GLOBAL TENDER NOTIFICATION

Invitation to Tender (ITT) No.Pur.0.19.0053/0616 Dated 17.02.2010

Sealed tenders in two bids i.e., Techno-Commercial and Price bid are invited for the
Supply of 1,000 Mtrs. of Steel Cord Conveyor Belt

Last date & time for receipt of Tenders : 12.03.2010 by 10.30 HRS(IST)

Tender Details can be downloaded from our
Website: www.vizagsteel.com

- EXECUTIVE DIRECTOR (MM)
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(Total :31 pages)
GLOBAL TENDER NOTICE FOR SUPPLY OF STEEL CORD CONVEYOR BELT

INVITATION TO TENDER (ITT) NO. Pur.0.19.0053/0616 Dated 17.02.2010

1.0 NOTICE INVITING TENDERS FOR SUPPLY OF STEEL CORD CONVEYOR BELT

1.1 Rashtriya Ispat Nigam Limited (RINL), Visakhapatnam Steel Plant (VSP), hereinafter referred to as PURCHASER, hereby invites tenders for supply of Steel Cord Conveyor Belts conforming to Technical specifications at Annexure -I of tender documents.

1.2 QUANTITY: The PURCHASER intends to purchase 1,000 Meters of Steel Cord Conveyor Belt - 2000MM ST 4000 12/6. Grade HR-130 conforming to Technical specifications as at Annexure-I of tender documents.

1.2.1 NUMBER OF SOURCES: 1

The entire qty. shall be procured from a Single source

1.3 DELIVERY: The Tenderers are required to state their best delivery schedule.

1.4 Tenderers should submit their tenders in two parts:

Part-A : Techno-Commercial Bid and
Part-B : Price Bid

in separate sealed envelopes indicating clearly on the cover whether it contains Part A: Techno- Commercial Bid (or) Part B : Price Bid.

1.4.1 A Proforma as given in Annexure -III of the Tender Documents is prescribed for Part- B : Price Bid. All the tenderers are advised to submit their Part-B: Price Bid only in the prescribed proforma. Price bid should contain no caveat conditions. Offers to the contrary will stand the risk of getting rejected.

1.5 EARNEST MONEY DEPOSIT: (EMD)

1.5.1 A tender shall be considered only if EMD in US Dollars or in Indian Rupees by means of either an account payee Demand Draft (or) cheque drawn on any Scheduled Bank and payable to Rashtriya Ispat Nigam Ltd. at Visakhapatnam for an amount Rs. 1,75,000/- (Rupees One lakh seventy five thousand only) or US$ 4,000 (US Dollars of Four thousand only) to be submitted along with or prior to opening of Part-A: Techno-commercial Bid.
NOTE: The following categories of Tenderers are exempted from submission of EMD

1) Indian Public Sector Enterprises (IPSU)
2) SSI units registered with National Small Industries Corpn. (NSIC)
3) Vendors registered with VSP for supply of Conveyor Belts

1.5.2 Tenders received without the EMD of requisite value will summarily be rejected.

1.6 Tenders will be accepted up to 10.30 Hrs. (IST) on 12.03.2010. Techno-Commercial part of the Tender (Part-A) will be opened immediately thereafter in the presence of the Tenderers or Authorised Representatives of the Tenderers, who may choose to be present. The date and time of price bid opening shall be intimated separately to technically and commercially acceptable tenderers. Price Bids (Part-B) of those Tenderers who have been Techno-Commercially accepted shall be opened in the presence of the Tenderers or Authorised Representatives of the Tenderers who may choose to be present.

NOTE:

a. The techno-commercial bid should not contain any indication of prices. Only technical details of the offered items and duly filled in commercial format, Annexure-2 of our “Detailed terms and conditions of ITT” placed on our website: www.vizagsteel.com (Visit www.vizagsteel.com, click on “Tenders”, click on “Materials Management Department” and click on “Detailed terms and conditions of ITT”) should be enclosed.

b. The price bid shall contain only the prices and shall not contain any terms and conditions. Any terms and conditions other than the price, if mentioned in the price bid, shall not be taken into consideration by VSP.

c. RINL shall have the option of resorting to reverse e-auction. All technically and commercially acceptable bidders would be required to participate in the reverse e-auction. In case of reverse e-auction the bidders would be required to quote prices only on the basis of landed net of CENVAT at VSP stores at Visakhapatnam only. Details of calculation sheets for arriving at Landed Net of Cenvat Prices (for both indigenous & imported) are given at Annexure-5 of our “Detailed terms and conditions of ITT” placed on our website: www.vizagsteel.com (Visit www.vizagsteel.com, click on “Tenders”, click on “Materials Management Department” and click on “Detailed terms and conditions of ITT”)

d. In case VSP opts for Reverse e-auction, the exchange rate for the Foreign currency in Indian rupees shall be communicated to the TA & CA tenderer at least 4 hrs. in advance of Reverse e-auction schedule.

e. In case RINL decides to resort to reverse e-auction, the price bids submitted by the tenderers would not be opened and only such tenderers whose offers are found Technically & Commercially Acceptable (TA & CA) and who have furnished user IDs at Sl. No. 16 of commercial format at Annexure-2 of our “Detailed terms and conditions of ITT” placed on our website: www.vizagsteel.com (Visit www.vizagsteel.com, click on “Tenders”, click on “Materials Management Department” and click on “Detailed terms and conditions of ITT”) shall be permitted to participate in reverse e-auction.
f. RINL will inform the TA & CA tenderers the date and time of reverse e-auction. All the tenderers would have to generate user ID & Password by following the following steps

- Go to www.vizagsteel.com
- Click on auctions link.
- Click on MM Reverse e-auctions
- Click on “new user!!! Click to register” for generating user ID and fixing corresponding password.

g. TA & CA tenderers would be authorized to quote their Landed Net of Cenvat Price (LNCP) on only e-reverse auction engine on a fixed time and date.

h. After the completion of the reverse e-auction at the end of price delivery process the purchase order would be placed in the normal mode by concerned purchase officer.

i. Foreign bidders will be sent an e-mail 4 hours before the auction time, indicating the current exchange rate. Based on the exchange rate, the LNCP price shall be calculated and bidding will be done in the e-reverse auction.

1.7 The tenderers are requested to submit the check list as at Annexure - IV of the Tender document duly filled and signed

1.8 TENDER DOCUMENTS: Tender document will be available on VSP website and the same can be downloaded from website: www.vizagsteel.com. In case offer is submitted by other than manufacturer, an authorization letter from the manufacturer of the material specifically authorizing the said Supplier only and no one else to make an offer in response to this invitation to Tender, shall be furnished as per Annexure.V

1.9 All the tenders shall be evaluated on the basis of landed Net of CENVAT / VAT cost arrived at the Foreign exchange rate as on the date of opening of tenders.

1.10 Not withstanding anything specified in this Tender Documents, RINL, in its sole discretion and without having to assign any reason reserves to itself the rights:

a) To accept or reject the lowest tender or any other tender or all the tenders;

b) To accept any tender in full or in part;

c) To procure the tender quantity from more than one tenderer;

d) To give Purchase preference to Central Public Sector Enterprises (CPSE) as per Government of India guidelines.

e) To reject the offers if:

   i) The offer is not conforming to the tender terms
   ii) Variable price is quoted against requirement of firm price.
   iii) The offer is incomplete, signatures are not appended on the offer and on the prescribed formats.
   iv) The offer is received in open condition or after the due date and time.
   v) The offer is submitted in single bid as against requirement of two bid.
   vi) The tenderer do not submit Integrity pact duly signed & stamped and with signatures of witnesses
2.0 Notwithstanding any thing that is stated in the various documents specified in the tender notice, in case of contradiction, the interpretation shall be in accordance with the statements contained in the Open tender notice for supply of Steel cord Conveyor Belts and instructions to tenderers (Annexure-II).

EXECUTIVE DIRECTOR (MM)
### TECHNICAL SPECIFICATION FOR STEEL CORD CONVEYOR BELTS

**Steel cord Conveyor Belt 2000mm**  
**ST-4000 x 12/6 Grade Heat Resistant 130 deg.C**

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Parameter</th>
<th>Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Belt type</td>
<td>ST 4000 H R 130 Deg.C</td>
</tr>
<tr>
<td>2</td>
<td>Belt width (mm)</td>
<td>2000+20/-0</td>
</tr>
<tr>
<td>3</td>
<td>Belt thickness (mm)</td>
<td>26.4+2.6/-0</td>
</tr>
<tr>
<td>4</td>
<td>Belt length</td>
<td>+ 5% for each single length, subject to an overall tolerance for the sum of all lengths of +2.5%/-0</td>
</tr>
<tr>
<td>5</td>
<td>Belt edge</td>
<td>&gt;15&lt;40 mm</td>
</tr>
<tr>
<td>6</td>
<td>Cover thickness of (A) Top</td>
<td>12 mm (Minimum)</td>
</tr>
<tr>
<td></td>
<td>Cover thickness of (B) Bottom</td>
<td>6 mm (Minimum)</td>
</tr>
<tr>
<td>7</td>
<td>Minimum breaking strength-load bearing side in N/mm</td>
<td>4000</td>
</tr>
<tr>
<td>8</td>
<td>No. of cords</td>
<td>130</td>
</tr>
<tr>
<td>9</td>
<td>Cord diameter (mm)</td>
<td>8.4 (Nominal)</td>
</tr>
<tr>
<td>10</td>
<td>Cord Pitch (mm)</td>
<td>15±1.0</td>
</tr>
<tr>
<td>11</td>
<td>Cord construction</td>
<td>7 x 19</td>
</tr>
<tr>
<td>12</td>
<td>Breaking strength of cord (KN)</td>
<td>62.4 (As per cord manufacturer's test certificate)</td>
</tr>
<tr>
<td>13</td>
<td>Tensile strength of cover (KN/M2)</td>
<td>17.0 (Min.)</td>
</tr>
<tr>
<td>14</td>
<td>Elongation of cover rubber at break (%)</td>
<td>350 (Min.)</td>
</tr>
<tr>
<td>15</td>
<td>Tensile strength of cover rubber after ageing for 7 days at 100 Degrees C (KN/M2)</td>
<td>13.0 (Min.)</td>
</tr>
<tr>
<td>16</td>
<td>Elongation of cover rubber after ageing for 7 days at 100 Degree (%)</td>
<td>200 (Min.)</td>
</tr>
<tr>
<td>17</td>
<td>Abrasion of cover rubber (mm3)</td>
<td>175 mm3(Max.)</td>
</tr>
<tr>
<td>18</td>
<td>Hardness of cover rubber (Shore A)</td>
<td>65±5</td>
</tr>
<tr>
<td>19</td>
<td>(a) After ageing hardness</td>
<td>± 20 max.</td>
</tr>
<tr>
<td>20</td>
<td>Pull-out strength of cord (N/mm)</td>
<td>141 N/mm</td>
</tr>
<tr>
<td>21</td>
<td>Pull-out strength of cords after thermal treatment (145±5) Deg.C for (150±1) min</td>
<td>131 N/mm</td>
</tr>
<tr>
<td>22</td>
<td>Pull out strength of centre strand of cord of the manufactured belt (N/mm)</td>
<td>60 (Minimum)</td>
</tr>
<tr>
<td>23</td>
<td>Adhesion between covers and rubber core (N/mm)</td>
<td>15 (Minimum)</td>
</tr>
<tr>
<td>24</td>
<td>Dynamic cord pull out test between 40 and 450 Kg.</td>
<td>Min. 10,000 Cycles-upper load limit to be rechecked and confirmed.</td>
</tr>
<tr>
<td>25</td>
<td>Elongation of cord</td>
<td>0.35% at 2 to 20% of cord breaking load. Test certificate of cord manufacturer shall be furnished.</td>
</tr>
<tr>
<td>26</td>
<td>Belt weight (Kg/mtr)</td>
<td>91.5 (Nominal) (Tenderer shall furnish the weight/mtr)</td>
</tr>
<tr>
<td>27</td>
<td>Dislocation of cord vertical</td>
<td>1 mm for max. 5% of the cords</td>
</tr>
<tr>
<td>28</td>
<td>Breaker for belt protection against longitudinal cut</td>
<td>Metallic insertion at intervals of 40 Meters and as per EN ISO 15236-1</td>
</tr>
<tr>
<td>29</td>
<td>Marking</td>
<td>As per EN ISO 15236-1</td>
</tr>
<tr>
<td>30</td>
<td>Testing</td>
<td>As per EN ISO 15236-1</td>
</tr>
<tr>
<td>31</td>
<td>Unmentioned parameters will be as per EN ISO 15236-1</td>
<td></td>
</tr>
<tr>
<td>32</td>
<td>Troughing angle of carrying idlers</td>
<td>30 Degrees (for information only)</td>
</tr>
<tr>
<td>33</td>
<td>Capacity of the conveyor</td>
<td>2160 m3/Hour, Speed 2 m/second (for information only)</td>
</tr>
</tbody>
</table>
Other conditions:

1. Parties may indicate alternatively details for any other facility to protect longitudinal cutting along with recommendations and details.

2. Supplier must have experience of manufacturing and supply of steel cord belt of 2000 mm width, type: ST 4000 for more than 5 years and must have made minimum 2 supplies before 5 years from January 2010. Documentary evidence for the supply is to be enclosed along with the offer, without which the offer will not be considered.

3. Each reel shall be of 250 M length of belt. Tenderer shall furnish dimension of complete roll after packing for transportation to enable VSP for checking handling/transportation etc.

4. Guarantee required - 4 years of continuous operation of BF with 24 hrs./day operation handling materials like Coke, Ore, Sinter, additive etc. The details of material handled are as follows:

<table>
<thead>
<tr>
<th>Material</th>
<th>Size in mm</th>
<th>Bulk density in ton/m3</th>
<th>Temperature in Deg.C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sinter</td>
<td>10 - 50</td>
<td>1.8</td>
<td>100</td>
</tr>
<tr>
<td>Coke</td>
<td>25 - 70</td>
<td>0.45</td>
<td>Upto 130</td>
</tr>
<tr>
<td>Iron ore</td>
<td>10 - 25</td>
<td>2.45±0.1</td>
<td>-</td>
</tr>
<tr>
<td>Lime stone</td>
<td>6 - 80</td>
<td>1.6±0.1</td>
<td>-</td>
</tr>
<tr>
<td>and other additions</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5. If any other details required by the party the same may please be specified.

6. Details of similar belts supplied to other agencies especially for similar application of BF in Steel Plant shall be furnished by the tender. This shall include belt width, rating, year of supply and installation, life and place of supply.

7. Belt shall be supplied in 4 steel drums. The drum centre hole should not be less than dia 200 mm and centre wooden pipe not less than dia 600 mm.

SIGNATURE OF THE TENDERER
ANNEXURE -II TO TENDER NO.PUR 0.19.0053/ 0616   Dtd. 17.02.2010

INSTRUCTIONS TO TENDERERS

1.0  ESTABLISHMENT OF CREDENTIALS OF UN-LISTED VENDORS: Tenderer who responds to this tender, is requested to furnish copies of the following documents separately in a sealed envelope superscribing “CREDENTIALS” and the ITT REFERENCE as the case maybe along with the tender:

A)  INDIGENOUS: (Indian Manufacturers / Suppliers )
   a) Statutory Industry Registration Certificate.
   b) Excise & Sales Tax Registration Details.
   c) Audited financial statements for the last 3 years & PAN No.
   d) Other credentials like ISO certificate etc.
   e) List of Purchase orders / contracts executed for PSUs for same or similar items.

B)  IMPORT: (Other than Indian Manufacturers / Suppliers )
   a) Registration certificate from Chamber of Commerce / their respective designated Govt. Agency.
   b) Audited financial statement for the last three years of their company.
   c) Other Credentials like ISO Certificates etc.
   d) List of Purchase Orders / Contracts for the same or similar items executed by the Tenderer in respect of other major customers.

Kindly note that the above information is required to assess the credibility of the vendor not presently enlisted with RINL / VSP. The tender of un-listed vendor shall be rejected in case of non-submission or incomplete submission of the above documents or RINL/VSP finds that the credibility of the un-listed Vendors is not satisfactory on the basis of the documents furnished. The Vendor shall produce originals of the above documents for verification, if RINL / VSP so desires. RINL / VSP’s decision in this regard is final.

2.0  GENERAL INFORMATION / DATA / DOCUMENTS TO BE FURNISHED BY TENDERERS:

2.1  Tenderers who may be the Manufacturers or the Suppliers of Steel cord Conveyor Belts shall furnish information / data / documents / printed and illustrated literature / brochures covering the following aspects:

   a) Detailed information of the Manufacturer along the atleast copies of the executed / on going orders (during the last 1 year) of Steel cord Conveyor Belts with different clients especially in India
   b) Documents showing the exact nature of ownership.
   c) Country of Origin of material (In case of Import offer).
   d) Production capacity of Steel cord Conveyor Belts during the last 3 years.
   e) A recent Test and Inspection Certificate (dated not earlier than one year from the date of tender) issued for the material by a reputed test house / Government approved test house.

2.1  Offers from both Imported and Indigenous manufacturers will be accepted.

Tenderers who may be suppliers of STEEL CORD CONVEYOR BELTS
offering on behalf of a Principal Manufacturer, shall furnish in original the Letter of Authority of the concerned manufacturer, as per the proforma at Annexure - V of the Tender document, specifically authorising the said supplier to make an offer in response to this Invitation to Tender. This Letter of Authority should be submitted along with Part - A: Techno-commercial bid. Such tenderers shall, in addition, furnish all the data as called for in Paragraph 6.0 below (Indian Agent) if any, appointed should be given a proper Letter of Authority.

2.2 In case the Principal Manufacturer wants to supply the material from their Works located at more than one place, the details of the Works should be indicated in the tender (Part-A). They should also give clear price breakup and quantities (in Part-B: Price bid) for supplying the material from different Works.

2.3 Only one offer should be received from each principal manufacturer either directly or through their Agents. In case more than one offer is received from the same Principal Manufacturer, then all the offers of the same Principal Manufacturer will be rejected including the direct offer, if any.

2.4 The tenderers are requested to fill up the check list as at Annexure - IV of the Tender document.

3.0 PRICE BASIS:

3.1 QUOTING OF PRICE(S):

3.1.1 IN CASE OF INDIGENOUS i.e.INDIAN OFFER : The price quoted should be on F O R VSP Stores basis inclusive of applicable taxes, duties, levies, Insurance and Freight. However, the rate of taxes, duties, levies, Insurance and freight considered are to be indicated separately. The prices shall remain firm and fixed during the period of the contract. However, any change in statutory taxes and duties shall be reimbursed at actual during the original contractual delivery period. Any change in taxes and duties beyond the original contractual delivery period is to be borne by the Supplier. Offer with variable price shall not be considered.

3.1.2 VALUE ADDED TAX (VAT): VAT in the State of Andhra Pradesh (A.P) of India is introduced with effect from 01.04.2005. This replaces APGST Act from that date. Tenderers from the State of Andhra Pradesh should be registered under VAT and shall confirm submission of VAT invoice to enable RINL/VSP to avail the input tax credit. Also, the tenderers from A.P shall indicate the TIN (Tax Identification Number) under VAT. Evaluation of such offers will be done considering this credit that would be available to RINL/VSP.

3.1.3 IN CASE OF IMPORTED i.e., OTHER THAN INDIAN OFFER: The tenderer should quote the price as per the following alternatives, giving break up of FOB cost and Freight:

a) FOB Load port basis
b) CFR, Visakhapatnam

However, PURCHASER at its option reserves the right to place the order on either FOB Loadport or CFR, Visakhapatnam Port, Visakhapatnam, India basis.

3.1.4 The tenderer shall indicate the mode of shipment in Techno-Commercial bid. The price shall remain firm and fixed during the period of contract. Offer with variable price shall not be considered.
3.1.5 However, in case tenderers quote any other term than mentioned in this tender, the same shall be loaded as per VSP norms while evaluating their offer.

4.0 TERMS OF PAYMENT:

4.1 100% of payment shall be made against submission of bills along with accepted GARNs (Goods Acceptance / Rejection Note) issued by PURCHASER on 30th day from the date of acceptance of material at VSP Stores.

4.2.1 Incase of Indigenous offers, PURCHASER encourages Electronic Fund Transfer or RTGS (Real Time Gross Settlement) for payment direct to Seller’s Bank account on due date for which Seller has to furnish Bank account details in the format prescribed by PURCHASER. The format will be available in our VSP website.www.vizagsteel.com\tenders\mm\detailed\terms & conditions\bank account details\details of RTGS payment. Cheque date will be considered for arriving at 30th day wherever payment is made by Cheque. Any other mode of payment term quoted by the tenderer, will be suitably loaded while evaluating the tender.

4.2.2 In case of Imports i.e., other than Indian Offers, payment through Letter of credit shall be made upon presentation of documents specified at Para 9.1 of Annexure – VI of tender document. All Bank charges within and outside India are to SELLER’s account. In case L/C is required to be amended at the instance of Seller, bank charges for the same shall be borne by the Seller.

4.3 The price bid should only contain the quoted price and other financial terms should be given in the techno-commercial bid and not in any other accompanying documents or statement. No extra weightage shall be given for any extra credit offered beyond ITT payment terms of 30 days interest free credit from the date of acceptance of material for ranking / evaluation purpose.

4.4 In case an offer with deviations to payment terms is considered, it shall be loaded suitably for the purpose of comparison with other offers. The general principal is to load for the additional financial implication to which RINL / VSP may possibly be exposed on account of such deviation. The decision of RINL / VSP in this regard shall be final. Since the deviations that might be stipulated by the tenderer cannot be foreseen, the illustration given below are not exhaustive. RINL / VSP reserves the right to load the offers at it’s sole discretion for other deviations also, which in the opinion of RINL / VSP, have financial implications to RINL / VSP.

4.5.1 Illustration – I: (Deviation in payment terms) – for indigenous supplier

<table>
<thead>
<tr>
<th>Description</th>
<th>As per Tender terms</th>
<th>As per deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment terms</td>
<td>100% value against submission of bills within 30 days of acceptance of material at VSP.</td>
<td>100% against L/C with 30 days interest and acceptance at VSP (All bank charges to Seller’s a/c)</td>
</tr>
<tr>
<td>Landed cost on F O R VSP Stores basis</td>
<td>Landed cost : Rs.10,000/-</td>
<td>Landed cost: Rs.10,012.50</td>
</tr>
<tr>
<td>Loading due to deviation in payment terms</td>
<td>Nil</td>
<td>5% of 10% of landed value per quarter i.e.,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$ 0.05<em>0.10</em>10,000/4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>= Rs.12.50Ps. + 10,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>= Rs.10,012.50</td>
</tr>
</tbody>
</table>
4.5.2 Illustration-I: (Deviation in payment terms) – for overseas supplier

<table>
<thead>
<tr>
<th>Description</th>
<th>As per Tender terms</th>
<th>As per deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment terms</td>
<td>100% value against submission of bills within 30 days of acceptance of material at VSP</td>
<td>100% against L/C at Site (All bank charges to VSP’s a/c)</td>
</tr>
<tr>
<td>Landed cost on FOR VSP Stores basis</td>
<td>Landed cost : Rs.10,000/-</td>
<td>Landed cost : Rs.10,000/-</td>
</tr>
</tbody>
</table>
| Loading due to deviation in payment terms | Nil                                                                                  | (i) L/C margin money @ 5% of 10% of landed / CIF value per quarter i.e.,  
= 0.05*0.10*10,000/4 +10,000/-  
= Rs.12.50Ps. + 10,000/-  
= Rs. 10,012.50  
(ii) 15% interest for 30 days on landed (Indigenous) / CIF value (Imports)  
= 0.15*30*10,000/365 + 10,000/-  
= Rs.10,123.29Ps.  
(iii) L/c charges on landed / CIF value = 0.0375*10,000+ 10,000/-  
= Rs.3.75Ps+ 10,000/-  
= Rs. 10,003.75 |

4.6 RINL / VSP at its sole discretion may consider the benefits available under Duty Entitlement Pass Book (DEPB) or any other scheme under Export – Import Policy in evaluation of the offers.

5.0 CURRENCY AND UNIT OF LENGTH: The price of Steel cord Conveyor Belts offered per meter should be quoted in US Dollars or Euro only in case of imported offer i.e., other than Indian offer and in Indian Rupees in case of indigenous offer i.e. Indian offer.

5.1 LANGUAGE OF BID: The offer and complete correspondence must be effected only in English language. The Bid prepared by the tenderer and all correspondence and documents relating to the bid exchanged by the tenderer and the Purchaser, shall be written only in the English language, provided that any printed literature furnished by the tenderer may be written in another language so long as it is accompanied by an English translation of its pertinent passages in which case, for purposes of interpretation of the bid, the English translation shall govern.

6.0 DISCLOSURE OF PARTICULARS OF INDIAN AGENT, IF ANY:
6.1 RINL/VSP would not like the tenderers to appoint any Indian agents. In case the Tenderer has an Indian agent, the following details shall be furnished in the offer.

The name and address of the Indian agent. In case the Agent/Representative be a Foreign Company, it shall be confirmed whether it is a real substantial company and details of the same shall be furnished.

a) What service the Agent renders. Extent of authorisation and authority given to commit the Tenderer. The amount of commission/remuneration included in the quoted price(s) for such Indian agent.

b) Confirmation of the Tenderer that the commission/remuneration, if any, payable to his Indian agent, shall be paid by RINL in India in Indian Rupees. Such commission/remuneration payable to the Indian agent will be converted to Indian Rupees at the TT buying rate as on date of Bill of Lading (B/L) as per "State Bank of India" and shall not be subject to any further exchange variation. In addition, any other relevant detail as may be asked for by the PURCHASER subsequently, shall also be furnished by the Tenderer.

6.2 There shall be compulsory registration of Indian agents with Purchaser. Information shall be sent to the Indian agents after they are registered. Indian Agents can seek registration after the Tender opening in a prescribed Proforma which can be obtained from the Purchaser.

6.3 The Indian agents commission if any should be included in the quoted prices and indicated separately.

6.4 Failure to furnish correct and detailed information as called for in sub para 6.1 herein above, will render Tenderer's bid liable to rejection or in the event of an agreement materialising, the same is liable to termination by RINL. Besides this, there would be a penalty of banning business dealings with RINL or damage or payment of a named sum.

6.5 In the event of an Agreement materialising, the terms of payment will provide for payment of the net value of the materials delivered in each consignment, after deduction of the amount of commission/remuneration, if any, payable to Indian agent. The Indian agents commission will be normally released in equivalent Indian rupees to the Indian agents after 90 (ninety) days of discharge of the cargo in India. A confirmation is to be given by the tenderer that the commission/remuneration to the Indian agent, shall be paid by RINL in India in Indian rupees.

6.6 The Indian agents shall represent only one Foreign Tenderer in the tender. In case, it is found that the Indian agent is representing more than one Tenderer then all the offers represented by this Indian agent will be rejected.

7.0 VALIDITY OF THE OFFER:

Each tenderer shall keep his offer firm and valid for acceptance by RINL for a period of 120 (one hundred and twenty) days from the date of opening of tenders.

8.0 PERFORMANCE GUARANTEE BOND:

8.1 The successful tenderer should submit Performance Guarantee so as to be received in the office of Asst. General Manager (MM-Purchase), RINL/VSP before the date of commencement of supplies or 30 (Thirty) days from the date of LOI/Acceptance to Tender, whichever is earlier. The Performance Guarantee Bond is to be furnished in
the form of Bank Guarantee as per proforma at Annexure - VII of the tender document, for an amount covering 5% (Five percent) of the value of the quantity of material on landed cost basis covered by the aforesaid Acceptance to Tender. No change in the prescribed proforma of the Bank Guarantee for Performance Guarantee bond is acceptable.

8.2 The Performance Guarantee Bond should be established in favour of RINL through any Nationalized Bank situated at Visakhapatnam or outstation with a clause to enforce the same on their local branch at Visakhapatnam. If the bond is issued by any scheduled bank (other than Indian nationalized bank), bond is to be issued by the branch located in Visakhapatnam only. Bonds from Co-operative banks are not accepted.

8.3 This Performance Guarantee Bond shall be for the due and faithful performance of the contract and shall remain binding, notwithstanding such variations, alterations or extensions of time as may be made, given, conceded or agreed to between the successful tenderer and the Purchaser under the terms & conditions of Acceptance to Tender.

8.4 The successful tenderer is entirely responsible for the due performance of the Contract in all respects according to the spirit, intent and meaning of the terms and conditions and specifications and all other documents referred to in the Acceptance to Tender.

8.5 The Performance Guarantee Bond shall be kept valid and in full force and effect during the period of the contract and shall continue to be enforceable for a period of 18 months from the date of dispatch of the material.

8.6 Performance Guarantee Bond shall be released after 18 months from the date of dispatch of the material or 12 months after receipt of the material, subject to clearance from actual user, whichever is earlier, under the Acceptance to Tender.

9.0 STATEMENT OF DEVIATIONS:

9.1 If any tenderer is unable to accept any particular term(s) as incorporated in the Tender document, or proposes any deviation therefrom, the Tenderer shall enclose along with his offer, a statement of deviations clearly spelling out the deletions / deviations proposed, which may, however, have an impact on the evaluation of his offer or rejection by RINL. Each tenderer shall give an undertaking along with his offer confirming his acceptance to all the terms and conditions of the Tender document, except for the deletions / deviations specifically proposed by them in their offer.

9.2 Offers with any deviations to the following terms and conditions contained in the tender document are not acceptable to VSP and such offers are liable for rejection:

(a) Specification sheets (b) Price firmness (c) Liquidated damages, (d) Risk Purchase (e) Submission of EMD / bid bond (f) Consent for opening Performance Guarantee Bond (g) Inspection (h) Arbitration and Jurisdiction and (i) Default (j) Offer received in single bid (k) offers received by cable, e-mail, telex, fax or Telegrams (l) late / delayed offers (m) Non-submission of Letter of authority from established manufacturer if the tender is submitted by authorized representative of manufacturer. (n) Non-submission of Integrity Pact duly signed and stamped on all pages along with witnesses.

10.0 OTHER GENERAL POINTS RELATING TO THE PREPARATION / SUBMISSION / DESPATCH OF THE OFFER:
10.1 The detailed offer together with its enclosures should be submitted in two parts:

Part-A - Techno-Commercial Bid
Part-B - Price Bid.

In two separate sealed envelopes. Part-A should contain all details on technical specifications, other information/data/documents/confirmations/deviations, if any. A price format as in the Part-B after blanking the prices is also to be placed in the Part-A. However, no indication of price in any form, shall be given in Part-A. Confirmation with regard to information/data/documents to be furnished by tenderers as per Para 1.0 above are also to be enclosed in Part-A.

Part-B: Price Bid should be submitted separately in the prescribed proforma as at Annexeure-III to the Tender Documents.

10.2 Each page of the offer should be numbered consecutively, referring to the total number of pages comprising the entire offer, at the top right-hand corner of each page.

10.3 Each page of the offer should be signed by the authorised officer(s) of the Tenderer.

The Part-A & Part-B of the offer together with its enclosures in separate sealed envelopes, should be placed in an envelope which should bear, in Block capital letters, superscription "Tender for supply of Steel Cord Conveyor Belts against Tender No. Pur. 0.19.0053/0616 Dated 17.02.2010" and should also bear superscription:

Part-A: Techno-Commercial Bid, or
Part-B: Price Bid.

The two envelopes should then be sealed separately. The name and address of the tenderer should be mentioned on each of this envelope.

10.4 The envelopes referred to in para 10.3 above should be placed in another envelope which should be addressed to the Executive Director (MM), Administration Building, Block-A, Purchase Dept, Visakhapatnam Steel Plant, Visakhapatnam 530 031, Andhra Pradesh, India and should bear in Block Capital Letters the superscription "OFFER IN RESPONSE TO TENDER NO. PUR. 0.19.0053/0616 DATED 17.02.2010" This envelope should also be sealed. The name and address of the Tenderer should be mentioned on this envelope as well.

10.5 Tenders will be accepted upto 10.30 Hrs (IST), on 12.03.2010. The Techno-Commercial bid of the tenders shall be opened immediately thereafter in the presence of the tenderers or authorised representative of the tenderers, who may choose to be present. The date and time of opening of price bid shall be intimated separately to technically and commercially accepted tenderers. Price Bids (Part-B) of those Tenderers who have been Techno-Commercially accepted shall only be opened in the presence of the tenderers or Authorised representatives of the Tenderers who may choose to be present.

10.6 In case any tenderer is silent on any clauses mentioned in this tender document, VSP shall construe that the tenderer had accepted the clauses as per this Invitation to Tender.
10.7 The price quotation should be given in the Part-B: Price bid and not in any other accompanying documents or statement. No revision in the price(s), terms & conditions quoted in the offer will be entertained after the last date and time fixed for receipt of tenders.

11.0 COMPLETENESS OF THE TENDER:

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

12.0 PUNITIVE ACTIONS TO BE TAKEN AGAINST AGENCIES WHO SUBMIT FALSE/FORGED DOCUMENTS TO VSP:

If it comes to the notice of VSP at any stage from request for enlistment/ tender document that any of the certificates / documents submitted by applicants for enlistment or by bidders are found to be false/ fake/ doctored, the party will be debarred from participation in all VSP tenders for a period of 5 years including termination of contract, if awarded. EMD/ Security Deposit etc. if any, will be forfeited. The contracting Agency in such cases shall make good to VSP any loss or damage resulting from such termination. Contracts in operation anywhere in VSP will also be terminated with attendant fall outs like forfeiture of EMD/ Security Deposit, if any, and recovery of risk and cost charges etc. Decision of VSP Management will be final and binding.
ANNEXURE-III (a) TO TENDER NO.PUR.0.19.0053/0616 Dated 17.02.2009

PROFORMA FOR PRICE BID FOR INDEGENEOUS OFFER

1.* Name of the Tenderer :

2.* Address :

<table>
<thead>
<tr>
<th>S.No</th>
<th>Item Description</th>
<th>Qty. (Meters)</th>
<th>Basic Unit Price (Rs.)</th>
<th>E.D (Rs.)</th>
<th>Sales Tax (Rs.)</th>
<th>Freight (Rs.)</th>
<th>Insurance (Rs.)</th>
<th>Landed cost (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Steel Cord Conveyor Belt 2000MM ST 4000 12/6, Grade HR-130 As per technical specification (Cat. No. 20/00301201101)</td>
<td>1000.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Entry Tax (if any) :

(* - Also to be indicated in “Part-A : TECHNO COMMERCIAL BID” by blocking the price part)

Note: (i) Specify APVAT and TIN No. if supplies are from Andhra Pradesh, India

(ii) Tenderers shall fill up and confirm with signature and stamp our specification sheets and submit back up along with the offer without which the offer is liable for rejection.

(iii) Kindly confirm submission of Excise Duty documents for availing CENVAT benefit by VSP

SIGNATURE OF THE PARTY

P.S. The tenderer shall enclose the blank format of price bid along with Techno-Commercial offers except indicating the percentage of taxes and duties levied and shall give specific confirmation that except the data asked for in the price bid, no other information or condition is given in the price bid. Price bid should contain no caveat conditions. In case any other data not relevant is noted in the price bid, offer shall be summarily rejected.
PART-III (b) OF TENDER DOCUMENT

INVITATION TO TENDER NO.PUR 0.19.0053/0616 Dated 17.02.2009

PROFORMA FOR PRICE BID FOR FOREIGN OFFER

1.* COUNTRY OF ORIGIN:

2.* Name of the Tenderer:

3.* Address

4.* PRICES FOR SUPPLY OF Steel Cord Conveyor belts

<table>
<thead>
<tr>
<th>S. No</th>
<th>Item Description</th>
<th>Qty. (Meters)</th>
<th>CFR Visakhapatnam per Meter (USD/ EURO/ YENS)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Steel Cord Conveyor Belt 2000MM ST 4000 12/6, Grade HR-130 As per technical specification (Cat. No. 20/00301201101)</td>
<td>1000.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>FOB component</td>
<td></td>
<td>Freight charges</td>
</tr>
</tbody>
</table>

(Please indicate the detailed Terms & conditions for the offer of Supplier’s credit)

Note: The party must indicate whether CVD documents shall be submitted for availing CENVAT benefit by VSP

* (Also to be indicated in “Part-A : TECHNO COMMERCIAL BID”)
By blocking the price part.

Note: Tenderers shall fill up and confirm with signature and stamp our specification sheets, submit back up along with the offer without which the offer is liable for rejection

SIGNATURE OF THE TENDERER

P.S. The tenderer shall enclose the blank format of price bid in part-A i.e., Techno-commercial bid except indicating the percentage of taxes and duties levied and shall give specific confirmation that except the data asked for in the price bid, no other information or condition is given in the price bid. In case any other data not relevant is noted in the price bid, offer shall summarily be rejected
# ANNEXURE-IV TO TENDER NO PUR. 0.19.0053/0616 Dated 17.02.2010

SEE PARA 1.6 OF INSTRUCTIONS TO TENDERERS
CHECK LIST TO BE FILLED UP AND SENT ALONG WITH TECHNICAL - COMMERCIAL BID – PART-A OF YOUR OFFER

<table>
<thead>
<tr>
<th>SL. NO.</th>
<th>TENDER TERMS</th>
<th>AS REQUIRED BY VSP</th>
<th>TO BE CONFIRMED BY PARTY ACCEPTED / NOT ACCEPTED</th>
<th>DEVIATION S, IF ANY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Name and address of the Tenderer</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Quantity offered</td>
<td>To be confirmed as per Para 1.2 of ITT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Technical specifications</td>
<td>To be confirmed as per Annex-I of tender document</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Delivery schedule</td>
<td>To be confirmed as per Para 1.3 of ITT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Payment terms</td>
<td>To be confirmed as per Cl.4.0 of Annx-II of ITT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>EMD</td>
<td>To be confirmed as per Cl.1.5 of ITT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Price Basis</td>
<td>To be confirmed as per Cl.3.0 of Annx-II of ITT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Price firmness</td>
<td>To be confirmed as per Cl. 3.1.1 of Annx-II of ITT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Insurance</td>
<td>To Tenderer’s a/c value be indicated at Annx.III</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Packing</td>
<td>To be confirmed as per Cl.10.O of Annx-VI of ITT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Validity of offer</td>
<td>To be confirmed as per Cl. 7.0 of Annx-II of ITT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Inspection</td>
<td>To be confirmed as per Cl.1.0 of Annx-VI of ITT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Test certificate</td>
<td>To be confirmed as per Cl. 12.0 of Annx-VI of ITT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Liquidated damages</td>
<td>To be confirmed as per Cl. 13.0 of Annx-VI of ITT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Default</td>
<td>To be confirmed as per Cl. 14.0 of Annx-VI of ITT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Risk Purchase</td>
<td>To be confirmed as per Cl.5.0 of Annx-VI of ITT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Arbitration &amp; Jurisdiction</td>
<td>To be confirmed as per Cl.24.0 of Annx-VI of ITT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>Force Majeure</td>
<td>To be confirmed as per Cl.23.0 of Annx-VI of ITT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>Performance Guarantee Bond</td>
<td>To be confirmed as per Cl. 8.0 of Annx-II of ITT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>Other terms and condition of ITT / GCC</td>
<td>To confirm acceptance.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Submission of Integrity Pact</td>
<td>To submit along with Techno-commercial offer duly signed &amp; stamped along with witnesses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Supplier must have experience of manufacturing and supply of steel cord belt of 2000 mm width, type: ST 4000 for more than 5 years and must have made minimum 2 supplies before 5 years from January 2010.</td>
<td>Documentary evidence for the supply is to be enclosed along with the offer, without which the offer will not be considered.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>Guarantee required – 4 years of continuous operation of BF with 24Hrs/day operation handling materials like Coke, Ore, Sinter, additive etc. (As per clause No.4 of other conditions of Tech. Spcn.)</td>
<td>To be confirmed as per Clause No.4 of other conditions of Tech. Spcn-Annexure.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Details of similar belts supplied to other agencies especially for similar application of BF in Steel Plant shall be furnished by the tender. This shall include belt width, rating, year of supply and installation, life and place of supply</td>
<td>To be confirmed as per clause No.6 of other conditions of Tech. Spcn – Annexure.1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Dear Sir,

Sub: Your Tender Notice No. PUR. 019.0053/0616 Dated 17.02.2010

---

We, ................................ a principal manufacturer of Steel Cord Conveyor Belts of (place)................do hereby authorise M/s.........................(Name and address of Seller) to make an offer in response to this invitation to tender.

We, ................................ a principal manufacturer of Steel Cord Conveyor Belts do hereby convey our consent to supply Steel Cord Conveyor Belts to the tendered specification through M/s.........................(Name and address of Supplier) as per the terms and conditions of the tender.

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

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

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

Yours faithfully

(NAME)

for & on behalf of M/s.........................
(Signature and Name of Steel Cord Conveyor Belts Manufacturer with seal)

Note: This letter of authority should be on the Letter-Head of the Steel Cord Conveyor Belts Manufacturer and should be signed by a person competent and having the power of attorney to bind the Steel Cord Conveyor Belts Manufacturer.
This letter of authority should be submitted in original along with Part- A: Techno-commercial bid.

ANNEXURE-VI TO TENDER NO.PUR. 0.19.0053/0616 Dated 17.02.2010

SPECIAL TERMS & CONDITIONS OF ACCEPTANCE TO TENDER

1.0 INSPECTION

1.1 **INDIGENOUS**: Inspection of the offered Material at Supplier’s Premises shall be carried out prior to despatch by the designated agency as specified in the Acceptance to Tender by the Purchaser against the readiness of the Material. The supplier shall submit Test certificates / Internal Inspection Reports along with the Inspection call. The material shall be despatched only on acceptance by such designated agency. Accepted Inspection certificate shall form a part of the documents for negotiating the payment.

1.2 **IMPORT**: Inspection of quality if so desired by the Purchaser, shall be done by designated inspection agency of the Purchaser before the material is despatched. The inspection agency shall be appointed by the Purchaser and the charges of Inspection will be borne by the Purchaser. The inspection certificate issued by the inspection agency for quality will be final and binding on Seller and Purchaser. Quantity as received and certified at VSP Stores (Ref. Cl.2.0 below) shall be final.

2.0 LENGTH IN METERS:

2.1 **INDIGENOUS i.e., INDIAN OFFERS**: The length recorded at VSP shall be the basis for release of payment. The payment shall be restricted to the length recorded at VSP or LR or the Invoice length, whichever is lower.

2.2 **IMPORT i.e., OTHER THAN INDIAN OFFERS**: The length of the material mentioned against each Bill of Lading at load port, shall be compared with the length recorded at VSP after clearance by the Customs at disport. The length recorded at VSP shall be the basis for release of payment. The payment shall be restricted to the length recorded at VSP or the Bill of Lading weight whichever is lower.

3.0 MARINE INSURANCE (IN CASE OF IMPORT OFFER):

3.1 The insurance is to be arranged by the Purchaser. Within 5 working days of shipment, the supplier shall furnish by fax / e-mail the following particulars of the shipment to the Underwriters of the Purchaser:
(a) Purchaser Order Number, (b) Purchaser's Marine insurance open cover number, (c) Name of the vessel, (d) Port of shipment, (e) Date of sailing of the vessel from port of shipment, (f) Bill of Lading number and date with description of the materials, (g) number of packages/ bundles/ containers, (h) quantity shipped including gross and net weight, (i) invoiced value of the materials shipped, (j) port of discharge.
Further, the above cable/telex/fax intimation must invariably be repeated to the main office of the Purchaser. The address and other details of the Underwriters and the Purchaser shall be informed at the time of Placement of order.

3.2 In case of C&F shipments, RINL will bear the marine insurance premium for the ships not older than 15 years. If the age of the ship is more than 15 years the additional insurance premium payable on this account (overage premium) shall be to the SELLER's account.

4.0 **PRICE VARIATION**: Price shall remain firm till completion of supplies.

5.0 **TERMS OF PAYMENT**:

5.1 100% payment shall be made against submission of bills along with accepted GARNs (Goods Acceptance / Rejection Note) issued by PURCHASER on 30th day from the date of acceptance of material at VSP Stores.

5.2 In case of Indigenous i.e., Indian offers, PURCHASER encourages Electronic Fund Transfer for payment direct to Seller’s Bank account on due date for which Seller has to furnish Bank account details in the format prescribed by PURCHASER. Cheque date will be considered for arriving at 30th day wherever payment is made by Cheque. Any other mode of payment term will be suitably loaded while evaluating the tender.

5.3 In case of Imports i.e, other than Indian Offers, L/C payment shall be made upon presentation of documents specified at Para 9.1 of Annexure – VI of this document. All Bank charges within and outside India are to SELLER’s account. In case L/C is required to be amended at the instance of Seller, bank charges for the same shall be borne by the Seller.

6.0 **PORT OF DESTINATION**: Visakhapatnam, India

**PORT OF LOADING**: Please indicate the details of Port of Loading

7.0 **SHIPPING PROCEDURE (IN CASE OF IMPORT i.e., OTHER THAN INDIAN OFFER)**:

7.1 In case the order is finalised in FOB terms the shipping arrangements will be made by the Shipping Co-ordination and Chartering Division, Ministry of Shipping and Transport, New Delhi (Cable: TRANSCHART, NEW DELHI, TELEX: VAHAN ND.2312, 2448 AND 3104) through their respective forwarding agents/nominees to whom adequate notice of not less than six weeks about the readiness of cargo for shipment should be given by the supplier from time to time for finalising the shipping arrangements. The details of forwarding agents/nominees will be indicated in the order.

7.2 The Bills of Lading shall be drawn so as to show:

Shippers : (Name of the supplier)

Port Consignee : Rashtriya Ispat Nigam Limited
Visakhapatnam Steel Plant- Port Operation Office
Dr. Ambedkar Bhavan, Room No.422,
7.3 In case the order is finalised on FOB terms the two non-negotiable copies of the Bills of Lading indicating the gross freight amount and rebate allowed, should be forwarded to the Shipping Co-ordination Officer, Ministry of Shipping and Transport, New Delhi after the shipment of each consignment is effected.

8.0 CONDITIONS FOR SHIPMENT (IN CASE OF IMPORT OFFER):

8.1 The materials shall always be shipped UNDER DECK only. Under No circumstances, shipment "On Deck" will be permitted or accepted.

8.2 In case the order is finalised in FOB terms every shipment against this Purchase order must be made under Bill (s) of Lading marked "Freight to Pay" providing for discharge on Liner terms on Quay/Wharf/Berth at the port of discharge, free of risk and expense to the Purchaser. The date of the Bill of Lading shall be treated as the date of Shipment.

9.0 SHIPPING DOCUMENTS (IN CASE OF IMPORT i.e., OTHER THAN INDIAN OFFER):

9.1 In respect of each shipment against the order, if any, placed by the Purchaser, each of the under mentioned documents shall be made out separately by the Seller:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Description of the document</th>
<th>No. of copies to be sent</th>
<th>Sl. No.</th>
<th>Description of the document</th>
<th>No. of copies to be sent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>First Original (1/3) negotiable clean on board ocean Bill of Lading stamped, signed marked “Freight To Pay / Pre-paid” made out to the order of Rashtriya Ispat Nigam Ltd., &amp; Notify: Rashtriya Ispat Nigam Ltd. (Office at the Port of discharge)</td>
<td>One Original</td>
<td>1</td>
<td>Duplicate &amp; Triplicate original (2/3) &amp; (3/3) negotiable clean on board Ocean Bill of Lading stamped, signed, marked “Freight To Pay / Pre-paid” made out to the order of Rashtriya Ispat Nigam Ltd., &amp; Notify: Rashtriya Ispat Nigam Ltd. (Office at the Port of discharge)</td>
<td>Two Originals</td>
</tr>
<tr>
<td>2</td>
<td>Non-negotiable Bill of Lading</td>
<td>5 copies</td>
<td>2</td>
<td>Non-negotiable Bill of Lading</td>
<td>5 copies</td>
</tr>
<tr>
<td>3</td>
<td>Seller’s commercial Invoice</td>
<td>5 signed copies</td>
<td>3</td>
<td>Seller’s commercial Invoice</td>
<td>5 signed copies</td>
</tr>
<tr>
<td>4</td>
<td>Manufacturer’s Test</td>
<td>5 signed</td>
<td>4</td>
<td>Manufacturer’s Test</td>
<td>5 signed</td>
</tr>
<tr>
<td></td>
<td>cum Guarantee Certificate copies</td>
<td>cum Guarantee Certificate copies</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Packing list 5 signed copies</td>
<td>5. Packing list 5 signed copies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Lloyds certificate &amp; or forwarding agents certificate certifying the age and sea worthiness of the carrying vessel 3 signed copies</td>
<td>7. Seller’s certificate to the effect that shipment has been made as per Clause- 8.0 for FOB shipments 3 signed copies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Seller’s fax intimation of shipment to the main office of the Purchaser and underwriters 3 signed copies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Seller’s certificate confirming despatch of advance set of documents which also includes (1/3) original B/L within 7 working days from the B/L date 3 signed copies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Accepted Inspection Certificate of Designated agency as specified in Acceptance to Tender 3 signed copies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note:** The above shipping clauses shall be suitably amended in case of C&F Order.

9.2 **INDIGENOUS**: The Seller shall despatch materials on door delivery basis ensuring that the **ED Gate Pass ‘duplicate copy’** for the transporter (for availing CENVAT) and “Tax Invoice” (for availing VAT) is handed over by the transporter to VSP. In case of non-submission of this document, the amount equivalent to the loss of CENVAT / VAT shall be recovered from the amount due.

10.0 **PACKING & MARKING:**

10.1 The material should be securely packed **ACCORDING TO ACCEPTED industry practice and International Standard as applicable to the product being supplied**.

10.2 The Supplier shall include and provide for securely protecting and sea worthy packing the material in accordance with best established practices so as to protect the contents from damage during transit from point of production until after arrival at Purchaser's site under conditions which may involve multiple handling, transport by ship, rail and road, storage, exposure, to heat moisture rain etc. Wherever considered necessary, the Purchaser or his representative may check the packing before despatch and may ask for modifications to the extent considered necessary to be carried out in the packing and the Supplier shall carry out the same free of charge. All packing shall allow for removal and checking at site.
11.0 **PACKING LISTS (IN CASE OF IMPORT i.e, OTHER THAN INDIAN SUPPLIES):**

11.1 Each package shall have a detailed packing list quoting specifically the name of the Seller, number and date of the order, the name of the Purchaser and the description of the stores and the quantity contained in the package. Duplicate copy of the packing list shall be put in a water proof envelope and fastened securely to the outside of the package.

11.2 Notwithstanding any thing stated in this Article, the Seller shall be entirely responsible for loss, damage or depreciation to the materials occasioned by faulty, defective or insecure packing or due to improper or insufficient protective measures.

12.0 **TEST CERTIFICATE:**

12.1 The Seller should submit Manufacturer's Test certificate along with every consignment, clearly indicating the relevant Parameters and batch no. and other identification marks, if any and give guarantee for replacement in case of any deviations / manufacturing defects.

12.2 Replacement of defective materials shall be made free of cost (including duties in India to Seller's account) at Purchaser's site by the Supplier and the collection of the defective material to the Supplier's works shall be the Supplier's responsibility and shall be made at his expenses.

13.0 **LIQUIDATED DAMAGES:**

13.1 Delivery is the essence of the Contract and hence should any consignment be delayed, liquidated damages @ 0.5% of the price of the delayed consignment, for each week or part thereof shall be levied and recovered subject to a maximum of 10% of the total order value.

14.0 **DEFAULT:**

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

15.0 **RISK PURCHASE:**

15.1 The PURCHASER reserves the right to take Risk Purchase action at the cost and risk of the SELLER, in case he fails to deliver the materials in the specified schedule and the differential cost shall be recovered. The cancellation of the Acceptance to Tender as stated in para 14 herein above may be either for whole or part of the Acceptance to Tender at PURCHASER's option. In the event of the PURCHASER terminating
the Acceptance to Tender in whole or in part, he may procure, on such terms and in such manner as he deems appropriate, supplies similar to those so terminated and the SELLER shall be liable to the PURCHASER for any excess costs for such similar supplies. However, in case of part termination of Acceptance to Tender by the PURCHASER, the SELLER shall continue the performance of the Acceptance to Tender to the extent it is not terminated under the provisions of this Clause.

16.0 RECOVERY OF SUMS DUE:

16.1 Whenever under this Acceptance to Tender any sum of money is recoverable from and payable by the SELLER, the PURCHASER shall be entitled to deduct such sum from any amount then found payable to the SELLER by the PURCHASER or which at any time thereafter may be found to be payable to the SELLER by the PURCHASER under this or any other Acceptance to Tender with the PURCHASER. Should this sum be not sufficient to cover the full amount recoverable, the SELLER shall pay to the PURCHASER on demand the remaining balance amount. This action shall be without prejudice to the right of the PURCHASER to take legal action against the SELLER for the breach of the Contract.

17.0 RESPONSIBILITY:

17.1 The PURCHASER on the one hand and the SELLER on the other hand shall be responsible for the performance of all their respective obligations under this Acceptance to Tender.

18.0 TRANSFER AND SUB-LETTING:

18.1 The SELLER shall not sublet, transfer, assign or otherwise part with the Acceptance to Tender or any part thereof, either directly or indirectly, without the prior written permission of the PURCHASER.

19.0 EXPORT LICENCE:

19.1 It shall entirely be the responsibility of the SELLER to obtain the requisite Export Licence and to comply fully and to honor all procedures, regulations, policy, relevant laws of his country for export of the MATERIAL to India and he shall keep the PURCHASER indemnified for any losses which may accrue to the PURCHASER because of any defect therein.

20.0 TAXES AND DUTIES:

20.1 The SELLER shall be entirely responsible for all taxes, stamp duties, Licence fees and other such levies imposed outside the PURCHASER’S country.

21.0 COMPLETENESS OF THE AGREEMENT AND MODIFICATION:

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

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

23.0 **FORCE MAJEURE:**

23.1 If at any time during the continuance of this Contract, the performance in whole or in part by either party of any obligation under this contract shall be prevented or delayed by reasons of war, hostility, acts of public enemy, civil commotion, sabotage, fire, floods, explosions, epidemics, quarantine restriction, or acts of God (herein referred to as "eventualities") and provided notice of happenings of any such eventuality (duly certified by International Chamber of Commerce in case of foreign parties) is given by either party to other within 21 days from the date of occurrence thereof, neither party shall by reasons of such eventuality be entitled to terminate this Contract nor shall either party have any claim for damages against the other in respect of such non-performance or delay in performance. Deliveries under this Contract shall be resumed as soon as practicable after such eventuality has come to an end or ceased to exist and the decision of the Purchaser as to whether the deliveries have so resumed or not shall be final and conclusive. Provided further that if the performance in whole or in part of any obligations under this Contract is prevented or delayed by reasons of any such event for a period exceeding 60 days either party may at its option terminate the Contract. Provided also that the Contract, if terminated under this clause, the Purchaser shall be at liberty to take over from the Contractor at a price to be fixed by the Purchaser which shall be final, all unused, undamaged and acceptable material, bought out components and stores in course of manufacture in the possession of the Seller at the time of such termination or such portion thereof as Purchaser may deem fit except such material, bought out components and stores as the Seller may with the concurrence of the Purchaser, elect to retain.

24.0 **ARBITRATION AND JURISDICTION:**

24.1 All disputes arising out of or in connection with the Acceptance to Tender shall be finally settled by Arbitration in accordance with the rules of Arbitration of the Indian Council of Arbitration and the Award made in pursuance thereof shall be binding on the parties. The Arbitration bench shall give a reasoned award. Cost of arbitration to be borne by the losing party. The venue of arbitration shall be Visakhapatnam, India and language of arbitration shall be in English.

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

25.0 **LEGAL INTERPRETATIONS:**

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

25.2 **IMPORT:** To interpret all the commercial terms and abbreviations used herein which have not been otherwise defined, the rules of "INCOTERMS 2000" shall be applied.
26.0 LIABILITY OF GOVT. OF INDIA:

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

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ANNEXURE- VII TO TENDER NO.PUR. 0.19.0053/ 0616 Dated 17.02.2010

PROFORMA OF BANK GUARANTEE FOR PERFORMANCE GUARANTEE BOND

(To be submitted on Non-judicial stamp paper of value of Indian Rupees one Hundred drawn on the name of the issuing Bank)

TO BE ESTABLISHED THROUGH ANY OF THE NATIONALISED BANKS (WHETHER SITUATED AT VISAKHAPATNAM OR OUTSATTION) WITH A CLAUSE TO ENFORCE THE SAME ON THEIR LOCAL BRANCH AT VISAKHAPATNAM OR ANY SCHEDULED BANK (OTHER THAN NATIONALISED BANK) SITUATED AT VISAKHAPATNAM. BONDS ISSUED BY CO-OPERATIVE BANKS ARE NOT ACCEPTED.

To
Rashtriya Ispat Nigam Limited,
Visakhapatnam Steel Plant,
Administrative Building,
Visakhapatnam-530031

Bank Guarantee No                       Dt

LETTER OF GUARANTEE

WHEREAS M/s____________________________________________hereinafter referred to as the SELLER) and M/s RASHTRIYA ISPAT NIGAM LIMITED (hereinafter referred to as the PURCHASER) have entered into an AGREEMENT vide ACCEPTANCE TO TENDER No._______________ Dated___________(hereinafter called the said A/T) for the supply of____________

Steel Cord Conveyor Belts

(hereinafter referred to as the MATERIALS) on the terms and conditions mentioned therein.

2. We, ………………… (name of bank & branch) at the request of the SELLER, do hereby undertake and indemnify and keep indemnified the PURCHASER to the extent of Rs.____________________________(Rupees____________________________) against any loss or damage that may be caused to or suffered by the PURCHASER, by reason of any breach by the SELLER of any of the terms and conditions of the said A/T and/or in the performance of the said A/T by the SELLER. We agree that the decision of the PURCHASER as to whether any breach of any of the terms and conditions of the said A/T or in the performance thereof has been committed by the SELLER and the amount of loss or damage that has been caused to or suffered by the PURCHASER shall be final and binding on us and the amount of the said loss or damage shall be paid by us forthwith to the PURCHASER on demand and without protest or demur.

3. We, ………………… (name of bank & branch) hereby further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for satisfactory performance and fulfillment in all respects of the said AGREEMENT and that it shall continue to be enforceable for (a) 120 days after the date of Bill of Lading of the
last consignment of the MATERIALS under the said AGREEMENT or (b) in the event of any dispute(s) between the PURCHASER and the SELLER, until such period(s) the dispute is settled fully, whichever date is the latest and that if any claim accrues or arises against us, ......................(name of bank & branch) by virtue of this guarantee before the dates referred to at (a) and (b) herein above, the same shall be enforceable against us, .............. (name of bank & branch), notwithstanding the fact that the same is enforced after the dates referred to at (a) or (b) herein above, whichever date is the latest, provided that notice of any such claim has been given by the PURCHASER before the dates referred to at (a) or (b) herein above, as the case may be. Payments under this LETTER OF GUARANTEE shall be made promptly upon our receiving the notice to that effect from the PURCHASER on demand and without protest or demur.

4. We, ................ (name of bank & branch) undertake not to revoke this Guarantee during its currency without the prior written consent of the PURCHASER.

5. We, ................ (name of bank & branch) hereby further agree that the PURCHASER shall have the fullest liberty, without affecting in any manner our obligations hereunder, to vary any of the terms and conditions of the said A/T or to extend the time of performance of the said A/T by the SELLER from time to time or to postpone for any time or from time to time any of the powers exercisable by the PURCHASER against the SELLER and to forbear or to enforce any of the terms and conditions relating to the said A/T and We, ... (name of bank & branch) shall not be released from our liability under this Guarantee by reason of any such variation or extension being granted to the SELLER or any forbearance and/or omission on the part of the PURCHASER or any indulgence by the PURCHASER or by any other matter or thing whatsoever which under the law relating to sureties would, but for this provision, have the effect of so releasing us from our liability under this Guarantee.

6. We, ................... (name of bank & branch) hereby further agree that the Guarantee herein contained is initially valid upto ______________________ and that the same shall be extended further according to the provisions contained herein above.

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

8. We, ...................(name of bank & branch) hereby further agrees that the claims if any, against this Bank Guarantee shall be enforceable at our Branch office at Visakhapatnam situated at ________________________________ (Address of local branch at Visakhapatnam).

Note: The expression "SELLER" wherever appearing in this Performance Guarantee Bond shall also include the "PRODUCER".

FOR AND ON BEHALF OF
(name of bank & branch)
Signature:
Name:

DULLY CONSTITUTED ATTORNEY
& AUTHORISED SIGNATORY
ANNEXURE- VIII TO TENDER NO.PUR. 0.19.0053/0616 Dated 17.02.2010

INTEGRITY PACT

The tenderers shall submit Integrity pact duly signed and stamped with all witnesses along with Techno-commercial offers. The offer is liable for rejection in case of non-submission of integrity pact.

Integrity Pact can be downloaded from our website: www.vizagsteel.com (Visit www.vizagsteel.com, click on “Tenders”, click on “Materials Management Department”, click on “to read Integrity pact” and click on “Integrity pact”)

ANNEXURE- IX TO TENDER NO.PUR. 0.19.0053/0616 Dated 17.02.2010

GENERAL CONDITIONS OF CONTRACT FOR SUPPLY

All other terms and conditions shall be as per VSP's G.C.C for supply of Material which is placed on our website: www.vizagsteel.com (Visit www.vizagsteel.com, click on “Tenders”, click on “Materials Management Department” and click on “General Conditions of the Contract”)