supply of steel for interested parties arranging major raw materials like Imported Hard Coking Coal, Imported Soft coking Coal, BF Coke, PCI Coal, and Iron ore Lumps/ Fines/ Pellets or equivalent funds. which shall be deemed to form an integral part of this offer.
6. I/we herewith submit one copy of this auction notice along with all Annexures duly attested on each page as token of my/our acceptance thereof and will send by mail(a\_chowdhury@vizagsteel.com;fahd.rahman@vizagsteel.com;kandregula@vizagsteel.com;ketha\_mm@vizagsteel.com;vvsomaraju@vizagsteel.com) / Hard copy to the above referred address.

7. I/we hereby further agree to notify you at any time whether before or after acceptance of my/our E-Auction of any change in the constitution of my/our firm, association/syndicate, either by death, exclusion or retirement of any partner or member or by the admission of a new partner or member (this clause shall apply where the tenderer is a firm/association or syndicate).

I/We hereby confirm that EMD payment for Rs 10,00,000/-(Rupees Ten lakhs) by way of RTGS/NEFT has been made to RINL as per the Bank details given. The relevant transaction details are furnished below.

Customer Name		Customer code	
Description	EMD Amount paid	UTR no.	Dt. of Payment
EMD Payment details			

I/We agree to offer my/our best bids in the auction process as per the terms of the auction. I/We shall abide by the terms and conditions of said RINL Auction .

My/Our contact details are given below:

Name of the Company & Address: .....

Name of the contact person :..... Contact Telephone No.....

Mobile No..... E-mail.....

Yours faithfully,

For M/s.....  
Signature of the person

.....  
Name & Designation .....  
(With Company seal)



### **For any queries related to SRM E-Auction**

1. Please click the following link to refer to FAQs for common issues and resolutions

<https://srm.vizagsteel.com/irj/go/km/docs/documents/faqs.pdf>

2. **For Clarifications on RFx and Auction:** Contact the concerned Dealing Officer (Refer NIT document of RFx for dealing officer Contact Details / check and reply to Tender related e-Mails that are sent to your e-Mail.)
3. **Password Reset:** You can reset your password by clicking on **Get Support** and giving your user id and email-id associated, if you don't remember your password. New password will be sent to your registered email id.
4. **User Manuals:** Please refer to the user manuals available in home page for submitting bid and participating in Auction
5. **For SRM portal/ technical issues, contact:**

a. SRM help desk **0891-2518646**

b. **You can write to :** Mail-id: [srm\\_support@vizagsteel.com](mailto:srm_support@vizagsteel.com)