



**Rashtriya Ispat Nigam Limited**  
**Visakhapatnam Steel Plant**  
Marketing Department-HQ  
Main Administrative Building  
**Visakhapatnam-530031**  
**Andhra Pradesh, India**

**Expression Of Interest (EOI)**

for

Appointment of Steel processing Units (SPU) for  
conversion of RINL/VSPs Cast Billets in to TMT  
Re-bars and Structurals on Wet lease basis

**Rashtriya Ispat Nigam Limited**  
**Visakhapatnam Steel Plant**  
**Marketing Department-HQ**

**Expression Of Interest (EOI)**  
**for appointment of Steel processing Units (SPU) for conversion**

**1.0 Intent**

RINL, a leading Central Public Sector Enterprise, under the administrative control of Ministry of Steel, GOI, manufactures Iron and Steel products in long product category, intends to appoint Steel Processing Units (Rolling Mills) for conversion of RINL/VSPs Semis in to TMT Re-bars and Structural on Wet Lease basis.

**2.0 Company Profile**

Rashtriya Ispat Nigam Limited (RINL) is a Navaratna Cental Public Sector Enterprise (CPSE), owned by the GOI. The company was established on 18<sup>th</sup> February 1982. Visakhapatnam Steel Plant (VSP), the first shore based integrated Steel Plant located at Visakhapatnam in the State of Andhra Pradesh, India is a unit of RINL. The plant has a capacity to produce 3.0 million tonnes of liquid steel per annum. Currently, RINL/VSP is in long product segment with a market share of 10% in the long products in the country.

Presently RINL is nearing its expansion of 3.0 MTPA capacity to 6.3 MTPA by end of this financial year. Subsequent to commissioning of Statge-1 expansion units in the last quarter of 2011, cast billets of size 150x150 and 200x200 shall be available in substantial quantity every month for **conversion into finished products**.

**3.0 Objective**

RINL invites Expression of Interest(EOI) from Steel Processing Units - SPUs ( Existing/Prospective) on wet leasing basis for entering in to a long term contract (for a period of 5 years extendable for further 2 years) for **conversion** of cast billets of above sizes in to TMT re-bars 8mm to 32mm/ Structural in various sizes as per the requirement.

In the first phase, RINL is planning to enter in to contracts for one SPU in each of the following locations.

- 1) Ghaziabad,Uttar Pradesh
- 2) Alwar,Rajasthan

The existing/prospective SPUs should have capacity to convert RINL/VSPs cast billets of size 150x150 and 200x200 in to TMT re-bars of size 8mm to 32mm/Structurals in various sizes as per requirement.

4.0 **Conversion Charges** : Consolidated conversion charges(Rate) for supply of one tonne of finished goods will be paid that may include elements like variable cost, fixed cost, profit margin and other expenses etc.

5.0 **Compliance of Statutory obligations** : The SPU/prospective SPU shall comply with all Statutory laws, applicable acts, statutes etc.

## 6.0 **Eligibility & Scope of SPUs**

- a) Should be a manufacturer capable of producing TMT Re-bars/Structurals with a minimum monthly capacity of 6,000 MT per month in any of the last three financial years/ willing to establish a unit with a minimum capacity of 72,000 MT per annum (TMT Rebars/Structurals), within a maximum period of two years.
- b) The total mill capacity of the SPU/prospective SPU shall have to be offered to RINL and such SPUs shall not produce and sell the said product under his banner or for any other buyer/agency in any location. The SPU should not have facility for manufacturing of Ingots/Blooms/Billets in the same premises.
- c) SPU should have valid BIS license/prospective SPU should obtain valid BIS license prior to commencement of operation.
- d) SPU should have a license of either Turboquench, Thermax,Tempcore,Stelmore, Evcon or any other processes of TMT bars at the time of submission of EOI. In case of prospective SPUs, SPU should obtain valid license of either the above mentioned processess or any other process.
- e) SPU should have ISO 9000 certification/should obtain the certificate before commencement of operation.
- f) VSP shall supply cast billets to the SPUs from Ex-Plant and/ or from nearest RINL stockyard.
- g) After conversion, SPU/prospective SPU shall deliver 0.95 Mt of finished product for every Metric tone of semis i.e cast billets issued by RINL. (5% Metal loss is allowed).
- h) SPU/Prospective SPU shall have their own computer system having Internet connectivity compatible with VSPs ERP system.
- i) SPU/Prospective SPU shall have their own laboratory facilities for checking quality parameters and to issue Material Test Certificate for finished products on behalf of RINL/VSP.
- j) SPU/Prospective SPU should have 60 MT or higher capacity weigh bridge with 60 ft platform.
- k) SPU/Prospective SPU should provide embossing facility for branding converted products with RINL Logo as “RASHTRIYA ISPAT “ for TMT Re-bars and “ RINCON” for Structurals or any other brand name as may be decided by RINL from time to time.

- l) SPU/Prospective SPU should have facility for microstructure study with photographic facility for analysis.
- m) The SPU should be of sound financial standing and should submit a certificate from their Bankers to this effect and also balance sheets based on their transactions during the previous three (3) years or date of incorporation whichever is later. In case of prospective SPU, it should submit a certificate from their Banker for their financial soundness and financial tie up for setting up the manufacturing unit for conversion.

Interested parties may please submit their EOI and suggestions, if any along with all the documentary evidence establishing their credentials.

## **7.0 Submission of EOI : General Terms and Condition**

Interested parties may submit their Expression of Interest (EOI), in an envelope superscribing “EOI for Appointment of Steel Processing Unit – for conversion of VSPs semis in to TMT Re-bars/ Structural” on or before 5.00 p.m on 21.11.2011. The parties should take care of submitting the EOIs properly filed so that the papers are not loose. The EOI documents should be properly numbered and submitted in a file in proper manner so that the papers do not bulge out and tear during scrutiny.

## **8.0 Address for submission of EOI :**

**Dy General Manager (Marketing)- Project Sales**  
Main Administrative Building,  
Marketing Department,  
Visakhapatnam Steel Plant,  
Visakhapatnam, Andhra Pradesh, India  
P.I.N - 530031,

RINL is not responsible for non-receipt of response to EOI within the specified date and time due to any reason including postal holidays or delays. In case the specified date of submission of EOI is declared a holiday, the bids will be received till the specified time on next working day.

## **9.0 Process of selection of the Steel Processing Unit (SPU)**

It is planned to adopt 2 stage tendering process. In the first stage, Expression of Interest (EOI) invited from the reputed, well established existing rolling mills/prospective units in the locations as mentioned above.

In the second stage, based on the EOIs received from various proponents, a Committee appointed by RINL/VSP would shortlist the proponents for making the presentation

based on which the terms and conditions for the tender shall be formulated. Thereafter selection will be made by open tender procedure.

10.0 DISCLAIMER :

The issue of this document, does not, in any way commit, or otherwise oblige RINL to proceed with all or any of the proposals received.

The EOI request is not the subject of any process contract or any contractual obligation between RINL and the applicant or potential applicants.

RINL may at its absolute discretion, elect to abandon any part or whole of the process without giving prior intimation to the applicant or potential applicants.

RINL reserves the right to consider or reject any proposal at any point of time without assigning any reasons, whatsoever.

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**RASHTRIYA ISPAT NIGAM LIMITED**  
**VISAKHAPATNAM STEEL PLANT**  
(A Govt of India Enterprise)  
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Main Administration Building Visakhapatnam 530031  
Phone: 0891 Fax: 0891 2528316/2518025  
Visit us at [www.vizagsteel.com](http://www.vizagsteel.com)

**EXPRESSION OF INTEREST**

**Ref: Expression of Interest vide notice no:VSP/MKTG-PS/EOI/01 OF 2011-12 DT: 31.10.2011.**

RINL invites Expression of Interest (EOI) from Steel Processing Units –SPUs (Existing/Prospective) on wet leasing basis for conversion at the locations Ghaziabad (U.P) and Alwar (Rajasthan).

For further details and for downloading EOI documents, please log on to our web site [www.vizagsteel.com](http://www.vizagsteel.com) .

Last date of submission of EOI : 5.00 p.m on 21-11-2011

Venue: In the office of DGM(Mktg)-Project sales,VSP at the above address.

Name of contact person: Mr P. Venkataraju, AGM(Mktg)-Project Sales conversion

Phone number: +91 7893082424

A. Narayana Rao  
Dy.General Manager (Mktg)

**RINL VIGILANCE → TOLL FREE NUMBER : 1800 425 8878**